

# EASTERN GASES LIMITED

21<sup>st</sup> Annual Report

2015-2016





**CORPORATE OVERVIEW**

**BOARD OF DIRECTORS:**

**Mr. Sushil Kr. Bhansali**

*Chairman, M.D.*

**Mr. Manish Yadav**

*Independent Director*

**Smt. Manika Mukherjee**

*Independent Director*

**CHIEF FINANCIAL OFFICER**

Mr. Ranjeet Kochar

**COMPANY SECRETARY**

Ms. Divya Singh

**AUDITORS**

**M/s C B C & ASSOCIATES.,**

*Chartered Accountants*

**REGISTERED OFFICE**

43 Palace Court, 1 Kyd Street

Kolkata - 700 016

Ph: 033-22299897 / 8606

Fax: 033-22496826

**CORPORATE IDENTIFICATION NUMBER**

L40200WB1995PLC068251

**WEB SITE & E-MAIL**

[www.eastgas.in](http://www.eastgas.in)

[info@eastgas.in](mailto:info@eastgas.in)

**BOTTLING PLANTS**

**West Bengal**

1. Address: De-Gaul Avenue,  
Vill: Khairasole, Durgapur,  
Dist.: Burdwan (W.B.)

**Karnataka**

2. Address: Survey no 124/1, Budihal,  
Vill: Nelamangala, Taluk  
Dist: Bangalore Rural District,  
Bangalore-562123

**Telangana**

3. Address: House No 240, Block 3  
Vill: Bibi Nagar, Nalgonda  
Dist: Hydrebad -508126  
Telangana

**BANKERS**

DBS Bank

Axis Bank

Central Bank of India

ICICI Bank Ltd.

**RETAIL OUTLET**

Location: Paschim Medinipur

**REGISTRAR & SHARE TRANSFER AGENT**

Name of Registrar: S.K. Infosolutions Pvt. Ltd.

Address: 34/1A, Sudhir Chatterjee Street,  
Kolkata 700006

Phone: +91-33-22196797 / 4819

Fax: +91-33-22194815

Email: [mail@skcomputers.net](mailto:mail@skcomputers.net)

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**NOTICE OF 21<sup>st</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the **21<sup>st</sup> ANNUAL GENERAL MEETING** of the Company will be held on the 30<sup>th</sup> day of September, 2016 at 10.30 am. at Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata – 700078 to transact the following business:

**ORDINARY BUSINESS:**

**1) ADOPTION OF FINANCIAL STATEMENTS:**

To consider and adopt The Financial Statements of the Company for the year ended 31<sup>st</sup> March 2016 and Reports of the Board of Directors and Auditors thereon.

**2) DECLARATION OF DIVIDEND**

To declare a final Dividend of Rs. 0.20 per equity share for the financial year ended March 31<sup>st</sup> 2016.

**3) RE-APPOINTMENT OF AUDITOR:**

To consider and, if thought fit to pass with or without modification, the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, M/s. C B C & Associates., Chartered Accountants, (FRN No. 325794E), retiring auditor of the Company be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of Twenty First (21<sup>st</sup>) Annual General Meeting until the conclusion of the Twenty Sixth(26th) Annual General Meeting of the Company, subject to ratification of the appointment by the Members of the Company at every Annual General Meeting as per the provisions of the Companies Act, 2013, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors

**SPECIAL BUSINESS:**

**4)REGULARISING THE APPOINTMENT OF MR. MANISH YADAV AS NON EXECUTIVE INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as

**Ordinary Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Section 160 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, and subject to the approval of shareholders in general meeting, Mr. Manish Yadav who was appointed as an Additional Non Executive Independent Director in the meeting of the Board of Directors held on 11<sup>th</sup> July '2016 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing her candidature for the office of the Non-Executive Independent Director whose period of office will be for next 5 consecutive years w.e.f 1<sup>st</sup> October' 2016 to 30<sup>th</sup> September' 2021 not be liable to determination by retirement of directors by rotation."

**"RESOLVED FURTHER THAT** Sushil Kumar Bhansali, director of the company be and are hereby severally authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."



## **NOTES**

- 1).The Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.
- 2).A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a Poll on his behalf. A proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of this Annual General Meeting. A Person can act as proxy on behalf of the members not exceeding fifty and holding aggregate not more than ten percent of the total share capital of the company carrying voting rights.
- 3).The Register of Members and Share Transfer Books of the Company will be closed from 24<sup>th</sup> September 2016 to 30<sup>th</sup> September, 2016 (both days inclusive).
- 4).Members are requested to produce the enclosed Attendance Slip at the entrance of the Hall and bring their copies of Annual Reports to the Meeting.
- 5).Members are requested to notify any change in their address immediately quoting their folio no(s) to the Company's Investor Cell.
- 6).The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The Annual Report of the Company is also available on the website of the Company - [www.eastgas.co.in](http://www.eastgas.co.in)
- 7).To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with company/depositors.
- 8). In compliance with the provisions of section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

### **The instructions for shareholders voting electronically are as under:**

#### **Voting through electronic means**

- 1.In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of Listing Agreement the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - I. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - II. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM) but shall not be entitled to cast their vote again.
  - III. The remote e-voting period commences on 26<sup>th</sup> September, 2016 (10:00 am) and ends on 29<sup>th</sup> September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - IV. The process and manner for remote e-voting are as under:
    - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
      - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
      - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
      - (iii) Click on Shareholder - Login
      - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.



- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of " Eastern Gases Limited"
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [dksincs@yahoo.com](mailto:dksincs@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM) [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM):
 

<u>EVEN (Remote e-voting Event Number)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.		
- V. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote
  - VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2016.
  - IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  - X. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
  - XII. Mr. Dilip Kumar Sarawagi, Practicing Company Secretary in whole time practice (Membership No. ACS 13020), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
  - XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's



report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.eastgas.co.in](http://www.eastgas.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai & CSE Kolkata.

**Other Instructions:**

i. The e-voting period commences on 26<sup>th</sup> September 2016, (10.00 a.m.) and ends on September 29, 2016 (5.00 p.m). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 23<sup>rd</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by NDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 23<sup>rd</sup> Day of September, 2016.

iii. The results declared along with the Scrutinizer's Report shall be placed on the website of the company [www.eastgas.co.in](http://www.eastgas.co.in) two days of the passing of the resolutions at the 21<sup>st</sup> AGM of the Company on September 30, 2016 and communicated to the CSE & BSE Limited, where the shares of the Company are listed & traded.

By order of the Board of Directors  
For EASTERN GASES LIMITED

Sd/-

S.K BHANSALI

Director

(DIN:00344931)

Place: Kolkata

Dated: 3<sup>rd</sup> Sept'2016



**Annexure to Notice**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No :4**

The Board considered the appointment of Additional director in the board as mentioned in terms of section 161(1) of the Companies Act 2013 and was of the view that the proposed director fulfills the criteria of independence as mentioned in the above provisions and can be appointed as Independent Director. The proposed Director possesses requisite qualifications, appropriate skills experience and knowledge. The Board has recommended her appointment as Non-Executive Independent Director of the Company to hold office for a term of five consecutive years commencing from the date of ensuing Annual General meeting of the Company.

**(ANNEXURE TO NOTICE DATED 3RD SEPTEMBER' 2016)**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO SEBI (LISTING AND DISCLOSURE REQUIREMENTS), REGULATION 2015**

Name of the Director	Manish Yadav
Age	41 Years
Qualifications	Graduate
Appointment Date	11-07-2016
Expertise	He has more than 10 years of experience in this industry.
Directorships held in other public companies (excluding foreign companies)	1
Chairman/Member of the Committee of the Board of Directors of the Company	Nil
Chairman/Member of the Committee of the Directors of other companies in which he is a Directors	Nil
Shareholding of Non-Executive Directors	Nil
Relationship between Directors inter-se	Nil

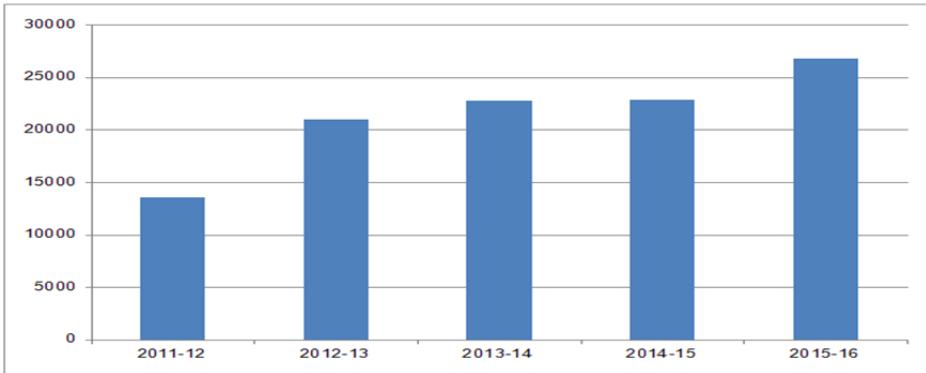
By order of the Board of Directors  
For EASTERN GASES LIMITED  
S.K BHANSALI  
Director  
(DIN:00344931)

Place: Kolkata  
Dated: 3<sup>rd</sup> Sept'2016

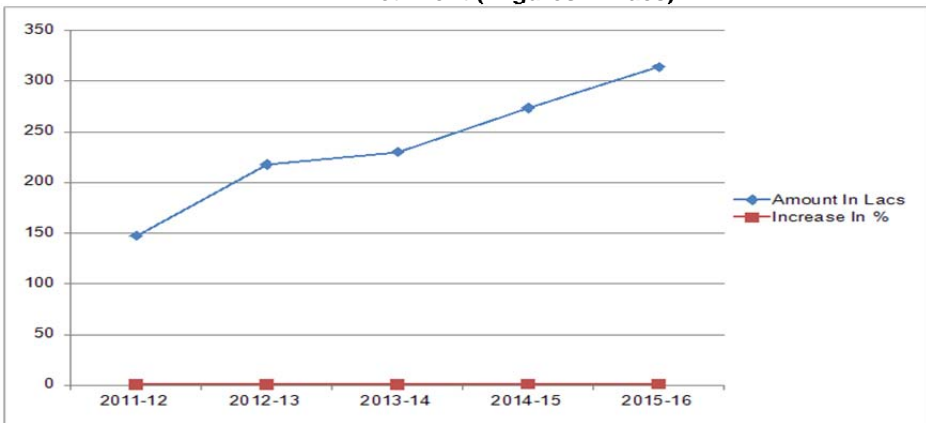


**PERFORMANCE AT A GLANCE**

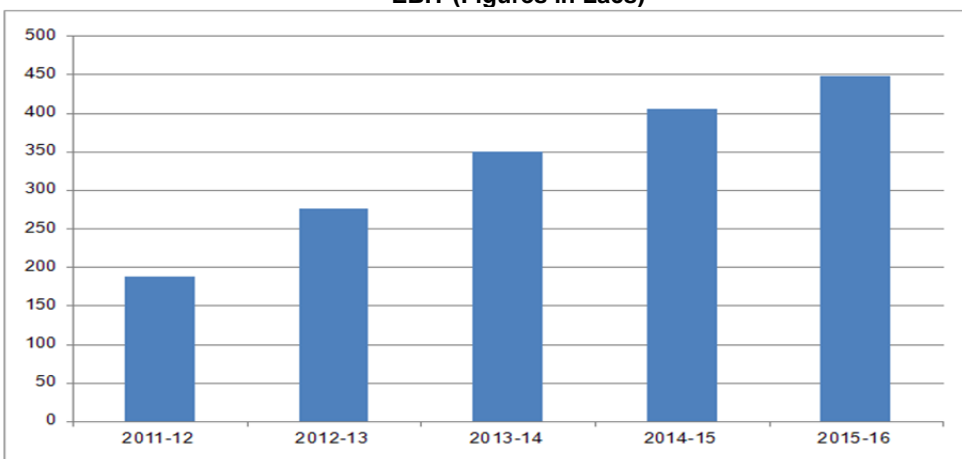
**Net Sales (Figures in Lacs)**



**Net Profit ( Figures in Lacs)**



**EBIT (Figures in Lacs)**







### DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

On behalf of the Board of Directors, it is my privilege and honor to place before you the 21<sup>st</sup> Annual Report and the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2016.

	Rs in Lacs	
	2015-16	2014-15
Total Revenue	26882.03	22975.05
Profit before Interest, Depreciation & Taxation	1259.48	1092.39
Interest	699.52	574.85
Depreciation	112.68	112.68
Profit before tax	447.28	404.86
Less: Provision for Taxation	133.20	131.36
Profit after Tax	314.08	273.50
Less: Proposed Dividend on equity Share	30.00	-
Dividend distribution Tax on Proposed Dividend	4.50	-
Add: Balance Brought Forward	1101.53	828.03
Securities Premium	450.11	450.11
Surplus carried to Balance Sheet	1831.22	1551.64

#### **BUSINESS PERFORMANCE:**

The financial year 2015-16 witnessed the results of recent internal improvement programs and also reflected the positivity of the macro environment. Your Directors are pleased to report that in spite of being one of the most challenging years in the last decade the company maintained persistent growth in the year. You shall be happy to note that during the period 2015-16, your Company has achieved a substantial growth, both in turnover and profits.

Net Sales increased by.....17.26% to Rs. 268 crs  
 PBDIT increased by.....15.25% to Rs. 1259lacs  
 Profit before tax increased by.....10.47% to Rs. 447.28 lacs  
 Net Profit increased by.....14.84% to Rs.314.08 lacs

#### **FUTURE OUTLOOK**

With the new government policy PAHAL (DBTL) Scheme it has able to restrict the black marketing of subsidies LPG and thereby saves Rs 10,000 crores. It has predominantly increased the sale of cylinders at market price and thereby a huge opportunity to the parallel marketers to play. According to Ministry of Petroleum and Natural Gas (MoPNG) demand for non-subsidies cylinders grew 30.82% during this period.

The success of the modified scheme helped fuel parallel marketing companies to gain significance growth in LPG. The Company expects a good growth in this segment as the companies are turning into eco- friendly LPG/CNG/Propane/Butane. The Management has taken adequate steps to cater the future demand for consolidating its position in the market. The new Bottling plants at Bangalore and Hyderabad are adding good gain to the future prospect of the company and your company further planning to set up/or purchase more Bottling Plant/Auto LPG Retail Outlets (Dispensing Stations) which will require substantial investment in future. The company is evaluating all the options to propel its expansion plans.

#### **A. BOTTLING SEGMENT**

The company caters the commercial cylinder market of West Bengal, Bihar and Orissa from its own bottling plant situated at Durgapur. The company already set up new LPG bottling plant at strategically potential locations to cover Central and Southern India as well for marketing its "EAST GAS" brand commercial LPG cylinders. Your company has started two new LPG bottling plants at Bangalore & Hyderabad with its vision of pan India presence. This will add to



company's presence in Domestic, Commercial and Industrial segment. With various government checks on Domestic LPG supplies the company expects that the Domestic sector will also open up as Good Avenue in years to come.

**B. BULK LPG**

The Company expects good growth in this segment due to the conversion of major industries from Coal/ other alternate fuels to LPG/Propane due to Environment concerns. LPG being a cleaner and cheaper fuel is preferred choice of the Industrial Customers. The company is also exploring opportunities throughout India as usage of LPG in Industrial houses is growing.

**C. AUTO LPG**

The Companies own Auto LPG Retail Outlet (ALRO) is already running in Paschim Medinipur, West Bengal and the company has a plan to start three more ALRO at Bagnan, Delhi Road & Chandannagar in West Bengal by this year and make the chain of 100 ALRO's throughout India in coming years.

**DIVIDEND**

Your Directors are pleased to recommend a final dividend of Rs. 0.20/- per equity share on face value of Rs. 10/-each for the year ended March 31, 2016.

**INSURANCE**

The Assets of the Company including building, plant & machinery, etc are adequately insured for all its units.

**INDEPENDENT DIRECTORS**

The Board considered the appointment of Mr. Manish Yadav, Independent director in the board as mentioned in terms of section 149(1) of the Companies Act 2013 and presently Smt. Manika Mukherjee is the Independent Directors of the Company.

**BOARD EVALUATION:**

The Board considered the independence of each of the above mentioned Directors in terms of section 149 and schedule IV to the Companies Act 2013 and regulation 25 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 and was of the view that the directors fulfill the criteria of independence as mentioned in the above provisions. A structure of questionnaire was prepared after taking into consideration various aspects of Board's functioning. The performance evaluation of Independent Directors was carried out by the Independent directors and the Board of Directors expressed their satisfaction with the evaluation process.

**STATUTORY AUDITORS**

The Statutory Auditors of the Company M/s. C B C & ASSOCIATES. Chartered Accountants, were re-appointed for period of 5 years till 31st March, 2021 and their appointed is ratified in the ensuing Annual General Meeting.

**AUDITOR'S REPORT**

The Board has duly examined the Statutory Auditors' Report to the accounts and clarifications, wherever necessary, have been included in the Notes to the Accounts section of the Annual Report.

**FIXED DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, and the rules made there under.

**SHARE CAPITAL**

During the year 2015-16 there was no further issue of share capital.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed discussion of the industry structure as well as on the financial and operational performance is contained in the ' Management Discussion and Analysis Report'( Annexure - 1)

**CORPORATE GOVERNANCE**

Pursuant to Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015 of the Listing Agreement with the Stock Exchanges, Corporate Governance report together with the certification from the company's auditors confirming the compliance of conditions on Corporate Governance is given in (Annexure-2).

Section 134(3) of the Companies Act, 2013 requires the Board report to include several additional contents and disclosures compared to the earlier Law. Most of them have accordingly been made in the Corporate Governance report at the appropriate places that forms an integral part of this report.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT- 9 is given in (Annexure- 3).

**PARTICULARS OF EMPLOYEES:**

In terms of the provisions of section 197(12) of the Companies Act '2013 read with rule 5(1) to 5(3) of the Companies ( Appointment and Remuneration of Managerial Personnel) Rules,2014, the names and other particulars of the employees drawing remuneration in excess of the limits set out in the Rules are provided in the Annual Report. However, as per first proviso to section 136(1) of the said Act the Annual report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company. None of the employees as set out in the said Annexure is related to any Director of the Company.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO****A. CONSERVATION OF ENERGY**

(a). Energy conservation measures taken: During the year external experts conducted an energy audit and the recommendations have been implemented.

(b). Additional investments and proposals, if any, being implemented for reduction of consumption of energy: No additional investments for reduction in energy consumption have been made or are proposed to be made presently.

(c). Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: the company has achieved marginal savings during 2015-16 due to the measures at (a) above.

**B. RESEARCH & DEVELOPMENT (R&D)**

No R & D activities have been carried out by the company during the year.

**C. TECHNOLOGY ABSORPTION**

The Company always keeps a check on global innovation and techniques to avail the latest technology trends and practices. The Company has not imported any technology or process in the financial year.

**D. FOREIGN EXCHANGE EARNINGS & OUTGO**

The Company had no Foreign Exchange earnings and Outgo during the year under review.

**SUBSIDIARY**

It is reported that the Company has no Subsidiary within the meaning of provisions of the *Companies Act, 2013*.

**SOCIAL COMMITMENT**

Our driving objective is to improve living and working condition of our workforce, their dependents and society as well. There has been a constant endeavor to interact with the workers on a day to day basis and promptly resolve the issues that surface up.

**ENVIRONMENTAL EFFORTS**

Company has obtained all the required certificates and License from Environment Control Regulators to check Safe and Environment friendly Operations. The Company is quite alert in providing clean environment on a continuous basis.

**SAFETY**

The Company has adequate system for Industrial Safety. In the said year the company has strengthened its fire safety equipment at its units. The year under review continued to be NIL accident year.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:**

The Company did not give any Loan or Guarantee or provided any security or make investment covered under Section 186 of the Companies Act 2013 during the year.

**VOLUNTARY DELISTING OF EQUITY SHARES**

The Company has applied for delisting of shares from Ahmadabad Stock Exchange Ltd. (ASE) and Jaipur Stock Exchange Ltd. (JSE), which is under process.

**ACKNOWLEDGEMENTS**

The Board records its sincere appreciation for the valuable support extended by the Company's Bankers, Financial Institutions and the Government Agencies. The Board also wishes to thank all its suppliers / customers / distributors / dealers and all those associated with the Company. The Board further conveys cordial thanks to all the employees for their sincere works and takes this opportunity to thank Shareholders for their continued confidence reposed in the Management of the Company.

By order of the Board of Directors  
For EASTERN GASES LIMITED

Place: Kolkata  
Dated: 3<sup>rd</sup> Sept'2016

S.K BHANSALI  
Director

**ANNEXURE '1'  
TO DIRECTORS' REPORT****MANAGEMENT DISCUSSION AND ANALYSIS**

The incumbent government is in a full swing to bring the economy back on its feet. The government has signaled that in the days to come, the market realities will come thick and fast, giving the economy a much needed respite from subdued prices and subsidy. It is estimated that the combined subsidy from subsidized LPG cylinder and Kerosene is only a matter of time that the economy is given a “bitter medicine”, which will have a ripple effect on regions and markets. It is expected that the government will increase the price of domestic LPG cylinder by INR 5/cylinder in a phased manner. The overall subsidy on HSD, domestic LPG and Kerosene is estimated to be INR 115,548 Crore, out of which domestic LPG accounts for a whopping 44% at INR 50,324 Crore.

The report, “Changing Business Landscape and New Set of Challenges & Opportunities in LPG market in India”, conceived by Infra Insights is rightly timed and designed to provide an in-depth assessment of key elements such as: Changes in the historic subsidy regime in LPG segment, Impact of domestic LPG price recovery on end-user market, New set of opportunities & challenges for Oil Marketing Companies and Parallel Marketing Companies in LPG and outlook on likely changes in the overall LPG business landscape in India. The contents of the report are elaborate and the framework as such is designed not only for the LPG import and retail & marketing companies but also for the companies involved in the manufacturing of the LPG cylinders, Bulk LPG storage, Kit manufacturers and OEM's.

LPG industry is not new to India and dates back to 1950s. In India, the LPG industry is quite extensive and there are players across the LPG value chain, such as: LPG importers and import terminal operators, LPG storage tank manufacturing players, LPG suppliers & distributors catering to: Domestic, Industrial, Commercial and Transport, LPG cylinder manufacturers and LPG kit manufacturers. .

LPG is present in all the four key end-consumer segments: Domestic, Industrial, Commercial and Transport. With the growth and economic development in the country, an increase in the energy/fuel consumption of the consumer segment is inevitable. With the rise in the energy requirement of the country, there is definitely an opportunity for the LPG industry to scale-up and increase its penetration in the consumer base

**MARKET SIZE**

Backed by new oil fields, domestic oil output is anticipated to grow to 1 MBPD by FY16. With India developing gas-fired power stations, consumption is up more than 160 per cent since 1995. Gas consumption is likely to expand at a CAGR of 21 per cent during FY08–17. Domestic production accounts for more than three-quarters of the country's total gas consumption. India increasingly relies on imported LNG; the country was the fifth-largest LNG importer in 2013, accounting for 5.5 per cent of global imports. India's LNG imports are forecasted to increase at a CAGR of 33 per cent during 2012–17.

State-owned ONGC dominates the upstream segment (exploration and production), accounting for approximately 60 per cent of the country's total oil output (FY13).

IOCL operates 11,214 km network of crude, gas and product pipelines, with a capacity of 1.6 MBPD of oil and 10 million metric standard cubic metre per day (MMSCMD) of gas. This is around 30 per cent of the nation's total pipeline network. IOCL is the largest company, operating 10 out of 22 Indian refineries, with a combined capacity of 1.3 MBPD.

**FINANCIAL PERFORMANCE REVIEW OF THE COMPANY**

Despite of being a challenging year, 2015-16 has turned out to be satisfactory. Total sales has gone up from 22, 840 lakhs to 26,776.90 lakhs, net profit before tax from 404.86 lakhs to 447.28 lakhs

1. Share Capital – The company has authorised share capital of Rs. 1500 lakhs comprising of equity shares of face value Rs.10/- The paid up share capital is Rs.1500 lakhs
2. Reserve and Surplus–Total accumulated profit as on 31-03-2016 is Rs. 1831.22 lakh.
3. Loan Profile – The Company has taken secured loan of Rs. 5014.46 lakhs and the unsecured loan stands to Rs. 200.01 lakhs.
4. Fixed Assets – During the year under review, total additions to the gross block of assets was Rs. 231.28 lakhs
5. Investments – The Company has not made any fresh investment in capital market during the year.
6. Cash and Bank Balance – The Company had adequate liquidity of Rs.96.96 lakhs in the various Bank Accounts

**SEGMENTWISE OR PRODUCTWISE PERFORMANCE**

The same is not mandatory for Small and Medium Sized Companies.

**DISCLOSURE BY THE MANAGEMENT**

Your Board has received confirmation from its managerial staff that they had no personal interest in any material, financial and commercial transactions of the company.

**INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT**

The Company has an in-house team in internal audit department and also availed services of external firms of consultants and chartered accountants to help the Company to strengthen the internal audit and risk management functions.

**CAUTIONARY STATEMENT**

Statement in this report, particularly those which relate to Management Discussion and Analysis, description of company's objective, estimates and expectations may constitute forward looking statements within the meaning of applicable laws or regulations. Actual results might differ materially from those either. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in the future.

**RISK MANAGEMENT**

The Company has a risk management framework in place under which the management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when required. The Company periodically place before the Board the risk assessment and minimization procedures being followed by the company and steps taken by it to mitigate those risks through a properly defined framework.



**ANNEXURE '2'**  
**TO DIRECTORS' REPORT**

**REPORT ON CORPORATE GOVERNANCE**

Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended March 31, 2016 are given here under divided in the following areas:

**Company's philosophy on code of Governance**

Eastern Gases Ltd. (EGL) is dedicated to achieve the highest level of integrity, transparency and accountability in our operations, financial results and public disclosures. EGL is in full compliance with the corporate governance norms and disclosures of Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 with the Stock Exchanges. We inform our financial results and other relevant disclosures & developments in a clear and timely manner through print and electronic media. The company files its quarterly, half yearly, annual results and quarterly shareholding patterns in a manner and within such time as prescribed by the Stock Exchanges. In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board.

**Composition of Board of Directors**

Your Board consists of eminent directors who have the diverse experience and expertise necessary to serve effectively on the Board and its committees which may include financial, business and other expertise as determined by the Board. The size and composition of the Board confirms to the requirement of the Corporate Governance code under the Listing Agreement with the Stock Exchanges.

The present strength of board is 3 Directors and meets the requirement of not less than 50% being non-executive Directors. During the year 2015-16 7(Seven) board meetings were held on 30<sup>st</sup> May' 2015, 14<sup>th</sup> August' 2015, 3<sup>rd</sup> September 2015 14<sup>th</sup> November' 2015, 14<sup>th</sup> January 2016, 15<sup>th</sup> February 2016 and 14<sup>th</sup> March '2016.

The Composition of Directors and their attendance at the Board Meeting during the year ended on 31st March 2016 and the last Annual General Meeting as also number of other directorships, committee memberships and chairmanships held by them are given below : -

Directors	Category	Attendance Particulars	Last AGM	No. of Directorship and Committee Membership/Chairmanship held			
				Directorship Public	Private	Committee Membership	Committee Chairmanship
Shri S.K.Bhansali	Whole Time Director	7	Yes	8	7	1	Nil
Shri Debabrata Choudhury	Non-Executive, Independent	4	No	Nil	Nil	Nil	Nil
Shri Anil Choudhury Legha	Non-Executive, Independent	6	Yes	2	2	1	Nil
Shri Tejvir singh	Non-Executive Director	5	Yes	1	1	1	Nil
Manika Mukherjee	Non-Executive Director	7	Yes	1	0	Nil	1

Notes:

- Mr. Manish Yadav appointed to the Board w.e f 11.07.2016
- The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies Act 2013.
- In accordance with Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015, Membership/ Chairmanships of only the Audit Committee





and Shareholders/ Investors Grievance Committees of all public limited companies have been considered.

- None of the Non-Executive directors have any pecuniary relationship or transactions with the company other than for holding directorship and receiving sitting fees.
- All the directors who are on various Committees are within the permissible limits of the listing agreement. The Directors have intimated from time to time their membership in the various Committees in other Companies.

**Board Agenda**

Agenda papers for the Board meetings are generally circulated seven days prior to date of the meetings. All major issues included in the Agenda are backed by comprehensive background information to enable the Board to take informed decisions. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board.

**Information Supplied to the Board**

The Board has complete access to all information with the company. The agenda and papers for consideration of the Board are circulated at least seven days prior to the date of the Board Meeting. Adequate information is circulated as part of the agenda papers and also placed at the meeting to enable the Board to take an informed decision.

The Board periodically reviews compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

**AUDIT COMMITTEE**

The Audit Committee is empowered, pursuant to its terms of reference, inter-alia:

- To investigate any activity within its terms of reference
- To seek any information it required from any employee
- To obtain legal or other independent professional advice
- To secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

**The Role of Audit Committee:-**

Terms of reference of the Audit Committee as stipulated by the board and as per section 177 of the Companies Act, 2013 and the guidelines set out in Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 with the Stock Exchanges

**Composition:**

The Audit Committee was constituted by the Board of Directors. Member Directors of the Audit Committee are as under:

1. Smt. Manika Mukherjee, Chairman
2. Mr. Sushil Kumar Bhansali , Member
3. Mr. Anil Choudhary Legha, Member

The 2/3<sup>rd</sup> members of the Audit Committee are Non- Executive Directors including its Chairman. All the members of Audit Committee are financially literate and one member is having accounting and related financial management expertise.

The Audit committee had four meetings during the year 2014-15 on 30<sup>th</sup> May 2015, 14<sup>th</sup> August' 2015, 14<sup>th</sup> November'2015 and 15<sup>th</sup> February'2016 and the gap between two meetings did not exceed four months. All the meetings were properly convened and conducted. The attendance of each Audit Committee member is as under:

Member	Position	No. of meetings	
		Held	Attended
Smt. Manika Mukherjee	Chairman	4	4
Mr. Sushil kumar Bhansali	Member	4	4
Mr. Anil Choudhury Legha	Member	4	4





- The audit committee meetings are held at the registered office and are attended by the Internal Auditors and the Finance head. A representative of the Statutory Auditors is also invited.
- The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the queries raised by the Shareholders regarding Audit and Accounts.
- The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 as well as in section 177 of the Companies Act 2013.

#### NOMINATION & REMUNERATION COMMITTEE

The Committee shall have authority to deal with the matters specified under the Companies Act, 2013 and the terms of reference of the Committee are as under:

- ▶ Any fixation/change in remuneration of Whole Time Directors/Managing Director.
- ▶ Any fixation/change in sitting fees payable to Board/Committee members for attending meeting.
- ▶ To review the existing remuneration of the executives (GM level and above) and to approve any changes thereof.

#### Remuneration Policy

Remuneration of the employees largely consists of basic remuneration, perquisites and performance incentives. The component of the total remuneration varies for different grades and is governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him and his individual performance. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

#### Composition:

The remuneration Committee consists of three Non – executive Independent Directors:

1. Mrs. Manika Mukherjee , Chairman
2. Mr. Anil Choudhury Legha, Member
3. Mr. Tejvir Singh, Member

Broad terms of reference of the Remuneration Committee include recommendation to the Board of Directors of the salary /perquisites, commission and retirement benefit payable to the Company's Directors and Senior Executives.

The Remuneration Committee of the Company met twice during the year on 14<sup>th</sup> November' 2015 and 16<sup>th</sup> February' 2016, wherein the members present waived their sitting fees. The attendance of the members of the Remuneration Committee was as follows:

Member	Position Held	No. of meetings	
		Held	Attended
Mrs. Manika Mukherjee	Chairman	2	2
Mr. Anil Choudhury Legha	Member	2	2
Mr. Tejvir Singh	Member	2	1

#### Remuneration to Directors

**Executive Directors** -The Company has paid remuneration by way of salary to its Managing Director in terms of the resolutions passed at the General Meetings dt 30-09-2015 and other applicable provisions of the Companies Act, 2013 Details of remuneration paid to Directors during the year 2015-16 are given below:

Director	Remuneration Package (Rs)	Fixed component and incentives (Rs)
Mr. S.K. Bhansali	15,96,000/-	NIL



**Non-Executive Directors** - During the year no sitting fee/commission was paid to any Non-Executive Director for attending the meeting of the Board of Directors and for Committees thereof.

The Company does not have an incentive plan which is linked to performance and achievement of the Company's objectives. The Company has no stock option and pension scheme.

#### INVESTORS'/SHAREHOLDERS GRIEVANCE COMMITTEE

The terms of reference of the Investors' Grievance Committee are as follows:

- To review and ensure compliance of statutory provisions of the Companies Act, the guidelines of SEBI and the Stock Exchanges and other statutory requirements relating to transfer and transmission of shares of the company.
- To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- Approve transfer/transmission of shares and demat/remat of the shares.
- Approve issue of duplicate share certificates, consolidate/sub-division of share certificates on completion of the procedures as may be stipulated.
- Redressal of Shareholders/Investors queries, grievance and complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc in an expeditious manner.
- Any other matter referred by the Board relating to equity shareholders of the Company.

#### Composition

The Board has formed a Shareholders/ Investors' grievance committee consisting of the following Directors:

1. Smt. Manika Mukherjee
2. Mr. Sushil Kumar Bhansali

The Investors'/Shareholders Grievance Committee of the Company met twice during the year on 14<sup>th</sup> November '2015 and 16<sup>th</sup> February '2016. The attendance of the members of the Remuneration Committee was as follows:

Member	Position Held	No. of meetings	
		Held	Attended
Smt. Manika Mukherjee	Chairman	2	2
Mr. Sushil Kumar Bhansali	Member	2	1

#### Investor Grievance Redressal

The following table shows the nature of complaints received from shareholders during 2015-16

Details of Shareholders/Investors complaints/ request for action :	
Received during the year	NIL
Resolved to the satisfaction of complaint	NIL
Pending	NIL
Pending Transfers	NIL

**Email id for Investor Grievances** : cs@eastgas.co.in

#### COMPLIANCE OFFICER

Ms. Divya Singh is the compliance officer, complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Listing requirements with the Stock Exchanges.

#### SECRETARIAL AUDIT

As stipulated by SEBI, a qualified Practicing Company Secretaries, M/s. D.K.Sarawagi & Co. conducts the Secretarial Audit of the Company every quarter for a limited purpose of reconciliation of the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialize form (held with NSDL and CDSL) and total number of shares in physical form. The quarterly Secretarial Audit Reports which were placed before the



Board of Directors were also sent in time to both the Stock Exchanges where the Company's shares are listed. (Annexure-4)

### INSIDER TRADING CODE

This code is applicable to all Directors and designated employees and seeks to prevent dealing in Company's shares by persons having access to unpublished, price sensitive information. Compliance Officer regularly monitors all transactions, in terms of the said Code, undertaken by designated employees of the Company. The Company also informs the stock exchanges periodically about the transactions undertaken by the Directors and designated employees and their shareholdings as per the regulations.

### GENERAL BODY MEETING

Particulars of last three years Annual General Meetings:

Financial year	Date	Time	Location
2014-15	Sept 30,2015	10.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078
2013-14	Sept 30,2014	11.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078
2012-13	Sept. 28,2013	11.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078
2011-12	Sept. 29,2012	11.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078

No special resolution was passed through postal ballot in the last AGM. No special resolution requiring postal ballot as recommended under clause 49 of the listing Agreement with Stock Exchanges is being proposed at the ensuing AGM.

### Disclosures

#### 1. Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

#### 2. Related Party Transactions

Disclosure on materially significant related party transactions i.e., transactions of the company of material nature with its promoters, the Directors or the management, their subsidiaries relatives, etc. that may have potential conflict with the interests of the Company at large. None of the transactions with any of the related parties were in conflict with the interests of the Company at large.

#### 3. Status of Regulatory Compliances

The Company has complied with all the requirements of the Listing Agreements with Stock Exchanges as well as the regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures and penalties imposed on any matter relating to capital markets during the last three years.

#### 4. Whistle Blower Policy

The Company does not have a Whistle Blower Policy. But the employees are free to communicate their concerns and/or reports, unethical happenings to the Management and/or Board through officers and even direct communication of the employee to Audit Committee/Board is entertained.

#### 5. Compliance with Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015.

The Company has complied with all the mandatory requirement of Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 with stock exchanges. As regards non-mandatory requirements, the extent of compliance has been stated in this report.



## MEANS OF COMMUNICATION

- ▶ **Quarterly Results:**  
Quarterly Results are published in leading English daily and in local vernacular newspaper having wide circulation in West Bengal.
- ▶ **News Release, Presentation etc.:**  
Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website.
- ▶ **Website:**  
The Company's website www.eastgas.in carries a separate dedicated section 'Investor Relations' where shareholders information is available. Full Annual Report is also available on the website in a user-friendly and downloadable form.
- ▶ **Annual Report:**  
Annual Report containing, inter-alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.
- ▶ **Corporate filing with Stock Exchanges:**  
All announcements, Quarterly Results, Shareholding Pattern etc. of the Company are also filed with the Stock Exchanges within prescribed timeline.

## PROFILE OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT

Details of Directors seeking appointment including appointment of Independent Director at the ensuing Annual General Meeting as required under Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 with Stock Exchanges is given in the Explanatory Statement to the Notice of the ensuing Annual General Meeting as 'Additional information'.

## GENERAL SHAREHOLDER INFORMATION

### 1. 21<sup>th</sup> Annual General Meeting:

Date	: September 30 <sup>th</sup> 2016
Time	: 10:30 A.M.
Venue	: Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078

### 2. a. Financial Year : 2016-17

Financial Calendar	April – March (2016-17) (tentative)
(i) First Quarter results	By end of July 31, 2016
(ii) Second Quarter results	By end of October, 2016
(iii) Third Quarter results	By end of January, 2017
(iv) Audited Yearly Results for the Year ended 31/03/2016	By end of May/June 2017

### 3. Book Closure Date : September 24<sup>th</sup>, 2016 to September 30<sup>th</sup>, 2016 (both days inclusive)

**Dividend payment date:** The Board of Directors has recommended dividend of Rs. 0.20 for financial year 2015-16

### 4. Secretarial Audit Calendar (tentative)

- (i) First Quarter : By end of July 31, 2016
- (ii) Second Quarter: By end of October, 2016
- (iii) Third Quarter : By end of January, 2017
- (iv) Fourth Quarter: By end of April 2017

### 5. Listing of Equity shares in Stock Exchanges and Stock Codes:

Name of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Association Ltd.	015066
Bombay Stock Exchange Ltd.	590080

The annual listing fee for the period 2016-17 has been paid to the Stock Exchange.

**Note:** The Company has made an application for delisting of Equity Shares from Ahmedabad and Jaipur Stock Exchange and active follow up is being made with the stock exchanges.



6. Demat ISIN for NSDL & CDSL : INE846C01014

7. **Market Price Data:** The monthly high low data on Bombay Stock Exchange Ltd. from April' 2015 to March' 2016 is given below.

Price	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
High	50.10	55.0	44.80	38.0	35.90	33.85	32.80	33.0	47.80	47.50	32.80	26.0
Low	24.55	33.35	28.05	29.15	26.25	24.05	26.65	25.15	31.15	27.55	21.0	21.50

Source: BSE website

i) Distribution of Shareholding as on 31st March, 2016					
RANGE IN NO OF SHARES	RANGE IN VALUE OF SHARES	NO OF SH-HOLDERS	%	NO OF SHARES	%
UPTO to 500	UPTO to 5000	1700	68.67	538346	3.6
501 to 1000	5010 to 10000	517	20.90	383001	2.55
1001 to 2000	10010 to 20000	71	2.87	104732	0.70
2001 to 3000	20010 to 30000	46	1.86	117732	0.78
3001 to 4000	30010 to 40000	11	0.44	41235	0.27
4001 to 5000	40010 to 50000	11	0.44	51370	0.34
5001 to 10000	50010 to 100000	39	1.59	308884	2.06
10001 to 50000	100010 to 500000	45	1.82	1188866	7.93
50001 to 100000	500010 to 1000000	7	0.28	439816	2.93
100001 and Above	1000010 and Above	27	1.13	11825958	78.84
	<b>G-R-A-N-D</b>	<b>2474</b>	<b>100.00</b>	<b>15000000</b>	<b>100.00</b>

ii). Share Holding pattern as on 31st March '2016

SL.NO	CATEGORY	NO.OF EQUITY SHARES HELD	PERCENTAGE
1	RES. IND.	3052053	20.35
2	DOM. COM.	3380707	22.54
3	N. R. I.	43290	0.29
4	FOR. COM.	0	0
5	MUT. FUND	0	0
6	FIN. INS.	0	0
7	NAL. BANK	0	0
8	PROM. COM.	6172866	41.15
9	DIR. RELV.	2351084	15.67
10	F.I.I.S.	0	0
		15000000	100.00



### DEMATERIALIZATION OF SHARES & LIQUIDITY

Trading in the Company's shares is permitted only in dematerialised form for all investors as per notifications issued by the SEBI. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrars S. K. Infosolutions Pvt. Ltd. to enable shareholders to hold their shares in electronic form and to facilitate script less trading.

### SHARE DEMATERIALIZATION RECORDS

Status of Dematerialization of shares and Physical form of shares as on 31<sup>st</sup> March, 2016.

Particulars	No. of shares	% to Capital
NSDL	12415712	82.77
CDSL	1495901	9.97
Dematerialized(A)	13911613	92.74
Physical (B)	1088387	7.26
Total (A+B)	15000000	100

- 8. Address of Communication:** **Eastern Gases Limited**  
43 Palace Court, 1 Kyd Street,  
Kolkata – 700016
- Registrar and Share Transfer Agent : S.K.Infosolutions Pvt. Ltd.**  
34/1A, Sudhir Chatterjee Street,  
Kolkata – 700006  
Tel : 22194815/22196797 / Fax: 22194815  
Email: mail@skcomputers.net,  
agarwalsko@rediffmail.com

During the financial year 2015-16 queries/complaints/requests were received by the Company from Shareholders and all of which have been satisfactorily replied.

### CODE OF CONDUCT

The Board has framed a code of conduct for all Board members and senior management personnel of the Company focusing transparency, accountability & ethical expression in all acts and deeds. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement with Stock Exchanges. The Code of Conduct is soon to be posted on companies. A certificate of affirmation in this regard is appended.

### DECLARATION UNDER CLAUSE 49(I)(D)(II)

In accordance with Clause 49 sub- clause 1(D) of the Listing Agreement with the Stock Exchanges, we hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended March 31st, 2016.

By order of the Board of Directors  
For EASTERN GASES LIMITED

S.K BHANSALI  
Director

(DIN:00344931)

Place: Kolkata

Dated: 30<sup>th</sup> May 2016



**AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE  
GOVERNANCE UNDER Regulation 27 of SEBI (Listing Obligations &  
Disclosure Requirements), Regulation 2015**

**TO,  
THE MEMBERS OF EASTERN GASES LTD.**

We have examined the compliance of the conditions of Corporate Governance procedures by *Eastern Gases Ltd. ("the Company")* for the year ended on 31st March 2016, as stipulated in Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 of the Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency with which the management has conducted the affairs of the Company.

Place : Kolkata  
Dated : 30<sup>th</sup> May, 2016

FOR C B C & ASSOCIATES  
*Chartered Accountants*  
(Firm Regn.No: 325794E)  
Chinmay Biswal  
(Partner)  
(M.No. 065753)



**Annexure -3**  
**EXTARCT OF ANNUAL RETURN**  
**as on the financial year ended 31.03.2016**

**(Pursuant to Section 92(3) of the Companies Act ,2013, and Rule 12(1) of the Companies (Management and Admintration) Rules, 2014**

**Form No MGT- 9**

**1. Registration and other Details:**

CIN	L40200WB1995PLC068251
Registration Date	10-02-1995
Name of the Company	Eastern Gases Limited
Category/Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered Office and Contact Details	43 Palace Court, 1 KYD Street , Kolkata-700016. Tel - 033-2229-9897/8606 E mail- eastgas@gmail.com
Whether listed Company	Yes
Name , address and Contact details of Registrar and Transfer Agent , if any	S.K Infosolutions Pvt. Ltd. Address: 34/1A, Sudhir Chatterjee Street, Kolkata-700006 Phone: +91-33-22196797 / 4819 , Fax: +91-33-22194815 ; Email: agarwalskc@rediffmail.com

**3. Principal Business Activities Of The Company**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total income of the company
1	Manufacture of gas; distribution of gaseous fuels	35201	100

***3. The Company is not having any Subsidiary and Associates Companies***

***4.(i)Shareholding Pattern (equity share capital break up as percentage of total equity)***





STATEMENT SHOWING SHAREHOLDING PATTERN								
NAME OF COMPANY : EASTERN GASES LTD.						QUARTER ENDED : 31ST MARCH 2016		
Category Code	Category of shareholders	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
<b>(A)</b>	<b>Promoter and Promoter Group</b>							
<b>(1)</b>	<b>Indian</b>							
(a)	Individuals/ Hindu Undivided Family	6	2351084	2351084	15.67	15.67	0	0.00
(b)	Central Government/ State Government(s)	NFL	NFL	NFL	NFL	NFL	NFL	NFL
(c)	Bodies Corporate	19	6172866	6172866	41.15	41.15	0	0.00
(d)	Financial Institutions/ Banks	NFL	NFL	NFL	NFL	NFL	NFL	NFL
(e)	Any other (specify)	NFL	NFL	NFL	NFL	NFL	NFL	NFL
	<b>Sub-Total (A) (1)</b>	<b>25</b>	<b>8523950</b>	<b>8,523,950</b>	<b>56.83</b>	<b>56.83</b>	<b>0</b>	<b>0.00</b>
<b>(2)</b>	<b>Foreign</b>							
(a)	Individuals( Non- Resident individuals/ Foreign Individuals)	NFL	NFL	NFL	NFL	NFL	NFL	NFL
(b)	Bodies Corporate	NFL	NFL	NFL	NFL	NFL	NFL	NFL
(c)	Institutions	NFL	NFL	NFL	NFL	NFL	NFL	NFL
(d)	Qualified Foreign Investor	NFL	NFL	NFL	NFL	NFL	NFL	NFL
(e)	Any other (specify)	NFL	NFL	NFL	NFL	NFL	NFL	NFL
	<b>Sub-Total (A) (2)</b>	<b>NFL</b>	<b>NFL</b>	<b>NFL</b>	<b>NFL</b>	<b>NFL</b>	<b>NFL</b>	<b>NFL</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>25</b>	<b>8,523,950</b>	<b>8,523,950</b>	<b>56.83</b>	<b>56.83</b>	<b>0</b>	<b>0.00</b>



<b>(B)</b>	<b>Public Shareholding</b>						NA	NA
<b>(1)</b>	<b>Institutions</b>						NA	NA
(a)	Mutual Funds/UTI	NFL	NFL	NFL	NFL	NFL		
(b)	Financial Institutions/Banks	NFL	NFL	NFL	NFL	NFL		
(c)	Central Government/State Government(s)	NFL	NFL	NFL	NFL	NFL		
(d)	Venture Capital Funds	NFL	NFL	NFL	NFL	NFL		
(e)	Insurance Companies	NFL	NFL	NFL	NFL	NFL		
(f)	Foreign Institutional Investors	NFL	NFL	NFL	NFL	NFL		
(g)	Foreign Venture Capital Investors	NFL	NFL	NFL	NFL	NFL		
(h)	Qualified Foreign Investor							
		NFL	NFL	NFL	NFL	NFL		
(i)	Any Other (specify)	NFL	NFL	NFL	NFL	NFL		
<b>Sub-Total (B) (1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	NA	NA
<b>(2)</b>	<b>Non-Institutions</b>						NA	NA
(a)	Bodies Corporate	59	3380707	3380707	22.54	22.54		
(b)	Individuals - i. Individual shareholders holding nominal share capital upto Rs.1 lakh	2320	1643754	825154	10.96	10.96		
(b)	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	30	1408299	1162612	9.39	9.39		
(c)	Qualified Foreign Investor							
		NFL	NFL	NFL	NFL	NFL		
(d)	Any Other NRI Foreign Companies	40	43290	19190	0.29	0.29		
		NFL		NFL	NFL	NFL		
<b>Sub-Total (B) (2)</b>		<b>2449</b>	<b>6476050</b>	<b>5,387,663</b>	<b>43.17</b>	<b>43.17</b>	NA	NA
<b>Total Public Shareholding B = (B) (1)+(B) (2)</b>		<b>2449</b>	<b>6,476,050</b>	<b>5,387,663</b>	<b>43.17</b>	<b>43.17</b>	<b>NA</b>	<b>NA</b>
<b>TOTAL (A) + (B)</b>		<b>2474</b>	<b>15,000,000</b>	<b>13,911,613</b>	<b>100.00</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued	NFL	NFL	NFL	NA	NFL	NA	NA
(1)	Promoter & Promoter group	NFL	NFL	NFL	NA	NFL	NA	NA
(2)	Public	NFL	NFL	NFL	NA	NFL	NA	NA
<b>GRAND TOTAL (A) + (B) + (C)</b>		<b>2474</b>	<b>15,000,000</b>	<b>13,911,613</b>	<b>100.00</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>



## (ii) SHAREHOLDINGS OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	SUSHIL KUMAR SUMIT KUMAR	440,114	2.93	0	440,114	2.93	0	0
2	SUSHIL KUMAR BHANSALI	357,500	2.38	0	357,500	2.38	0	0
3	SUMIT BHANSALI	453,000	3.02	0	453,000	3.02	0	0
4	SANSKARAN BHANSALI	224,570	1.50	0	224,570	1.50	0	0
5	PAWAN KUMAR BHANSALI	286,600	1.91	0	286,600	1.91	0	0
6	GAUTAM BHANSALI	589,300	3.93	0	589,300	3.93	0	0
7	JULSA TRADING PVT LTD	700,000	4.67	0	700,000	4.67	0	0
8	UTPAL TRADING PVT LTD	515,617	3.44	0	515,617	3.44	0	0
9	JAINCO AUTOMOTIVE PVT. LTD.	250,000	1.67	0	250,000	1.67	0	0
10	JAINCO PROJECTS( INDIA) LIMITED	569,749	3.80	0	569,749	3.80	0	0
11	JAINCO AGRO PROJECTS PRIVATE LIMITED	10,000	0.07	0	10,000	0.07	0	0
12	Jainco Securities Limited	58,000	0.39	0	58,000	0.39	0	0
13	JEET COMMERCIAL PVT. LTD.	265,000	1.77	0	265,000	1.77	0	0
14	NAVIN BROS PVT LTD	246,000	1.64	0	246,000	1.64	0	0



15	<b>NEELANCHAL UDYOG LTD.</b>	253,000	1.69	0	253,000	1.69	0	0
16	<b>NEWMONY TEXTILES PVT LTD</b>	700,000	4.67	0	700,000	4.67	0	0
17	<b>NIPCON MARKETING CO PVT LTD</b>	235,000	1.57	0	235,000	1.57	0	0
18	<b>RUBEX MERCANTILES PVT LTD</b>	127,500	0.85	0	127,500	0.85	0	0
19	<b>THANVIR BROS PVT LTD</b>	274,400	1.83	0	274,400	1.83	0	0
20	<b>VIVEK BROTHERS PRIVATE LIMITED</b>	300,000	2.00	0	300,000	2.00	0	0
21	<b>AMINEX DEALER PVT LTD</b>	178,000	1.19	0	178,000	1.19	0	0
22	<b>AMINEX AGENTS PVT LTD</b>	80,600	0.54	0	80,600	0.54	0	0
23	<b>JAINCO HELTH CARE PRIVATE LIMITED</b>	10,000	0.07	0	10,000	0.07	0	0
24	<b>COMMERCIAL CONSULTANTS PVT LTD</b>	700,000	4.67	0	700,000	4.67	0	0
25	<b>DBKEYNAAR COMMODEAL PVT LTD</b>	700,000	4.67	0	700,000	4.67	0	0



**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	700000	4.67	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	N/a	N/a	N/a	N/a
	At the end of the year	700000	4.67	0	0

**(iv) LIST OF TOP TEN SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH 2016**

SR NO	DP_ID	CLI_ID	NAME OF THE HOLDER	SH_HEL D	%
1	IN303500	10019533	EPIXTAR TRADING PRIVATE LIMITED	700000	4.6666
2	IN303500	10019525	BIRCORT AGRO PRIVATE LIMITED	700000	4.6666
3	IN303500	10019517	ARP COMMERCIAL SERVICES PRIVATE LIMITED	700000	4.6666
4	IN303500	10019380	DEMART TRADING PRIVATE LIMITED	700000	4.6666
5	IN300773	10303415	NEWMONY TEXTILES PVT. LTD.	700000	4.6666
6	IN300773	10303407	JULSA TRADING PVT. LTD.	700000	4.6666
7	IN300773	10303388	COMMERCIAL CONSULTANTS PVT. LTD.	700000	4.6666
8	IN300773	10303370	DBKEYNAAR COMMOMDEAL PVT. LTD.	700000	4.6666
9	IN300214	16387092	GAUTAM BHANSALI	589300	3.9286
10	IN300214	14948931	JAINCO PROJECTS INDIA LTD	569749	3.7983



## (v) Shareholdings of Director &amp; KMP

Sl.no	Name of the directors	No of Shares Held	% of share held
1	Sushil Kumar Bhansali	3,57,500	2.38

## 5 INDEBTNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4724.96	2.04	0	4727
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	4724.96	2.04	0	4727
<b>Change in Indebtedness during the financial year</b>				
Additions	289.5	197.97	0	487.47
Reduction	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5014.46	200.01	0	5214.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	5014.46	200.01	0	5214.47

## 6. A) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl.No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
-	-	-	-
		<b>Sushil Kumar Bhansali</b>	
1	Gross Salary a) Salary as per provision contained in Section 17(1) of the Income Tax Act 1961 b) value of perquisites u/s 17(2) of the Income Tax Act	15,96,000	15,96,000



	1961 c)Profits in lieu of salary u/s 17(3) of the Income Tax Act 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of Profit		
	- Others, specify		
5	Others,Please Specify	-	-
<b>Total (A)</b>		<b>15,96,000</b>	<b>15,96,000</b>

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee	-	-	-	-
	(b) Commission	-	-	-	-
	(c ) Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non Executive Directors	-	-	-	-
	(a) Fee for attending	-	-	-	-
	(b) Commission	-	-	-	-
	(c ) Others, please specify.	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Cieling as per the Act.	-	-	-	-

**7.PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

Type	Section of	Brief	Details of Penalty/	Authority	Appeal
<b>A. COMPANY</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
<b>B. DIRECTORS</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-



**Annexure-4**

**Form No MR-3**

**Secretarial Audit Report**

**For the Financial year ended 31st March' 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Eastern Gases Limited  
43 Palace Court,  
1 KYD Street,  
Kolkata-700016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Eastern Gases Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March' 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Eastern Gases Limited** ("**The Company**") for the period ended on 31<sup>st</sup> March' 2016 according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)Regulations, 1993 regarding the Companies Act and dealing with client;
    - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - g. the Company has complied with the requirements under the SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015 entered into with BSE Limited and CSE Limited; and
    - h. The Memorandum and Articles of Association.





**We have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - ii) The Listing Agreements entered into by the Company with the BSE Limited, CSE Limited.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

**2. We further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:**

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members.
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 20th Annual General Meeting held on 30th September' 2015;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment and reappointment of Directors;
- k) payment of remuneration to the Managing Director,
- l) appointment and remuneration of Auditors;
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) borrowings and registration, modification and satisfaction of charges wherever applicable;
- o) investment of the Company's funds including investments and loans to others;
- p) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- q) Directors' report;
- r) contracts, common seal, registered office and publication of name of the Company; and
- s) Generally, all other applicable provisions of the Act and the Rules made under the Act.

**3. We further report that:**

\_ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

\_ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least five days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

\_ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

\_ The Company has obtained all necessary approvals under the various provisions of the Act; and

\_ There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.



\_ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

**7. We further report that:**

a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and Calcutta Stock Exchange Limited;

b. the Company has complied with the provisions of the Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

c. the Company has complied with the provisions of the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

8. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Kolkata  
Date : 30-05-2016

For DKS & Co.  
Company Secretaries

DILIP KUMAR SARAWAGI  
ACS: 13020, C.P:3090

**Independent Auditor's Report**

To the Members of **EASTERN GASES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of EASTERN GASES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standard Specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, and the Rules made there under including the accounting and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards and pronouncement require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls . An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors ,as well as evaluating the overall presentation n of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2016, and its profit and its cash flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the companies (Auditor's Report) Order 2016 ("the order") issued by the central government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraph 3 and 4 of the order.

1. As required by section 143(3) of the Act, we report that:
  - a) We have sought obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and Statement of Profit and Loss, and the Cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules ,2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) the Company does not have any major pending litigations as at March 31, 2016 which would impact its financial position.
    - ii) the Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year end.

For C.B.C. & Associates  
Chartered  
Accountants  
F.R. No: 325794E

(Chinmaya Prasad Biswal)

Partner  
Membership No. 065753

Place: Kolkata  
Date: 30.05.2016



**Annexure to the Auditors' Report**

The 'Annexure A' referred to in our report to the members of EASTERN GASES LTD. for the year ended on March 31, 2016. We report that:

(i)	(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.																				
	(b) The fixed assets have been physically verified by the management at reasonable intervals and in our opinion it is reasonable considering the size of company and nature of asset no such material discrepancies were noticed on such verification and if so, the same have been properly dealt with in the books of account;																				
	(c) The title deeds of immovable properties are held in the name of the company.																				
(ii)	(a) Physical verification of inventory including stock with third parties has been conducted at reasonable intervals by the management and if any material discrepancies were noticed on physical verification, the same have been properly dealt with in the books of account;																				
(iii)	The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act.																				
(iv)	The company has not given any loans, investments, guarantees and security under the provisions of section 185 and 186 of the Companies Act.																				
(v)	The company has not accepted deposits, from the public within the meaning of sections 73 and 74 or any other relevant provisions of the Companies Act and the rules framed there under.																				
(vi)	Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.																				
(vii)	(a) According to our information and explanation given to us and as per the records of the company, the company has been regular generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of undisputed statutory dues of material nature outstanding for a period of more than six months																				
	(b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending have been mentioned below-																				
	<table border="1"> <thead> <tr> <th>Name of Statute</th> <th>Nature of Dues</th> <th>Amount Involved (Rs. in Lacs)</th> <th>Period to which the amount relates</th> <th>Forum where demand is pending</th> </tr> </thead> <tbody> <tr> <td>Income Tax Act 1961</td> <td>Income Tax</td> <td>17.29</td> <td>2005-06, 2006-07, 2007-08, 2010-11, 2011-12 &amp; 2013-14</td> <td>Income Tax Assessing Officer</td> </tr> <tr> <td>West Bengal Value Added Tax Act, 2003</td> <td>Value Added Tax</td> <td>1179.39</td> <td>2008-09, 2009-10 &amp; 2010-11</td> <td>WB CT A &amp; R Board</td> </tr> <tr> <td>The Central Sales Tax Act, 1956</td> <td>Central Sales Tax</td> <td>21.24</td> <td>2008-09 &amp; 2010-11</td> <td>WB CT A &amp; R Board</td> </tr> </tbody> </table>	Name of Statute	Nature of Dues	Amount Involved (Rs. in Lacs)	Period to which the amount relates	Forum where demand is pending	Income Tax Act 1961	Income Tax	17.29	2005-06, 2006-07, 2007-08, 2010-11, 2011-12 & 2013-14	Income Tax Assessing Officer	West Bengal Value Added Tax Act, 2003	Value Added Tax	1179.39	2008-09, 2009-10 & 2010-11	WB CT A & R Board	The Central Sales Tax Act, 1956	Central Sales Tax	21.24	2008-09 & 2010-11	WB CT A & R Board
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The Central Sales Tax Act, 1956	Central Sales Tax	21.24	2008-09 & 2010-11	WB CT A & R Board																	
	(A mere representation to the concerned Department is not considered as a dispute).																				
(viii)	According to the records of the company examined by us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders as at balance sheet date.																				
(ix)	In our opinion, and accordance to the information and explanation given to us, the company has not moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year. The term loans have been applied, on an overall basis for the purpose for which the loans were obtained.																				



(x)	In our opinion, and accordance to the information and explanation given to us, we have not come across any instance of material fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year, nor have been informed of any such case by the management.
(xi)	In our opinion, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
(xii)	In our opinion and the information given by the management, the company is not the Nidhi Company. The provisions of Companies (Auditors' Report) Order, 2016 Para 3 Clause (xii) is not applicable to the company.
(xiii)	In our opinion, and the information given by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act wherever applicable if any.
(xiv)	According to our information and explanation given to us and as per the records maintained, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. The provisions of Companies (Auditors' Report) Order, 2016 Para 3 Clause (xiv) is not applicable to the company.
(xv)	According to our information and explanation given to us, the company has not entered into any non- cash transactions with directors or persons connected with him. The provisions of Companies (Auditors' Report) Order, 2016 Para 3 Clause (xv) is not applicable to the company.
(xvi)	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The provisions of Companies (Auditors' Report) Order, 2016 Para 3 Clause (xvi) is not applicable to the company.

For C.B.C. & Associates  
Chartered  
Accountants  
F.R. No: 325794E

(Chinmaya Prasad Biswal)

Place: Kolkata

Date: 30.05.2016

Partner  
Membership No. 065753

**‘ANNEXURE B’ TO THE AUDITORS’ REPORT.**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of EASTERN GASES LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in



accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For C.B.C. & Associates  
Chartered  
Accountants  
F.R. No: 325794E

(Chinmaya Prasad Biswal)

Place: Kolkata

Date: 30.05.2016

Partner  
Membership No. 065753





## EASTERN GASES LTD.

## Balance Sheet as at 31 March 2016

(Rs. in lacs)

Particulars	Note No.	31-Mar-16	31-Mar-15
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUND</b>			
(a) Share Capital	1	1,500.00	1,500.00
(b) Reserves and Surplus	2	1,831.22	1,551.64
<b>(2) NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	3	1,070.03	1,259.05
(b) Other Long Term Liabilities	4	164.03	150.06
(c) Deferred Tax Liability	24.3	112.63	70.63
<b>(3) CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	5	4,144.44	3,467.96
(b) Trade Payables		535.88	1,315.92
(c) Short Term Provisions	6	210.41	85.19
<b>TOTAL</b>		<b>9,568.64</b>	<b>9,400.45</b>
<b>II. ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
Tangible Assets	7	2,852.62	2,734.02
Capital WIP		2.29	1.81
(b) Non-Current Investments	8	9.11	9.11
(c) Other Non-Current Assets	9	49.64	52.40
<b>(2) CURRENT ASSETS</b>			
(a) Inventories		617.00	122.38
(b) Trade Receivables	10	5,165.83	5,409.80
(c) Cash And Cash Equivalents	11	96.96	249.32
(d) Short Term Loans And Advances	12	751.22	800.79
(e) Other Current Assets	13	23.97	20.83
<b>TOTAL</b>		<b>9,568.64</b>	<b>9,400.45</b>
As per our report of even date <b>For C.B.C. &amp; Associates</b> Chartered Accountants (Registration No. 325794E)			
For and behalf of the Board <b><u>Eastern Gases Ltd.</u></b>			
(Chinmaya Prasad Biswal) <b>Partner</b> Membership No. : 065753 Place : Kolkata Date : 30th May, 2016	(S.K.Bhansali) <b>Director</b>	(M.Mukherjee) <b>Director</b>	



## Profit and Loss Statement for the year ended 31st March 2016

(Rs. in lacs)

Particulars	Note No	31-Mar-16	31-Mar-15
<b>I. Revenue from operations</b>	14	26,776.90	22,840.03
<b>II. Other Income</b>	15	105.13	135.02
<b>III. Total Revenue (I +II)</b>		<b>26,882.03</b>	<b>22,975.05</b>
<b>Expenses:</b>			
Purchases of stock-in-trade		25,854.98	21,666.93
Change in inventories of stock-in-trade	16	(494.62)	(43.77)
Employees benefits expense	17	64.48	58.93
Financial costs	18	791.71	611.60
Depreciation and amortisation expense	19	112.68	167.14
Other expenses	20	105.52	108.34
<b>IV. Total Expenses</b>		<b>26,434.75</b>	<b>22,569.17</b>
Extra Ordinary Item- Loss on sale of Fix Asset		-	1.01
<b>V. Profit before tax (III-IV)</b>		<b>447.28</b>	<b>404.86</b>
<b>Tax expense:</b>			
(a) Current tax expense for current year		91.20	79.66
(b) Current tax expense relating to prior years		-	-
(c) Deferred tax		42.00	51.70
<b>VI. Total Taxes</b>		<b>133.20</b>	<b>131.36</b>
<b>VII. Profit/(Loss) for the period (V-VI)</b>		<b>314.08</b>	<b>273.50</b>
<b>VIII. Earning per equity share:</b>			
Basic & Diluted (in Rs.)		2.09	1.82
As per our report of even date <b>For C.B.C. &amp; Associates</b> Chartered Accountants (Registration No. 325794E)		For and behalf of the Board <b><u>Eastern Gases Ltd.</u></b>	
(Chinmaya Prasad Biswal) <b>Partner</b> Membership No. : 065753 Place : Kolkata Date : 30th May, 2016	(S.K.Bhansali) <b>Director</b>	(M.Mukherjee) <b>Director</b>	

**EASTERN GASES LIMITED**
**Cash Flow Statement for the year ended 31 March, 2016**


(Rs. in lacs)

Particulars	31-Mar-2016	31-Mar-2015
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	447.28	404.86
<i>Adjustments for:</i>		
Depreciation and amortisation	112.68	167.14
Loss on sale of Fixed asset	0.00	1.01
Finance Cost	791.71	611.60
Interest Income	(67.61)	(104.84)
	1284.06	1079.77
Operating profit / (loss) before working capital changes		
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(494.62)	(43.77)
Trade receivables	243.97	(91.56)
Short-term loans and advances	60.80	46.73
Other current assets	(3.14)	(2.07)
Other non-current assets	2.76	(7.49)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(780.04)	(870.25)
Proceeds from short term borrowings	676.48	1201.31
Short-term provisions	2.01	(1.36)
	(291.78)	231.54
Cash generated from operations	992.28	1311.31
Net income tax (paid) / refunds	(13.73)	(56.95)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>978.55</b>	<b>1254.36</b>
<b>B. Cash flow from investing activities</b>		
Interest Income	67.61	104.84
Net Capital expenditure on fixed assets	(231.76)	(316.28)
Capital expenditure on LT Investments	0.00	(9.11)
<b>Net cash flow from investing activities (B)</b>	<b>(164.15)</b>	<b>(220.55)</b>
<b>C. Cash flow from financing activities</b>		
Finance Cost	(791.71)	(611.60)
Other long term liabilities	13.97	(1.48)
Repayment of long-term borrowings	(189.02)	(304.66)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(966.75)</b>	<b>(917.74)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(152.36)</b>	<b>116.07</b>
Cash and cash equivalents at the beginning of the year	249.32	133.25
<b>Cash and cash equivalents at the end of the year</b>	<b>96.96</b>	<b>249.32</b>
As per our report of even date		
<b>For C.B.C. &amp; Associates</b>	For and behalf of the Board	
Chartered Accountants	<b>Eastern Gases Ltd.</b>	
(Registration No. 325794E)		
(Chinmaya Prasad Biswal)	(S.K.Bhansali)	(M.Mukherjee)
<b>Partner</b>	<b>Director</b>	<b>Director</b>
Membership No. : 065753		
Place : Kolkata		
Date : 30th May, 2016		



**Notes forming part of the financial statements**

**NOTE 1 - SHARE CAPITAL**

(Rs. in lacs)

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
<u>Authorised</u>	-	
1,50,00,000 Equity Shares of Rs. 10/- Each (P.Y 1,50,00,000 Equity Shares of Rs. 10/- Each)	1,500.00	1,500.00
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>
<u>Issued, Subscribed &amp; Fully Paid Up</u>		
1,50,00,000 Equity Shares of Rs. 10/- Each (P.Y 1,50,00,000 Equity Shares of Rs. 10/- Each)	1,500.00	1,500.00
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>

**Disclosure pursuant to Note no. 6(A)(E) & (G) of Part I of Schedule III to the Companies Act, 2013**

**Terms & Rights attached to equity shares :**

(i) The Company has only one class of Equity Shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

(ii) In the event of liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportionate to the number of Equity shares held by shareholders.

(iii) None of the shareholders are holding more than 5% of Equity Shares in the company.

**NOTE 2 - RESERVE & SURPLUS**

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
Securities premium reserve	450.11	450.11
<u>Profit and Loss Account</u>		
As per last Balance Sheet	1,101.53	828.03
Add: Profit for the year	314.08	273.50
	1,415.61	1,101.53
Less: Appropriation:		
Proposed Dividend on Equity Shares [Rs.0.20 paisa (2015:Rs. Nil) per share]	30.00	-
Dividend Distribution Tax on Proposed Dividend	4.50	-
	1,381.11	1,101.53
<b>Total</b>	<b>1,831.22</b>	<b>1,551.64</b>

**NOTE 3- LONG TERM BORROWINGS**

Particulars	31-Mar-16	31-Mar-15
<u>Term Loans</u> from Banks - Secured*	870.02	1,257.00
from other parties - Unsecured	200.01	2.04
<b>Total</b>	<b>1,070.03</b>	<b>1,259.05</b>

\* The same is secured by Equitable Mortgage on the Company's immovable Property at both present and future at Bangalore & Hyderabad.

**NOTE 4 - OTHER LONG-TERM LIABILITIES**

(Rs. in lacs)

Particulars	31-Mar-16	31-Mar-15
Security Deposit/ Performance Deposit	164.03	150.06
<b>Total</b>	<b>164.03</b>	<b>150.06</b>

**NOTE 5 - SHORT TERM BORROWINGS**

Particulars	31-Mar-16	31-Mar-15
<u>Secured</u> Loans repayable on demand from banks*	4,144.44	3,467.96
<b>Total</b>	<b>4,144.44</b>	<b>3,467.96</b>

\* The Loan is secured by first charge over current assets of the company as well as against companies immovable fixed assets at Durgapur including equitable mortgage of land.

**NOTE 6 - SHORT TERM PROVISIONS**

Particulars	31-Mar-16	31-Mar-15
(a) Provision for employee benefits	0.65	0.43
(b) <u>Others:</u>		
TDS Payable	0.81	0.38
Other Taxes Payable	1.88	-
Other payables	-	0.51
Proposed Dividend on Equity Shares	30.00	-
Dividend distribution tax on Proposed Dividend	4.50	-
Provision for Taxation	172.57	83.86
<b>Total</b>	<b>210.41</b>	<b>85.19</b>



**NOTE 7 - FIXED ASSETS**

Particulars of Depreciation as per Company Act 1956

(Rs. in Lacs)

Fixed Assets	Gross Block			Depreciation & Other Reduction				Net Block		
	As at 01.04.2015	Additions/ (Disposals)	As at 31.03.2016	As at 01.04.2015	Depreciation for the year	Adjust- ments	Sales of Asset	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
<b>Tangible Assets</b>										
A. Land & Development - Leasehold	635.92	1.40	637.32	0.51	-	-	-	0.51	636.81	635.41
B. Building	599.76	32.40	632.16	115.69	19.74	-	-	135.43	496.73	484.07
C. Plant , Machinery and Equipment	1,832.87	161.52	1,994.39	322.72	75.29	-	-	398.01	1,596.38	1,510.15
D. LPG Cylinders	237.14	35.06	272.20	167.61	5.77	-	-	173.38	98.82	69.53
E. Furniture and Fixtures	0.67	-	0.67	0.30	0.04	-	-	0.34	0.33	0.37
F. Vehicles & Motor car	67.59	-	67.59	40.30	9.60	-	-	49.90	17.69	27.29
G. Office Equipments	19.20	0.90	20.10	11.99	2.24	-	-	14.23	5.87	7.21
<b>Total</b>	<b>3,393.14</b>	<b>231.28</b>	<b>3,624.42</b>	<b>659.12</b>	<b>112.68</b>	<b>-</b>	<b>-</b>	<b>771.80</b>	<b>2,852.62</b>	<b>2,734.02</b>

**Notes**

As per the requirement of Companies Act 2013, effective from 1st April 2014, the company has charged depreciation based on estimated life as mentioned in schedule II

**NOTE 8 -NON CURRENT INVESTMENTS**

(Rs. in Lacs)

Particulars	31-Mar-16	31-Mar-15
<u>Other Investments in shares at cost</u>		
ASIA LPG PVT LTD (1500 SHARES)	9.11	9.11
<b>Total</b>	<b>9.11</b>	<b>9.11</b>

**NOTE 9 -OTHER NON CURRENT ASSETS**

Particulars	31-Mar-16	31-Mar-15
<u>Unamortised Expenses</u>		
(a) Share issue expenses	-	1.45
(b) Prepaid Expenses	49.64	50.95
<b>Total</b>	<b>49.64</b>	<b>52.40</b>

**NOTE 10 - TRADE RECEIVABLES**

Particulars	31-Mar-16	31-Mar-15
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	5792.14	5,348.22
<b>Total</b>	<b>5,792.14</b>	<b>5,348.22</b>
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	49.92	62.81
Less: Provision for doubtful debts	1.23	1.23
<b>Total</b>	<b>48.69</b>	<b>61.58</b>
<b>Total</b>	<b>5,840.83</b>	<b>5,409.80</b>

**NOTE 11 - CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
(a) Balances with banks		
(i) In current accounts	1.79	0.24
(ii) In deposit accounts	0.80	1.05
(iii) In earmarked accounts		
- Balances held as margin money or security against borrowings	90.25	238.50
(b) Cash in hand	4.12	9.53
<b>Total</b>	<b>96.96</b>	<b>249.32</b>

**NOTE 12 - SHORT TERM LOAN AND ADVANCES**

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
(a) Security deposits		
Unsecured, considered good	42.00	42.00
(b) Loans and advances to employees		
Unsecured, considered good	101.59	72.41
(c) Balances with government authorities		
(i) CENVAT credit receivable	3.83	3.83
(ii) Sales Tax adv./input	12.05	4.32
(iii) Service Tax adv.	0.15	2.78
(iv) IT Refundable	7.73	7.73
(v) TDS	8.64	6.25
(vi) Advance with I T Dept	44.89	36.05
(vii) Fringe Benefit Tax Refundable	0.32	0.32
(d) Advances receivable in cash or in kind or for value to be received		
Unsecured, considered good	530.02	625.11
<b>Total</b>	<b>751.22</b>	<b>800.79</b>

**NOTE 13 - OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
(a) Accruals		
(i) Interest accrued on deposits	23.97	20.83
<b>Total</b>	<b>23.97</b>	<b>20.83</b>

**NOTE 14 - REVENUE FROM OPERATIONS**

(Rs. in lacs)

Particulars	31-Mar-16	31-Mar-15
Gross Sales	26,776.90	22,840.03
Less: Taxes Excise duty	-	-
Sales tax	-	-
Net sales	26,776.90	22,840.03
<b>Total</b>	<b>26,776.90</b>	<b>22,840.03</b>

**NOTE 15 - OTHER INCOME**

Particulars	31-Mar-16	31-Mar-15
Interest Received	67.61	104.84
Bottling Income	34.78	25.50
Other Misc. Income	2.74	4.67
<b>Total</b>	<b>105.13</b>	<b>135.02</b>

**NOTE 16 - CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Particulars	31-Mar-16	31-Mar-15
<u>Inventories at the end of the year:</u> Stock-in-trade	617.00	122.38
<u>Inventories at the beginning of the year:</u> Stock-in-trade	122.38	78.61
<b>Net (increase) / decrease</b>	<b>(494.62)</b>	<b>(43.77)</b>



**NOTE 17 - EMPLOYEE BENEFITS EXPENSE**

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
(a) Salaries and wages		
(i) Employees Salaries & wages	45.41	44.88
(ii) Salary to director	15.96	12.60
(b) Contributions to		
(i) Provident Fund	0.93	0.78
(ii) Gratuity	0.92	0.04
(iii) ESI	0.44	0.36
(c) Staff welfare expenses	0.82	0.27
<b>Total</b>	<b>64.48</b>	<b>58.93</b>

**NOTE 18 - FINANCE COSTS**

(Rs. in lacs)

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
(a) Interest expense		
Interest on car loan	0.09	0.22
Interest on Working Capital Loan	584.79	418.57
Interest on Term Loan	114.21	154.44
Other Interests	0.43	1.62
(b) Other financial costs	92.19	36.75
<b>Total</b>	<b>791.71</b>	<b>611.60</b>

**NOTE 19 - DEPRECIATION & AMORTISATION EXPENSE**

<b>Particulars</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
Depreciation for the year	112.68	112.68
Amortisation expenses	-	15.28
<b>Total</b>	<b>112.68</b>	<b>127.96</b>

**NOTE 20 - OTHER EXPENSES**

Particulars	31-Mar-16	31-Mar-15
Audit Fees	0.17	0.19
Advertisement	0.33	0.02
Commission	4.06	1.63
Donation	0.48	0.70
Entertainment	0.01	0.03
Hotel, Boarding & Lodging	0.12	0.02
Insurance	0.51	1.37
<u>Misc.Exp</u>		
a. Legal & Professional Charges/Fees	3.75	8.17
b. Equity Share Expenses	0.98	1.30
c. Packing / Loading & Unloading	44.52	20.44
d. Security and other Expenses	12.87	10.45
e. General & Other Expenses:	3.20	4.05
<u>Power &amp; Fuel</u>		
a. Car Running	1.47	1.66
b. H.V. Running & Maintenance	4.72	11.78
c. Electricity & Fuel	6.09	5.27
<u>Rates &amp; Taxes, excluding taxes on income</u>		
a. ROC	0.16	0.19
b. Govt. Taxes/Licences	5.79	19.68
Rent & Maintenance	5.52	5.36
Repairs to building	0.40	4.78
Repairs to machinery	6.19	7.06
Sales Promotion including publicity	-	1.02
Telephone	1.27	1.45
Travelling Expenses	2.91	1.73
Total	<b>105.52</b>	<b>108.34</b>



Note	Particulars
<b>21</b>	<b>Corporate information</b>
	The company is engaged primarily in the business of Bottling, trading of LPG and Retailing of AutoLPG.
<b>22</b>	<b>Significant accounting policies</b>
	"The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company."
<b>22.1</b>	<b>Basis of accounting and preparation of financial statements</b>
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.
<b>22.2</b>	<b>Use of estimates</b>
	The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
<b>22.3</b>	<b>Inventories</b>
	Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
<b>22.4</b>	<b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b>
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>22.5</b>	<b>Cash flow statement</b>
	Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
<b>22.6</b>	<b>Depreciation and amortisation</b>
	Depreciation has been provided on the straight-line method as per the rates calculated on basis of life estimates prescribed in Schedule II to the Companies Act, 2013. Leasehold land is yet to be amortised



<b>22.7</b>	<b>Revenue recognition</b>
	<p><u>Sale of goods</u> Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales excludes excise duty, sales tax and value added tax.</p>
<b>22.8</b>	<b>Other income</b>
	Interest & Other income is accounted on accrual basis.
<b>22.9</b>	<b>Tangible fixed assets</b>
	Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

**Note 22 Significant accounting policies (contd.)**

<b>22.10</b>	<b>Employee benefits</b>
	<p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and medical benefits.</p> <p><u>Defined contribution plans</u> The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><u>Defined benefit plans</u> For defined benefit plans in the form of gratuity fund the company has made arrangement with Life Insurance Corporation of India.</p>
<b>22.11</b>	<b>Borrowing costs</b>
	Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.
<b>22.12</b>	<b>Segment reporting</b>
	The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Being Primarily the trading nature of business hence company don't prepare segment reporting
<b>22.13</b>	<b>Earnings per share</b>
	Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is same as company has no dilutive potential equity shares



<b>22.14</b>	<b>Taxes on income</b>
	<p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p>
<b>22.15</b>	<b>Impairment of assets</b>
	<p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
<b>22.16</b>	<b>Provisions and contingencies</b>
	<p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.</p>
<b>22.17</b>	<b>Balances</b>
	<p>Balances of Sundry Debtors, Unsecured Loan &amp; Advances and Sundry Creditors are subject to the confirmation and reconciliation.</p>
<b>22.18</b>	<b>Service tax input credit</b>
	<p>Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.</p>
<b>22.19</b>	<b>Other Notes</b>
	<p>The deposit shown in the Balance Sheet is the trade deposit which will not attract the provisions of Section 73-76 of the Companies Act, 2013.</p>



<b>Note 23 Additional information to the financial statements</b>				
<b>Note</b>	<b>Particulars</b>		<b>31-Mar-2016 Rs. In lacs</b>	<b>31-Mar-2015 Rs. In lacs</b>
<b>23.1</b>	<b>Contingent liabilities</b>			
	(a) Bank Guarantee issued and effective		600.00	800.25
<b>23.2</b>	<b>Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>			
	There has been no dues to Micro and Small Enterprises which have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.			
<b>23.3</b>	<b>Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges</b>			
	The company has no Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties.			
<b>Note 24 Disclosures under Accounting Standards</b>				
<b>Note</b>	<b>Particulars</b>			
<b>24.1</b>	<b>Related party transactions</b>			
	Description of relationship	Name	Details of transaction	Amount-Rs in lacs
	Managing Director	Mr. S.K.Bhansali	Remuneration	15.96 (P.Y.-12.60)
	Note: Related parties have been identified by the Management.			
<b>24.2</b>	<b>Earnings per share</b>		<b>For the year ended 31/03/2016</b>	<b>For the year ended 31/03/2015</b>
	Profit for the year (after tax)		Rs. 31,407,685	Rs. 27,349,838
	Weighted average number of equity shares		15,000,000	15,000,000
	Face value per share		Rs.10	Rs.10
	Basic/Diluted Earnings per share		2.09	1.82
<b>24.3</b>	<b>Deferred Tax Liability</b>		Amount in Rs.	Amount in Rs.
	Opening Balance		7,063,272	1,892,922
	Terminating during the year		-	-
	Timing Difference created		4,200,340	5,170,350
	<b>Net deferred tax asset/(liability)</b>		<b>11,263,612</b>	<b>7,063,272</b>
	The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the customer orders received by the Company.			
<b>Note 25 Previous year's figures</b>				
<b>25</b>	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.			
As per our report of even date For C.B.C. & Associates Chartered Accountants (Registration No. 325794E) (Chinmaya Prasad Biswal) <b>Partner</b> Membership No. : 065753 Place : Kolkata Date : 30th May, 2016			For and behalf of the Board <b><u>Eastern Gases Ltd.</u></b> - (S.K.Bhansali) (M.Mukherjee) <b>Director</b> <b>Director</b>	



**Attendance Slip**

Only Shareholders or Proxies will be allowed to attend the meeting

Registered Folio/DP ID & Client ID:

Name and Address of the Shareholder:

Joint Holder(s):

No. of Shares:

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company being held on 30th September, 2016 at 10.30 a.m. **Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata – 700078.**

Signature of Shareholder(s) 1. \_\_\_\_\_

2. \_\_\_\_\_

Signature of the Proxy holder \_\_\_\_\_

**Note:** Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of meeting venue.

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**ELECTRONIC VOTING PARTICULARS**

EVSN	Sequence Number

**Note:** Please read instruction to e-voting to the Notice of the 21<sup>st</sup> Annual General Meeting dated 3<sup>rd</sup> September' 2016, being sent herewith, in respect of the instruction for voting through electronic means. The voting period starts from 10 a.m. on September 26, 2016 and ends at 5 p.m. on September 29, 2016.



**Proxy Form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014].*

CIN	L40200WB1995PLC068251
Name of Company	Eastern Gases Limited
Registered Office	43 Palace Court, 1 KYD Street, Kolkata- 700016

Name of the Member(s): Registered Address:  E-mail Id: Folio No./Client Id: DP ID:	
---------------------------------------------------------------------------------------------------	--

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- 1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
  
- 2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
  
- 3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General meeting of the company to be held on the 30<sup>th</sup> September, 2016 at 10.30 AM. at the Registered office of the company at Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata – 700078 and at any adjournment thereof in respect of such resolution as are indicated below:

Item No.	Resolution	No .of Shares	For ( I/We assent to the Resolution)	Against ( I/We dissent to the Resolution)
<b>Ordinary Business</b>				
1	Adoption of Statement of profit & loss, Balance Sheet , Report of Board of Directors and Auditors for Financial year ended March'31'2016			
2	Declaration of Dividend of Rs. 0.20 per equity share for the financial year ended March, 31st 2016.			
3.	Re-appointment of Auditors appointed for a term of 5 years in 21st Annual General Meeting			
<b>Special Business</b>				
3.	Regularizing the appointment of Additional Director as Non-Executive Independent Director			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ of 2016

Signature of the Shareholder: \_\_\_\_\_

(Affix Revenue Stamp)

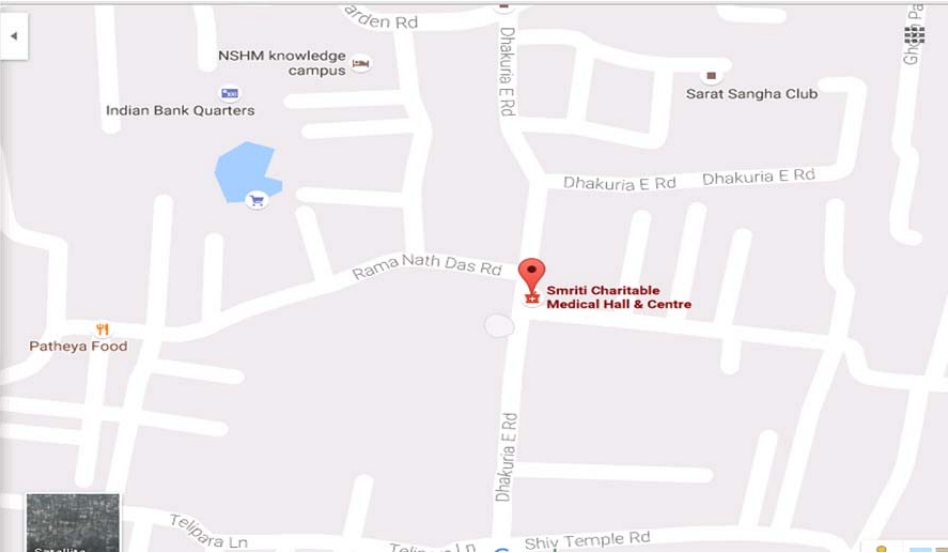
Signature of the Proxy: \_\_\_\_\_



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.



**ROAD MAP TO THE VENUE OF AGM OF EASTERN GASES LIMITED**





If undelivered, please return to:  
Eastern Gases Ltd. - 43 Palace Court, 1 Kyd Street, Kolkata 700 016