

# **BOBSHELL ELECTRODES LIMITED**

## **21<sup>st</sup> Audited Annual Report**

**FOR THE YEAR 2014 - 15**

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COMPANY REGISTRATION NO.: 04-023275

CIN NO.: L29308GJ1994PLC023275

Registered with Registrar of Companies, Gujarat State

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### **BOBSHELL ELECTRODES LIMITED**

**REGISTERED OFFICE**

**B-505, FAIRDEAL HOUSE, OPP. : ST. XAVIERS' LADIES HOSTEL,  
SWASTIK CHAR RASTA, NAVRANGPURA, AHMEDABAD-380009.**

**Email ID: bobshellelectrodes@yahoo.co.in**

**21ST ANNUAL REPORT**

<b>CIN</b>	:	L29308GJ1994PLC023275
<b>BOARD OF DIRECTORS</b>	:	Shri Shailesh M Joshi                      Chairman & Managing Director Shri Kamlesh M Shah                      Director Shri Anish Bodawala                      Director Smt. Mudraben Pathak Women      Director
<b>REGISTERED OFFICE</b>	:	B-505, Fairdeal House, Opp. ST.Xaviers' Ladies Hostel Swastik Char Rasta, Navrangpura , Ahmedabad- 380009.
<b>ADMINISTRATIVE OFFICE</b>	:	802, 8TH Floor, Swagat Building, Near Lal Bunglow, C.G.Road, Ellisbridge, Ahmedabad- 380006.
<b>PLANT</b>	:	496, Bhagya Laxmi Industrial Estate, Manpasand Weight Bridge, Santej Rakanpur, Sola Santej, Gandhinagar-382721.
<b>AUDITORS</b>	:	DJNV & CO. Chartered Accountants 58, White House, Panchvati Circle C.G.Road, Ellisbridge, Ahmedabad- 380006.
<b>BANKERS TO THE COMPANY</b>	:	1. Union Bank of India, Industrial Finance Branch, Ahmadabad 2. State Bank of Saurashtra, Sikka 3. Dena Bank, Wanakbori 4. Bank of Baroda, Dhuvaran 5. Bank of Baroda, Ukai

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Shareholders are requested to bring their copies of Annual Report at the Annual General Meeting as the same will not be distributed in the Meeting Hall.

## NOTICE

**NOTICE** is hereby given that 21st Annual General Meeting of the Members of **BOBSHELL ELECTRODES LIMITED** will be held on Wednesday, 30th September, 2015 at 11.00 A.M. at 208, 8TH floor, Swagat Building, Nr. Lal Bungalow, C.G. Road, Ahmedabad – 380 009 to transact the following business:-

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, Statement of Profit & Loss for year ended on that date and the Reports of Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Kamlesh M. Shah (DIN 00013228), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors to hold office from conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the financial year 2017-18 and fix their remuneration and given their consent in writing.

M/s DJNV & Co., Chartered Accountants, Ahmedabad, (ICAI Registration No. 115145W) retiring Auditors of the Company is eligible for re-appointment.”

### SPECIAL BUSINESS :

4. To consider and if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 (1) (f), 203 and all other applicable provisions, if any, of the Companies Act, 2013 or any amendment or substitution thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable rules read with Director’s Relative (Holding of an Office or Place of Profit) Rules , 2003 and the Companies (Appointment & Payment of Remuneration to Managerial Personnel) Rules 2014 subject to approval of members in General Meeting Mrs. Jenish Joshi, Chief Financial Officer, who is a wife of Mr. Shailesh Joshi, Managing Director of the Company, at a monthly remuneration of Rs.1,25,000 which may be increased or decreased by Board, subject to maximum remuneration payable shall not exceed Rs. 2,50,000/- with effect from March 1, 2015 as per terms of appointment approved by the remuneration Committee.

**RESOLVED FURTHER THAT** pursuant to the provision of Section 188 (1) (f) and all other applicable provisions, if any, of the Companies Act, 2013

approval of the Board be and is hereby accorded for, Mrs. Jenish Joshi, Chief Financial Officer, who is a wife of Mr. Shailesh Joshi, Managing Director of the Company to hold and continue to hold an Office or Place of Profit as CFO on such remuneration, increments and positions.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to increase or decrease remuneration payable annually w.e.f. March 1, 2015 and thereafter at the end of every financial year based upon the performance of the Company and the personal performance of the Chief Financial Officer.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which may exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to vary, alter the scope of the remuneration as it may deem fit in the interest of the Company at any time in future.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the said Act, and applicable provisions of Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 for such part of the period where relevant Sections and Schedule were in force, and subject to the approval of the Central Government and such other authorities, if necessary, and subject to the approval of members in Annual General Meeting , consent of the Board of the Company be and is hereby accorded for payment of remuneration of Rs. 2,00,000/- only per month to Mr. Shailesh Joshi (holding DIN 01453505) with effect from 01st August ,2015 for remainder of duration of appointment upto 29th May, 2016.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall always be deemed to include any

Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or any such other competent authority.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which may exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to vary, alter the scope of the remuneration as it may deem fit in the interest of the Company at any time in future.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution."

**NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/ her self and proxy need not be a member. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.** A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement (Including any Statutory Modification or re-enactment thereof for the time being in force), the Company is providing e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. The instructions for e-voting are enclosed herewith.
3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. Pursuant to Clause 49 of the Listing Agreement, details of directors seeking appointment/ reappointment at the Meeting are given in detail, is annexed hereto.
5. A statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
6. Shareholders are requested to bring their copy of Annual Report to the meeting.
7. Members/Proxies should fill Attendance Slip for attending the meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23RD September, 2015 to Wednesday, 30Th September, 2015 (both days inclusive)
9. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
10. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Share registrars and Transfer Agents.
12. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with the Company's Share Registrars and Transfer Agents.
13. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2015 is uploaded on the Company's website [www.bobshell.net](http://www.bobshell.net) and may be accessed by the members and also on the website of the Bombay Stock Exchange Ltd. [www.bseindia.com](http://www.bseindia.com).

14. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, a physical copy of the Annual Report for 2014 -15 is being sent in the permitted mode.

**15. GENERAL INSTRUCTIONS FOR VOTING :**

- a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 read with clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 21ST Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Sharepro Services Private Ltd.
- b. 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.
- c. 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.
- d. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [www.shareproservices.com](http://www.shareproservices.com)
- e. Shri Bharatkumar Tank, Practicing Company Secretary, (Membership No. A20605 and COP No. 7563) (Address: 9-D, 10TH Floor, Sumeru Center, Nr. Parimal Crossing, C.G.Road, Paldi, Ahmedabad . 380 007, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- f. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the

Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, submit to the Chairman of the Company.

- g. The Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website <http://www.bobshell.net> and on the website of Sharepro Services Private Limited within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the NSE and BSE Limited and will be uploaded on website of Stock Exchanges.
  - h. 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. 23.09.2015, may obtain the login ID and password by sending a request at [www.shareproservices.com](http://www.shareproservices.com).
1. The voting period begins on 27.09.2015 at 10 A.M. and ends on 29.09.2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of (record date) of 23.09.2015 may cast their vote electronically. The e-voting module shall be disabled by Sharepro Services Private Limited for voting thereafter.
- Note :** For detailed instructions for e-voting, please visit website of Sharepro Services Private Limited
- Instructions for e-voting :**
- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
- In case of members receiving e-mail :**
- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Now, select the "COMPANY NAME" i.e. BOBSHELL ELECTRODES LIMITED from the drop down menu and click on "SUBMIT"
  - (iv) Now Enter your User ID:
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha-Numeric)
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>DOB#</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details#</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login

- password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> i.e. The BOBSHELL ELECTRODES LIMITED, on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

**BOBSHELL ELECTRODES LIMITED**

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy :**

Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.

**General Instructions :**

- a. The voting period begins on 27.09.2015 at 10 A.M. and ends on 29.09.2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of (record date) of 23rd September,2015 ,may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The EVSN number for e.voting generated on the website [www.evotingindia.com](http://www.evotingindia.com) is 150820023
- b. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c. Shri Bharatkumar Tank, Practicing Company Secretary, (Membership No. A20605 and COP No. 7563) (Address: 9-D, 10TH Floor, Sumeru Center,

Nr. Parimal Crossing, C.G.Road, Paldi, Ahmedabad - 380 007, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- d. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- e. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within three(3) days of passing of the resolutions at the AGM of the Company and communicated to the ASE and BSE Limited

**By order of the Board  
SD/-**

**Shailesh M.Joshi  
Chairman &  
Managing Director**

**Date : 30th May, 2015  
Place : Ahmedabad**

**Registered Office:  
B-505, Fairdeal House,  
Opp. ST.Xaviers' Ladies Hostel  
Swastik Char Rasta,  
Navrangpura, Ahmedabad- 380009.  
CIN: L29308GJ1994PLC023275**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE RULES FRAMED THEREUNDER**

**FOR ITEM NO.: 4**

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

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company having a paid up share capital of rupees Ten crore or more, prior approval of the shareholders by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

The Board of Directors of the Company took note that the Company being in existence for last three decades has developed into a financial institution with efficient systems, competent credit management practices and stringent operational control processes, thus, may extend the required support to its associate Companies. In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1. Name of the related party : Mrs. Jenish Joshi
2. Name of the Director who is related : Mr. Shailesh Joshi

3. Nature of relationship : Wife
4. Nature, material terms, monetary : Monthly managerial remuneration of Rs. 1,25,000/- only Value and particulars of contract

**FOR ITEM NO.: 5**

The Board of Directors decided to increase the remuneration of Mr. Shailesh M.Joshi, Chairman and Managing Director. Mr. Shailesh M.Joshi is from the inception of the company. He is also the Whole time Director of the company.

The Board of Directors of the Company took note that the Company being in existence for last three decades has developed into a financial institution with efficient systems, competent credit management practices and stringent operational control processes, thus, may extend the required support to its associate Companies. In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

**By order of the Board  
SD/-**

**Date : 30th May, 2015  
Place : Ahmedabad**

**Shailesh M.Joshi  
Chairman &  
Managing Director**

**Registered Office:  
B-505, Fairdeal House,  
Opp. ST.Xaviers' Ladies Hostel  
Swastik Char Rasta,  
Navrangpura, Ahmedabad- 380009.  
CIN: L29308GJ1994PLC023275**

**BOBSHELL ELECTRODES LIMITED**

**DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE 12TH ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT.**

<b>Name of Director</b>	<b>KAMLESH M SHAH DIN 00013228</b>
Date of Birth	19.09.1955
Date of Appointment	31.08.2013
Relationship with other Directors Interse	None
Profile & Expertise in Specific functional Areas	He is Practicing Company Secretary . He has been working in this filed for more than 22 years.
Qualification	Company Secretary(C.S.) & LLB
No. of Equity Shares held in the Company	NIL
List of other Companies in which Directorships are held	1. Paramount Club Private Limited 2. Tristar Organisers Private Limited 3. Everest Extrusions Limited 4. Park Light Investment Private Limited
List of committees of Board of Directors (across all other Companies) in which Chairmanship/ Membership is held	N.A.

**DIRECTORS' REPORT**

Dear Members,

Your Directors present 21ST Annual Report on the operations and performance together with the Audited Financial Statements for the year ended on 31st March 2015.

**FINANCIAL HIGHLIGHTS :**

Rs. In Lacs

PARTICULARS	FOR THE YEAR ENDED ON 31/03/2015	FOR THE YEAR ENDED ON 31/03/2014
Other Income	8,01,714	8,52,679
Total Income.	2,95,02,603	2,76,39,158
Total Expenses	3,05,02,609	2,81,83,401
Profit Before Tax	(10,00,006)	(5,44,243)
Depreciation	9,88,699	9,30,138
Adjustment For Tax	0	0
Provision for FBT.	0	0
Profit / (Loss) After Tax.	(9,87,961)	(6,22,242)
Deferred Tax (Assets) Liability	(12,045)	77,999
Net Profit / (Loss) for the Year	(9,87,961)	(6,22,242)
Previous Year Balance B/F	(2,50,60,526)	(2,44,38,284)
Balance Carried to Balance Sheet	(2,60,48,488)	(2,50,60,526)
Earning Per Share (In Rupees)	(0.16)	(0.10)

**OPERATIONAL OVERVIEW :**

During the year under review Net Turnover of the Company has been increased from Rs. 2, 76, 39,158/- to

Rs.2, 95, 05,603/- as compared to previous year's turnover. However, due to increase in the operational expenditure, the Company has incurred a net loss after tax of Rs. (9,87,961)/- as compared to Rs. (6,22,242)/- in the corresponding year.

**DIVIDEND :**

Due to loss, your Directors have not recommended dividend for the financial year 2014-15.

**BUSINESS ACTIVITY :**

The Company is engaged in the business of manufacture of Low Heat Input Welding Electrodes since October 1994. The company has the most modern manufacturing facilities to produce Zero Defect Electrodes. All the facilities required to produce quality electrodes are there under one roof. There was no change in the nature of any of the business activity during the year.

**FIXED DEPOSIT :**

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

**REGULATORY STATEMENT :**

In conformity with provision of Clause 32 in the Listing Agreement (s), the Cash Flow Statement for the year ended 31.03.2015 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd. and the National Stock Exchange of India Ltd. (NSE).

The Company has not paid listing fees for the year 2015-16 to above stock exchanges.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are separately provided in the annexure to this report

**DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013**

The Company is not entering into related parties transactions for sale/purchase of goods or services at preferential prices. However, all the transactions in the nature of sales/purchase of goods or services are made on arms length basis. The same were reported to the Board at every meeting and Board took a note of the same and approved. Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc. are given in the notes to the accounts vide note no. 31 as per requirements of AS 18.

The Company has formulated various other policies like Risk Management Policy, Evaluation of Board Performance Policy, and CSR Policy etc. etc. All such policies were documented and adopted by the Board in its meeting held on 14.2.2015.

Full details of Risk Management Policy are given in the Corporate Governance Report under the head Whistle Blower Policy.

As the Company is loss making one, the provisions related to CSR is presently not applicable to the Company.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows

the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel from time to time.

**DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013**

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company..

**CORPORATE GOVERNANCE :**

The Board of Directors supports to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance.

**BOARD OF DIRECTORS :**

Details about the Board of Directors Meetings are attached to the Report on Corporate Governance. Shri Kamlesh M. Shah, will be the Director retiring by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. Smt. Jenish Joshi has been appointed as a Chief financial Officer w.e.f. 01st March, 2015.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

**DECLARATION BY INDEPENDENT DIRECTORS :**

(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors

in the company, its holding, subsidiary or associate company.

- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
  - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
  - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
    - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
    - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
    - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
    - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
    - (v) Who possesses such other qualifications as may be prescribed.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2014-15, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2015, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have 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 profit and loss account of the Company for that period;
- c) The Directors have 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 have prepared the annual accounts on a going concern basis; and
- e) The directors in the case of a listed company had 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1)**

In compliance with Section 178 (1) as also in compliance with Clause 49 of the Listing Agreement, the Board of Directors do hereby declare that:

- a. The Company has proper constitution of the Board of Directors including independent directors in proportion as per requirement of clause 49 of the Listing Agreement.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the Clause 49 of the Listing Agreement and provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are

persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.

- d. The Company pays managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
- e. The Independent Directors are not paid sitting fee for attending Board and other committee meetings as decided by the Board from time to time. This sitting fee is decided considering the financial position of the company.
- f. The Company is not paying any commission on net profits to any directors.
- g. During the year the Board has met 4 times during the year. The details of presence of every director at each meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

**INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

**SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES AND INDIVIDUAL DIRECTORS**

1. The Board makes evaluation of the effectiveness and efficiency of every individual directors, committee of directors, independent directors and board as a whole.
2. For these purpose the Board makes evaluation twice in a year on a half yearly basis.
3. The performance of individual directors are evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every directors at a meeting, effective participation in discussion of each of the business of agenda for the meetings, feedback receives from every directors on draft of the minutes and follow up for action taken reports from first line management.
4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.
5. The performance of independent directors are evaluated on the basis of their participation at the

meetings and post meeting follow up and communication from each of such independent directors.

**DISCLOSURE AS PER COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Total managerial remuneration paid to each of them during the current year and previous year are as under:

- I. The Percentage of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S. N.	Name of director	Designation	Remuneration paid in current year	Remuneration paid in previous year	Total cost of remuneration of the employees	% remuneration of director to total cost of remuneration
1.	Shri Shailesh M .Shah	Whole-Time Director	1,00,000 Per month	1,00,000 Per month	24,68,301	20.5%
2.	Smt. Jenish Joshi	CFO (W.e.F 1/3/15)	NIL	NIL	24,68,301	NIL
3.	Smt. Gurpreet Kaur Tuteja	Company secretary (W.e.F 1/3/15)	NIL	NIL	24,68,301	NIL

- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

There was increase in remuneration of Chief Financial Officer from March 2015 which has been placed for the member's approval in the Annual General Meeting. The remuneration of Chairman and Managing Director has also increased subject to the approval of members in this Annual General Meeting.

- III. The percentage increase in the median remuneration of employees in the financial year:

During the year the total remuneration of employees was Rs. 24,68,301/- as against Rs. 23,26,913/- in the previous year constituting a net increase of Rs. 14,71,388/-. This increase in remuneration of employees was due to increase in overall inflation index.

- IV. The number of permanent employees on the rolls of company:

There were 18 permanent employees on the rolls of company.

- V. The explanation on the relationship between average increase in remuneration and company performance;

NOT APPLICABLE as there was no substantial increase in remuneration of any employee during the year. The increase was only due to increase in inflation index.

- VI. Comparison of the remuneration of the Key managerial personnel against the performance of the company :

The KMP i.e. whole time Directors, Company Secretary, CFO are being paid total Remuneration of Rs.12.00 Lacs per annum in the current year.

- VII. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;

Earning Per share for the financial year ended on 31/03/2014:Rs. (0.16)/-

Earning per share for the financial year ended on 31/03/2015: Rs. (0.10)/-

Regarding other information like Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies is not given herewith since Company had made IPO more than 5 Years before and there was no substantial variation in the market price of shares of the company. Company's EPS is negative and hence PE Ratio is not given.

- VIII. Comparison of the remuneration of each key managerial personnel against the performance of the company;

As the company is paying minimum managerial remuneration to its managerial personnel and the Company is the loss making one the comparison of remuneration of each of the KMP with performance of the company is not comparable.

Since WTDs are being paid minimum remuneration and other KMPs are getting remuneration as per

prevailing industry norms, it is not possible to compare remuneration with the performance of the company.

- IX.** The key parameters for any variable component of remuneration availed by the directors; NOT APPLICABLE.
- X.** The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

There were no employees who are receiving remuneration in excess or higher than the remuneration of Director or Key Managerial Personnel.

- XI.** Affirmation that the remuneration is as per the remuneration policy of the Company.

All remuneration of the Employees and directors are paid as per remuneration policy of the Company.

#### **PARTICULARS OF THE EMPLOYEES**

Particulars of the employees as required under provisions of Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are not attached with this report since there was no employee who was in receipt of remuneration in excess of Rs.5, 00,000 per month during the year or Rs. 60 Lacs per annum in the aggregate if employed part of the year.

#### **AUDITORS :**

##### **STATUTORY AUDITORS :**

M/s.DJNV & CO., Chartered Accountants, an Auditors firm are statutory auditors of the company since incorporation. As per Rule 6(3) of the Companies (Audit and Auditors) Rules 2014, they are eligible to continue as the statutory auditors of the company for financial years 2014-15, 2015-16, 2016-17, and 2017-18. Accordingly Statutory Auditors of the company have given their letter of consent and confirmation under section 141(1) the Companies Act 2013 for their appointment as Statutory Auditors of the Company up to the financial year 2017-18 hence, the Board has now proposed to appoint the Statutory Auditors for a period of up to 2017-18. Necessary Resolution for their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

##### **COST AUDITORS :**

M/s. Chirag Modh & Associates, Cost Accountants have been appointed for auditing cost accounting records of the Company for the year ending 31st March, 2015. Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made there under.

##### **INTERNAL AUDITOR :**

The Company has appointed an Independent firm of

Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the audit Committee in order to strengthen the internal control system for the Company.

##### **SECRETARIAL AUDITOR :**

The Company has appointed M/s .BHARAT KUMAR TANK & ASSOCIATED. as the secretarial auditor for the financial year 2014-15. They have given their report in the prescribed form MR-3 which is annexed to this report as an ANNEXURE.

##### **OBSERVATION OF THE SECRETARIAL AUDITOR :**

The Company has not paid the Listing Fees of the Bombay Stock Exchange for the financial year 2015-16.The trading of shares of the company is suspended from Bombay Stock Exchange.The company is yet to enter in to a Two Party Agreement for the appointment of full- fledged Registrar and Transfer Agent.

##### **EXPLANATION TO THE AUDITORS' REMARKS :**

The Auditors Report for the year ended 31st March, 2015 and the notes forming part of accounts referred to in the Auditor's Report are self explanatory and give complete information.

##### **MATERIAL CHANGES / INFORMATION :**

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company. However, net worth of the company has been completely eroded and Board has decided to approach BIFR under SICA for declaring company as sick unit.
2. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

##### **APPRECIATION :**

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

**Date : 30th May, 2015**  
**Place : Ahmedabad**

**By order of the Board**  
**SD/-**  
**Shailesh M.Joshi**  
**Chairman &**  
**Managing Director**

**BOBSHELL ELECTRODES LIMITED**

**ANNEXURE – 1 TO THE DIRECTORS' REPORT**

Statement pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with the RULE 8(3) of Companies (ACCOUNTS) Rules, 2014.

**A. CONSERVATION OF ENERGY :**

**(a) Energy conservation measures taken :-**

Your company gives priority to Energy conservation. It regularly reviews measures to be taken for Energy Conservation/Consumption and its effective utilization.

**(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:-**

Your Company is highly power intensive industry and power is the basic requirements of manufacturing process. In order to reduce the cost per unit for power consumption, the Company has installed 40 MW Captive Power Plant.

**(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:**

The company is operating 40 MW Captive Power Plant in parallel with GETCO Grid and with the consumption of own power, Company saves substantial amount from the same.

**(d) Total energy consumption and energy consumption per unit of production :**

(I) POWER & FUEL CONSUMPTION	2014-15	2013-14
<b>1. ELECTRICITY</b>		
<b>(a) Purchased</b>		
Unit (Kwh)	52258	65002
Total Amount (Rs.)	532114.99	593661.52
Rate / Unit (Rs)	10.18	9.13
<b>(b) Own Generation</b>		
<b>(i) Through Diesel Generator Unit (Kwh)</b>		
Unit Per Ltr of Diesel Oil	Nil	Nil
Cost / Unit (Rs)	Nil	Nil
<b>(ii) Through Steam Turbine/Generator Unit (Kwh)</b>		
Unit Per Kg of Lignite	Nil	Nil
Cost Lignite/Unit (Rs)	Nil	Nil
Cost Coal/Unit (Rs)	Nil	Nil
Cost Coal & Lignite/Unit (Rs)	Nil	Nil
<b>2. COAL(Including Coal Fines)</b>		
Quantity (MT)	Nil	Nil
Total Cost (Rs)	Nil	Nil
Average Rate (Rs)	Nil	Nil
<b>3. FURNACE OIL</b> (used in the generation of power)		
Quantity (K Ltr)	Nil	Nil
Total Cost (Rs)	Nil	Nil
Average Rate (Rs)	Nil	Nil

<b>4. UNITS OF PRODUCTION</b>		
Total Units produced	48484	85237
Total cost of Power/Fuel per unit cost of Production.	Rs. 10.9	Rs. 6.96

**(II) CONSUMTION PER M.T. OF PRODUCTION**

Particulars of Product		
Electricity (in Unit)	Nil	Nil
Furnace Oil	Nil	Nil
Coal (Specify quantity)	Nil	Nil
Others	Nil	Nil

**B. TECHNOLOGY ABSORPTION:**

**(I) Research and Development (R & D)**

Particulars	2014-15	2013-14
1. Specific areas in which R&D carried out by the company.	Nil	Nil
2. Benefits derived as a result of the above R&D	Nil	Nil
3. Future plan of action:		
a. Capital	Nil	Nil
b. Recurring	Nil	Nil
c. Total Nil	Nil	Nil
d. Total R&D expenditure as a percentage of total turnover	Nil	Nil

**(II) Technology absorption, adaptation :**

Particulars	2014-15	2013-14
Company has not carried out research, development & innovation activities.		
1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Nil	Nil
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	Nil	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :	Nil	Nil
a. Technology imported		
b. Year of import		
c. Has technology has been fully absorbed		
d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.		

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

(Rs. in lakhs)

Particulars	2014-15	2013-14
<b>1) EARNINGS &amp; OUTGO</b>		
a. Foreign Exchange earnings	Nil	Nil
b. Foreign Exchange outgo	Nil	Nil
<b>2) TOTAL FOREIGN EXCHANGE USED AND EARNED</b>		
As per notes on account		

**BOBSHELL ELECTRODES LIMITED**

**ANNEXURE – 2 TO THE DIRECTORS' REPORT  
FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON  
THE FINANCIAL YEAR ENDING ON 31/03/2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of  
the Companies (Management and Administration) Rules, 2014]

**1) REGISTRATION AND OTHER DETAILS :**

NO.	PARTICULARS	DETAILS
1	CIN	L29308GJ1994PLC023275
2	Registration date	14/10/1994
3	Name of the company	BOBSHELL ELECTRODES LIMITED
4	Category/ sub-category of the company	Company limited by shares/ Indian Non Government Company
5	Address of the registered office and contact details	B/505 FAIRDEL HOUSE OPP ST. XAVIERS LADIES HOSTEL, NAVRANGPURA, AHMEDABAD-380009, GUJARAT.
6	Whether listed company	YES
7	Name, address and contact details of registrar and transfer agent if any	SHAREPRO SERVICES PRIVATE LIMITED 13/A-B, Samita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange, Off Andheri-Kural Road, Sakinaka, Andheri East, Mumbai - 400072. E-mail: sharepro@shareproservices.com Website: http://www.shareproservices.com

**2) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated :-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	MANUFACTURE OF FERRO ALLOYS	271	30.28%
	<b>TOTAL</b>	-	-

**3) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NA**

**4) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :**

**i) Category-wise Share Holding :**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
g) Individual/HUF	NIL	1680000	1680000	27.97%	1680000	NIL	1680000	27.97%	NIL
h) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
j) Bodies Corp.	NIL	70000	70000	1.17%	70000	NIL	70000	1.17%	NIL
k) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
l) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A) (1):-</b>	<b>NIL</b>	<b>1750000</b>	<b>1750000</b>	<b>29.14%</b>	<b>1750000</b>	<b>NIL</b>	<b>1750000</b>	<b>29.14%</b>	<b>NIL</b>

**BOBSHELL ELECTRODES LIMITED**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e)Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A) (2):-</b>									
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>NIL</b>	<b>1750000</b>	<b>1750000</b>	<b>29.14%</b>	<b>1750000</b>	<b>NIL</b>	<b>1750000</b>	<b>29.14%</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1):</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non-Institutions</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Bodies Corp.	162975	NIL	162975	2.71%	162975	NIL	162975	2.71%	2.71%
i) Indian									
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1476849	1949650	3426499	57.05%	1476849	1949650	3426499	57.05%	57.05%
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	666526	NIL	666526	11.10%	666526	NIL	666526	11.10%	11.10%
c) Others									
(NON RESIDENT & CLEARING MEMBERS)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(2):-</b>	<b>2306350</b>	<b>1949650</b>	<b>4256000</b>	<b>70.86%</b>	<b>2306350</b>	<b>1949650</b>	<b>4256000</b>	<b>70.86%</b>	<b>70.86%</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2306350</b>	<b>1949650</b>	<b>4256000</b>	<b>70.86%</b>	<b>2306350</b>	<b>1949650</b>	<b>4256000</b>	<b>70.86%</b>	<b>70.86%</b>
C. Shares held by custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>GRAND TOTAL (A+B+C)</b>	<b>2304450</b>	<b>3701550</b>	<b>6006000</b>	<b>100%</b>	<b>2304450</b>	<b>3701550</b>	<b>6006000</b>	<b>100%</b>	<b>100%</b>

**BOBSHELL ELECTRODES LIMITED**

**(ii) SHAREHOLDING OF PROMOTERS :**

Sr. Shareholder's Name No.	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
Shailesh M.Joshi	550000	9.16	NIL	550000	9.16	NIL	NIL
Manshanker T. Joshi	259700	4.33	NIL	259700	4.33	NIL	NIL
Bhadrashankar K. Pandya	210000	3.50	NIL	210000	3.50	NIL	NIL
Narendra R.Dixit	100	0.00	NIL	100	0.00	NIL	NIL
Mudraben P.Pathak	100	0.00	NIL	100	0.00	NIL	NIL
Dr. Nina P. Vadiya	100	0.00	NIL	100	0.00	NIL	NIL
Dr. Harish M. Joshi	70000	1.17	NIL	70000	1.17	NIL	NIL
Milan R. Patva	70000	1.17	NIL	70000	1.17	NIL	NIL
Sushila R. Patva	70000	1.17	NIL	70000	1.17	NIL	NIL
Shrenik R. Patva	50000	0.83	NIL	50000	0.83	NIL	NIL
Kajal H. Vyas	50000	0.83	NIL	50000	0.83	NIL	NIL
Bhavnaben H. Joshi	60000	1	NIL	60000	1	NIL	NIL
Kalavati B.Pandya	60000	1	NIL	60000	1	NIL	NIL
Vijayben M.Joshi	60000	1	NIL	60000	1	NIL	NIL
Hamendra R. Shah	90000	1.5	NIL	90000	1.5	NIL	NIL
Divyang P.Shastri	30000	0.50	NIL	30000	0.50	NIL	NIL
Kashyap P.Pathak	50000	0.83	NIL	50000	0.83	NIL	NIL
Hindustan Credit Capital Ltd.	40000	0.67	NIL	40000	0.67	NIL	NIL
Tristar Organics Ltd.	30000	0.50	NIL	30000	0.50	NIL	NIL
<b>TOTAL</b>	<b>1750000</b>	<b>29.14</b>	<b>NIL</b>	<b>1750000</b>	<b>29.14</b>	<b>NIL</b>	<b>NIL</b>

**(iii) CHANGE IN PROMOTER'S SHAREHOLDING :**

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the beginning of the year	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
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.)	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE

**BOBSHELL ELECTRODES LIMITED**

**5) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDER ( OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)**

S. N.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares of the company	% of total shares	No. of shares of the company	% of total shares
1	VIJAYBHAI VRAJLAL DOSHI	103600	1.72	103600	1.72
2	AASPASS MULTIMEDIA LIMITED	50000	0.83	50000	0.83
3	MAHAN INDUSTRIES LIMITED	44000	0.73	44000	0.73
4	SALIM ROSHANALI LOKHANDWALA	41650	0.69	41650	0.69
5	RUPESH CHAMPAKLAL SHAH	40000	0.67	40000	0.67
6	TUSHAR PRAFULCHANDRA SHAH	30200	0.50	30200	0.50
7	ABDULMONIM A. ANDANI	29900	0.49	29900	0.49
8	PALLAVI NIRAJ SHAH	27500	0.45	27500	0.45
9	VITTHALBHAI PRAJAPATI	23900	0.39	23900	0.39
10	SUSHILA DEVI KANKANI	23400	0.38	--	--
	<b>TOTAL</b>	<b>414150</b>	<b>6.85</b>	<b>390750</b>	<b>6.47</b>

**SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

<b>Shri Shailesh M.Joshi</b>	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
At the beginning of the year	550000	9.16	550000	9.16
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) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	550000	9.16	550000	9.16

**6) INDEBTEDNESS :**

**INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT :**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	329,834	NIL	NIL	329,834
ii) Interest due but not paid	1,50,918	--	--	1,50,918
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>4,80,752</b>	<b>NIL</b>	<b>NIL</b>	<b>4,80,752</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	4,11,070	--	--	4,11,070
* Reduction	--	--	--	--
<b>Net Change</b>	<b>4,11,070</b>	<b>NIL</b>	<b>--</b>	<b>4,11,070</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	7,40,904	NIL	NIL	7,40,904
ii) Interest due but not paid	97,356			97,356
iii) Interest accrued but not due	--			--
<b>Total (i+ii+iii)</b>	<b>8,38,260</b>	<b>NIL</b>	<b>NIL</b>	<b>8,38,260</b>

**BOBSHELL ELECTRODES LIMITED**

**7) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

**a. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	SALARY	SHRI SHAILESH M SHAH	12,00,000
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>
	Ceiling as per the Act (As per section (ii)part (ii) of schedule V)		<b>30,00,000</b>

**b. Remuneration to other directors :**

Particulars of Remuneration Independent Directors	Name of Directors				Total Amount
	SHRI KAMLESH M SHAH	SHRI ANISH BODAWALA	-	-	
Fee for attending board / committee meetings	NIL	NIL			
• Commission					
• Others, please specify					
<b>Total</b>	<b>NIL</b>	<b>NIL</b>			
Overall Ceiling as per the Act	30,00,000/- AS PER Section II Part II of Schedule V				

**8) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :**

No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CS Ms. Gurpreet Kaur Tuteja (W.e.f. 01/03/2015)	CFO Mr. Jenish joshi (W.e.f. 01/03/2015)	
1	Gross salary	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	<b>Total</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

**BOBSHELL ELECTRODES LIMITED**

**9) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	No	No	No	No	No
Punishment	No	No	No	No	No
compounding	No	No	No	No	No
<b>B. DIRECTORS</b>					
Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No
<b>C. Other Officers In Default</b>					
Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

**ANNEXURE – 4 TO DIRECTORS’ REPORT  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015  
[Pursuant to section 204(1) of the Companies Act,  
2013 and rule 9 of the Companies  
(Appointment and Remuneration of  
Managerial Personnel) Rules, 2014]**

To,  
The Members,  
BOBSHELL ELECTRODES LIMITED  
CIN: L29308GJ1994PLC023275

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BOBSHELL ELECTRODES LIMITED (CIN: L29308GJ1994PLC023275) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's 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, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March, 2015 ('Audit Period'), the company has, 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:

**MANAGEMENT RESPONSIBILITY FOR SECRETARIAL COMPLIANCES :**

The management of the company is responsible for preparation and maintenance of secretarial record and for devising proper systems to ensure compliances with the applicable laws, rules and regulations.

**AUDITOR'S RESPONSIBILITY :**

My responsibility is to express on secretarial records, standards and procedures followed by the company with respect of the secretarial compliances.

I believe that audit evidence and information obtained from the company's management is adequate and appropriate for me to provide basis to my opinion.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:

The Companies Act, 2013 (the Act) and the Rules made thereunder;

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

The Depositories Act, 1996 and the Regulations & Bye-laws framed thereunder;

Foreign Exchange Management Act, 1999 (FEMA) & the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- Not Applicable to the company during the Audit Period.

As the company is listed at Bombay Stock Exchange, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable to the company.

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable to the Company during the Audit Period

The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable to the Company during the Audit Period;

The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable to the Company during the Audit Period;

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;

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – In the Financial Year 2014-15, the company got its Equity Shares Delisted from the Ahmedabad Stock Exchange Limited. All the procedure for delisting was completed and necessary order from the stock exchange is received.

The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during Audit period.

The company has identified the following laws as specifically applicable to the company during the year under report. Based on our audit and management representation letter, the company has made compliance, wherever applicable, with the following applicable laws, rules and regulations as in force:

Shops and Establishment Act

All applicable Direct and Indirect Tax Laws, Rules and Regulations\*

Explosives Act, 1884

All the applicable Industrial and Labour Laws  
Environmental Laws, Rules and Regulations

**\*I further report that** compliance of applicable financial laws including Direct and Indirect Tax laws by the company has not been reviewed in detail in this Audit since the same has been subject to review by the Statutory Auditors.

I have also examined compliance with the applicable clauses of the following:

Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI):- Not notified hence not applicable to the company during audit period.

The Listing Agreements entered into by the company with the Bombay Stock Exchange Limited.

During the Audit period under review and as per representations and clarifications provided by the management, I confirm that the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc as mentioned hereinabove except:-

1. Company has not paid listing fees of Bombay Stock Exchanges limited for the financial year 2014-2015.
2. The Trading in shares of the company is suspended on the Bombay Stock Exchange Limited. However, as represented by the Management, the company is in process of Lifting of suspension from trading.
3. The company is yet to enter in to a Two Party Agreement for the appointment of full-fledged Registrar and Share Transfer Agent. However, it has already appointed M/s. Sharepro Services (India) Pvt. Ltd as R & T Agent for Electronic connectivity with NSDL and CDSL.

**I further report that :**

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

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

Decisions taken at the Board Meetings were properly recorded in the Minutes book of the company including to capture the dissent of any individual directors.

The company has constituted various committees and has assigned roles and responsibilities concerning the scope and objectives of the Committees as per requirements and

in compliance with the Listing Agreement and the Companies Act 2013.

As confirmed by the Management, no prosecution, legal notices initialled on the Company, its Directors and KMP and no prosecutions are filed

I 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.

I/We further report that during the audit period the Company has not made any:

Public / Right / Preferential Issue of Shares / Debentures / Sweat Equity etc.

Redemption / Buy Back of Securities.

Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

Merger / Amalgamation / Reconstruction etc.

Foreign Technical Collaborations.

**Place : Ahmedabad  
Date: 30.05.2015**

**FOR B. KUMAR TANK  
& ASSOCIATES  
PRACTICING COMPANY  
SECRETARIES**

**SD/-  
(Bharatkumar P. Tank)  
ACS: 20605 COP: 7563**

**CORPORATE GOVERNANCE REPORT**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and expectations. The Company will continue to focus its resources, strengths and strategies for enhancement of the long term shareholders' value while at the same time protecting the interest of other stakeholders.

**2. BOARD OF DIRECTORS :**

**COMPOSITION AND CATEGORY**

The composition of the Board of Directors of the Company represents an appropriate mix of executive and non-executive directors to ensure the independence of the Board and to separate the board functions of governance and management

The Board currently comprises of Three Executive Directors and Six Non-Executive Directors including the Chairman of the Board.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

**BOARD PROCEDURE :**

The Board meets atleast once in a quarter to review the quarterly performance and the financial results. The Board meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the company.

The Minutes of the Board meetings are circulated in advance to all Directors and confirmed at subsequent Meeting. The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board.

During the financial year ended March 31st, 2015, Four Board Meetings were held respectively on 30.05.2014, 30.07.2014, 04.11.2014 and 30.01.2015. The gap between two Board Meetings did not exceed four months.

The composition of the Board of Directors, the number of other Directorship and Committee positions held by the Director, of which the Director is a Member/Chairman, are as under:

Name of Director	Category	DIN	No. of Board meetings attended during the year	Whether attended last AGM	No. of other Directorship held	Committee** Membership held in other Companies	
						As Member	As Chairman
Mr. Shailesh M. Joshi	Chairman & Managing Director	01453505	4	Yes	1	Nil	Nil
Mr. Kamlesh M. Shah	Independent & Non Executive Director	00013228	4	Yes	3	Nil	Nil
Mr. Anish Bodawala	Independent & Non Executive Director	02197407	4	No	Nil	Nil	Nil
Smt. Mudraben Pathak	Additional Director	06688937	4	No	Nil	Nil	Nil

\*\*2 Committee includes Audit Committee and Shareholders'/Investors Grievance Committee only.

**CODE OF CONDUCT :**

The Company has already adopted a code of conduct for all employees of the company and Executive directors. The board has also approved a code of conduct for the non-executive directors of the company. All board members and senior management personnel (as per clause 49 of listing agreement) have affirmed compliance with the

## BOBSHELL ELECTRODES LIMITED

applicable code of conduct has been provided in the Annual Report. The directors and senior management of the company have made disclosures to the board confirming that there are no material financial and/ or commercial transactions between them and the company that could have potential conflict of interest with the company at large.

### 3. COMMITTEES OF THE BOARD :

#### **AUDIT COMMITTEE :**

The terms of reference of the Audit Committee are wide enough to cover matters specified for Audit Committees under Clause 49 of the Listing Agreements as well as in Section 177 of the Companies Act, 2013 besides other terms as may be referred to by Board of Directors from time to time.

The Audit Committee comprises of Three non-executive Directors all of whom are Independent Directors.

During the period under review, four Audit Committee meetings were held respectively on 30.05.2014, 30.07.2014, 04.11.2014 and 30.01.2015.

The composition of the Audit Committee and attendance at its meetings is given hereunder :

Name of Director	Position	No. of Meetings	Meetings attended
Mr. Kamlesh M. Shah	Chairman	4	4
Mr. Anish Bodawala	Member	4	4
Smt. Mudraben Pathak	Member	4	4

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

#### **NOMINATION AND REMUNERATION COMMITTEE :**

The Remuneration Committee comprises of three independent Non-executive directors viz. Shri Kamlesh M Shah – Chairman, Shri Anish Bodwala and Smt. Mudraben Pathak.

During the period under review, one Nomination and Remuneration Committee meetings were held respectively on 28.05.2014.

Name of Director	Position	No. of Meetings	Meetings attended
Mr. Kamlesh M. Shah	Chairman	1	1
Mr. Anish Bodawala	Member	1	1
Smt. Mudraben Pathak	Member	1	1

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/ Whole Time Directors based on performance and defined criteria.

#### **DETAILS OF REMUNERATION PAID TO DIRECTORS DURING 2014-15 : (Amount in Rs.)**

NAME OF DIRECTOR	REMUNERATION	SITTING FEES	TOTAL
Mr. Shailesh M.Shah	Rs. 12,00,000/- p.a.	Nil	Rs. 12,00,000/- p.a.
Mr. Kamlesh M. Shah	Nil	Nil	Nil
Mr. Anish Bodawala	Nil	Nil	Nil
Mrs. Mudraben Pathak	Nil	Nil	Nil

#### **SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :**

Mr. Kamlesh M.Shah – Chairman, Mr. Anish Bodawala and Smt. Mudraben Pathak are members of the Committee. The Committee is empowered to oversee the redressal of Investors' complaints and other miscellaneous complaints. The Company as a matter of policy disposes of investor complaints within a span of five working days.

**Name and designation of Compliance Officer :** Shri Shailesh M. Shah, Whole-Time Director

No. of shareholders' complaints received during the year : 8 Complaint  
 No. of complaints not resolved to the satisfaction of shareholders : Nil  
 No. of pending Complaints : 1 Complaint  
 No. of complaints resolved during the year : 7 Complaint

**4. GENERAL BODY MEETING :**

**Date, Time and Venue of the last three Annual General Meetings :**

Year	Date	Time	Venue
2011-2012	September 29th, 2012	11.00 A.M	802, 8TH Floor, Swagat Building, Near Lal Bunglow, C.G.Road, Ellisbridge, Ahmedabad-380006.
2012-13	September 30th, 2013	11.00 A.M	802, 8TH Floor, Swagat Building, Near Lal Bunglow, C.G.Road, Ellisbridge, Ahmedabad-380006.
2013-14	September 30th, 2014	11.00 A.M	802, 8TH Floor, Swagat Building, Near Lal Bunglow, C.G.Road, Ellisbridge, Ahmedabad-380006.

1. No extra-ordinary general meeting of the shareholders was held during the year.
2. Postal ballot: during the year under review, no resolution was put through by postal ballot.

**DISCLOSURES**

**POLICIES :**

**A. POLICY ON RELATED PARTY TRANSACTIONS :**

**SCOPE AND PURPOSE OF THE POLICY :**

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and Clause 49 of the Listing Agreement (as amended by SEBI Circulars dated April 17, 2014 and September 15, 2014), our Company has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also, Clause 49(VII)(C) of the Listing Agreement requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions. In light of the above, our Company has framed this Policy on Related Party Transactions ("Policy"). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board.

**OBJECTIVE OF THE POLICY :**

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Clause 49 of the Listing Agreement and any other laws and regulations as may be applicable to the Company.

**MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS :**

**a) Identification of related parties :**

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Clause 49 of the Listing Agreement.

**b) Identification of related party transactions :**

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and Clause 49 of the Listing Agreement.

**DISCLOSURES :**

The Company shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business along with the justification for entering into such transaction.

**B. FAMILIARIZATION POLICY FOR INDEPENDENT DIRECTORS :**

**PURPOSE AND OBJECTIVE OF THE POLICY :**

The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

**FAMILIARIZATION AND CONTINUING EDUCATION PROCESS :**

- The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions

of the Company.

- Such programmes/presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- The programmes/presentations also familiarize the Independent Directors with their roles, rights and responsibilities.
- When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- New Independent Directors are provided with copy of latest Annual Report, the Company's Code of Conduct, the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices, Schedule of upcoming Board and Committee meetings.
- The Company provides the Directors with the tours of company's facilities from time to time.
- A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, Tata Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

**C. RISK MANAGEMENT POLICY :**

**LEGAL FRAMEWORK :**

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improvise the governance practices across the Company's activities. Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

**BACK GROUND AND IMPLEMENTATION :**

The Company is prone to inherent business risks. The objective of Risk Management Policy shall be identification, evaluation, monitoring and minimization of identifiable risks. This policy is in compliance with the amended Clause 49 of the Listing Agreement (W.e.F 1st October 2014) which requires the Company to lay down procedure for risk assessment and procedure for risk minimization. The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

**COMMITTEE :**

The Company has not made Risk Management Committee but the Board of Directors & Audit Committee is looking after the Risk Management of the Company.

**D. CORPORATE SOCIAL RESPONSIBILITY POLICY :**

India's new Companies Act, 2013 has introduced several new provisions which change the face of Indian corporate business. One of such new provisions is Corporate Social Responsibility (CSR). As per Section 135 of the Companies Act, 2013, it provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the company to be Rs 500 crore or more; (b) turnover of the company to be Rs 1000 crore or more; (c) net profit of the company to be Rs 5 crore or more.

Since company is a loss making company, CSR Policy is not applicable. Company has not made Corporate Responsibility Committee.

**E. VIGIL MECHANISM POLICY :**

**LEGAL FRAMEWORK :**

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

Effective October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called "Whistle

Blower Policy”for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company’s code of conduct.

**POLICY :**

In compliance of the above requirements, BOBHSELL ELECTRODES LIMITED, being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

**F. SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (POLICY WHERE MORE THAN 4 WOMEN WORKING) AND ELIMINATION OF CHILD LABOUR POLICY.**

**OBJECTIVE :**

It is the endeavor of the Company, to ensure a safe, secure and congenial work environment where employees and workers will deliver their best without any inhibition, threat or fear. In pursuance of this objective, the Company has evolved a “Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Policy”.

The approach adopted by the Company is to spread awareness about the causes and consequences of sexual harassment at workplace and thereby prevent any occurrences. In the event of such an occurrence, the Group would use this Policy to provide the framework for action.

**Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Policy :**

Sexual harassment in the work place has been defined as “unwelcome” sexually determined behavior (whether directly or by implication). It includes any or all of the following:

- Physical contact and advances
- A demand or request for sexual favours
- Sexually colored remarks
- Showing pornography
- Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.
- Sexual harassment will be deemed to have taken place if work is used as the excuse or occasion for repeated, personalized, offensive and unwelcome speech or gestures.

It is the duty of the Organization to prevent or deter acts of sexual harassment and if they take place, to provide procedure for resolution, encourage counseling, settlement or prosecution of acts of sexual harassment;

- Where the conduct of the employee would constitute an offence under the Indian Penal Code of any other law, BOBHSELL ELECTRODES LIMITED. Limited shall initiate legal action
- Where the conduct would in addition to an offence under law, constitute misconduct under the rules or regulations of the organization, BOBHSELL ELECTRODES LIMITED shall initiate disciplinary action against him/her.

The concerns of or about employees can be reported without fear of reprisal or retaliation. Any allegations of sexual harassment will be investigated quickly and discreetly, and disciplinary action initiated as described in this policy. To the extent possible, the identity of the complainant, the victim, witnesses and the alleged harasser will be protected against unnecessary disclosure. All efforts will be made to ensure that proceedings remain confidential.

**NON COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES :**

The Company has complied with the requirements of the Stock Exchange/SEBI/any statutory authorities on all matters related to capital markets. There are no penalties or strictures imposed on the Company by Stock Exchange or SEBI.

**5. CODE OF CONDUCT :**

The Company has its Code of Conduct which is applicable to Board of Directors as well as designated senior management personnel. The Code is circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. An annual declaration of Whole Time Director, as to compliance of Code of Conduct has been provided in the Annual Report.

**6. CERTIFICATE ON CORPORATE GOVERNANCE :**

As required under Clause 49 of Listing Agreement, Certificate is provided in the Annual Report.

**7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

This is given as a separate section in this Annual Report.

**8. CERTIFICATION :**

As required by clause 49 of the Listing Agreement, certification on financial statements is provided in the Annual Report.

**9. COMPLIANCE WITH CLAUSE 49 :**

Company is fully committed to the compliance of applicable mandatory requirement of Clause 49 of the Listing Agreement as amended from time to time. The company submits quarterly Compliance Report to BSE & NSE in respect of compliance of Clause 49 of the Listing Agreement

**10. MEANS OF COMMUNICATION :**

- a. All financial results are immediately sent to stock exchanges after being taken on record by the Board.
- b. As per the requirements of Listing Agreement, Results are also published in leading daily local & English National newspapers namely Indian Express and Financial Express. The said results are also displayed at Company's web site.
- c. The Company's website www.bobshell.net contains a separate dedicated section named "Investors" where information for shareholders is available. Press releases, if any, are also displayed at Company's website as well as published in newspapers.

**11. GENERAL INFORMATION FOR SHAREHOLDERS AND INVESTORS :**

The Company is registered in the State of Gujarat having Corporate Identification Number (CIN) as allotted by Ministry of Corporate Affairs (MCA) as L29308GJ1994PLC023275

**a) Annual General Meeting :**

Date : 30th September, 2015

Time : 11.00 A.M.

Venue : 802, 8TH Floor, Swagat Building, Near Lal Bunglow,  
C.G.Road, Ellisbridge, Ahmedabad- 380006

**B) Financial Year :**

For accounting and financial reporting purpose, Company follows Financial Year which starts from 1st April each year and ends on 31st March of every succeeding year.

The Quarterly Results for the financial year 2015-16 will be taken on record by the Board of Directors as per the following tentative schedule (subject to change, if any):

Quarter ending 30th June 2015 : By 30th July 2015

Quarter ending 30th September 2015 : By 04th November 2015

Quarter ending 31st December 2015 : By 30th January 2016

Quarter ending 31st March 2016 : By 30th May 2016

**b) Date of Book Closure / Record Date** : 23-09-2015 to 30-09-2015 (Both days inclusive)

**c) Dividend Payment Date** : Not Applicable

**d) Listing on Stock Exchange** : Bombay Stock Exchange Ltd.(BSE)  
Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001  
**Scip Code : 526925**

**Demat ISIN No. for NSDL and CDSL** : INE 896 B 01011

**BOBSHELL ELECTRODES LIMITED**

**e) Listing Fees to Stock Exchanges :**

Company has not paid listing fees in respect of financial year 2015-2016 to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

**f) Custodial Fees to Depositories :**

Company has not paid Custodian Fees for the financial year 2015-16 to both depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**g) Shareholding pattern as on 31st March, 2015 :**

No.	Particulars	No. of Shares of Rs.10/- each	% holding
1	INDIAN PROMOTERS	1750000	29.14%
2	RESIDENT INDIVIDUALS	4093025	68.15%
3	BODIES CORPORATES	162975	02.71%
4	BANKS	0	0.0%
6	NON RESIDENT INDIANS	0	0.0%
7	CLEARING MEMBERS	0	0.0%
	<b>Total</b>	<b>60,06,000</b>	<b>100.00%</b>

**h) Distribution of shareholding as on 31st March, 2015 :**

Shareholding (Range)	No. of Shares	%	No. of Members	%
Up to 500	22,16,069	36.9	4160	85.28
501 - 1000	2,92,136	4.86	320	6.56
1001 - 2000	2,83,743	4.72	171	3.51
2001 - 3000	2,10,413	3.50	80	1.64
3001 - 4000	95,397	1.59	26	0.53
4001 - 5000	1,41,900	2.36	30	0.62
5001 - 10000	3,43,616	5.73	47	0.96
10001 & ABOVE	24,22,726	40.34	44	0.90
<b>Total</b>	<b>60,06,000</b>	<b>100.00%</b>	<b>4878</b>	<b>100.00%</b>

**i) Dematerialization of Shares and Liquidity :**

On March 31st 2015, Brief position of Company's dematerialized shares is given below :

No.	Description	Shares	% holding
1	NSDL	1658923	27.62
2	CDSL	645527	10.75
3	PHYSICAL	3701500	61.63
	<b>Total</b>	<b>6006000</b>	<b>100%</b>

**j) Share Transfer System :**

All transfers of shares held in physical form are dealt by our Registrar and Share Transfer Agents. Presently the share transfers received in physical form are processed and registered within prescribed time periods (15) days from the date of receipt subject to the documents being valid and complete in all respects. Depositories control share transfers in Demat Mode. The Company obtains from a Company Secretary in Practice half yearly certificate of compliance in respect of compliance with share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the stock exchanges.

**k) Reconciliation of Share Capital Audit Report :**

As stipulated by Securities and Exchange Board of India, Company is required to carry out Reconciliation

of Share Capital Audit (RSCA) from a practicing Company Secretary. This audit is carried out every quarter and the report thereon of Practicing Company Secretary is submitted to the stock exchanges. The audit, inter alia, confirms that the total listed and paid-up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

**l) Plant Location :**

**The Company's plant is located at :**

496, Bhagya Lakshmi Industrial Estate,  
Manpasand Way Bridge,  
Sola Santej, Rakanpur, Gandhinagar.

**m) Registered & Administrative Offices :**

**Registered Office :**

B-505, Fairdeal House  
Opp. St. Xaviers Ladies Hostel,  
Swastik Char Rasta, C.G.Road,  
Ahmedabad-380006.

**Administrative Office :**

802, Swagat Building,  
Nr. Lal Bunglow,  
Ahmedabad-380006, Gujarat

**Address for Investor Correspondence :**

In case any problem or query shareholders can contact at:

**Name** : Mr. Shailesh M.Joshi - Compliance officer

**Address** : 802,Swagat Building Nr. Lal Bunglow,  
C.G.Road, Ahmedabad, Gujarat 38006

**Phone** : 91- 26441025/26444525

**Fax** : 91-26563724

**Email** : belinvestorgrievances@gmail.com

**Shareholders may also contact Company's Registrar & Share Transfer Agent at :**

**Name** : Sharepro Services (India) Private Limited

**Address** : Sharepro Services (India) Private Limited  
13 AB, Samhita Warehousing Complex,  
Sakinaka Telephone Exchange Lane,  
Kurla Andheri Road, Sakinaka, Mumbai - 400 072.

**Phone** : 91-22-67720300 / 67720400

**Fax** : 91-22-2850 892

**Email** : sharepro@shareproservices.com

**Website** : www.shareproservices.com

**Annexure to Corporate Governance Report**

**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

We, Mr. Shailesh M.Joshi , Chairman & Managing Director and Mrs. Jenish Joshi, CFO of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct in accordance with Clause-49 (IIE) of the Listing Agreement entered into with Stock Exchange. The Board has adopted a code of conduct for all Board members and senior management of the company which is posted on the website of the company. All Board members and senior management personnel have affirmed their compliance with the code of conduct for the current year.

As required by Clause 49 of the Listing Agreement, Certificate of Compliance with the Corporate Governance Requirements by the Company issued by Auditors is given as an annexure to the Directors' Report.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 30TH May 2015.

**For Bobshell Electrodes Limited**

**Place : Ahmedabad  
Date : 30th May, 2015**

**Sd/-  
Shailesh Joshi  
Chairman & Managing Director**      **Sd/-  
Jenish Joshi  
Chief Financial Officer**

**BOBSHELL ELECTRODES LIMITED**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
Members  
Bobshell Electrodes Limited

We have examined the compliance of the conditions of Corporate Governance by Bobshell Electrodes Limited for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the Company with stock exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending against the company for the period exceeding one month, as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place : Ahmedabad**  
**Date : 30.05.2015**

**FOR B. KUMAR TANK & ASSOCIATES**  
**PRACTICING COMPANY SECRETARIES**

**SD/-**  
**(Bharatkumar P. Tank)**  
**ACS: 20605, COP: 7563**



**ANNEXURE – 4 TO DIRECTORS’ REPORT  
MANAGEMENT DISCUSSION AND ANALYSIS**

**INDUSTRY STRUCTURE AND DEVELOPMENTS :**

Sources say the welding rods sales are estimated to have increased in 2014-15 due to a stellar performance by large-scale manufacturers. Welding Rod is primarily used in all thermal power stations, mines and minerals, crusher’s machine and sugar mills and in railway industry, used in the construction sector.

As pioneer leader in the welding industry, Bobshell Electrodes Limited (BEL) has played a significant part in the country’s industrialization and infrastructure development. The company has progressively extended its welding knowledge and expertise to cover many high-end specializations and cater to a sophisticated range of user needs in India and in overseas markets.

BEL is a total solutions provider offering an upto date suite of welding and cutting consumables, power sources and accessories besides a full package of soft skills and knowledge development for welding and fabrication excellence.

The government has announced many projects in the welding rod sector, which will drive steel demand. Owing to this, production of sponge iron is likely to grow in 2015-16.

Steel AND Carbon steels are most common base metal in the industry. There are various grades of medium carbon and high carbon steels and they are categorized as per standard. As far repair welding is concerned an electrode should be used of such metallurgy that it is suitable for in not all, at least majority of combination. The selection procedure for each category has been considered while formulating a product and accordingly the product range has been made. A detailed procedure for welding is also given for each product sa as to get the best benefits.

**DISCUSSION ON COMPANY’S PERFORMANCE :**

During the year under review, Company’s net revenue has increased from Rs. 28,137,315 to Rs. 30,282,677. This marginal increase in turnover is attributed mainly on account of high cost of raw material and low price realization owing to slack market conditions domestically and internationally. However, losses are increased due to high raw material and power cost which impacted the bottom line of the company drastically and thus accumulated losses has made the net worth of the company negative.

**SWOT ANALYSIS OF COMPANY :**

**Strength :**

- Good Industry experience & knowledge of Promoters.
- Good quality standards.
- Cost competitiveness.
- Diverse Supplier Base.

- Long-standing contracts for purchase of raw materials.
- Strong product design and development.
- Skilled, qualified and motivated employees.
- Broad-based manufacturing infrastructure.
- Captive Power Consumption.

**Weaknesses :**

- Exposure to raw material price fluctuations.
- Under-utilization of plant capacity.
- Dependency on third party for raw material.

**Opportunities :**

- Unexplored Markets.
- Ever-growing demand in Steel Industry.
- Strengthened manufacturing base and the existence of product development and marketing teams.

**Threats :**

- Rising raw material prices.
- High Cost of Capital.
- Constraint of Raw Material availability
- Global economic slowdown.
- Unremunerative Prices.
- Unforeseen general macro-economic factors and political turmoil.

**RISKS AND CONCERNS :**

Some of the major risks and concerns identified by the Company are:

- Working Capital risks
- Raw Materials Availability risk
- Raw Material Price Fluctuation risks.
- Government Policy and Political Structure risk
- Competition risk
- Economic Slowdown risk

In its process of Risk Management, Company takes proactive steps in identifying inherent business and operational risks and accordingly takes appropriate steps to guard against these identified risks.

**INTERNAL CONTROL SYSTEM :**

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, applicable laws and regulations, safeguarding of assets and economical and efficient use of resources. The system is assessed periodically. The Internal Audit team continuously monitors the effectiveness of the internal control systems. It reports to the Audit Committee about

the adequacy and effectiveness of the internal control system of your Company.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS :**

Company maintained healthy, cordial and harmonious industrial relations at all levels. The Board of Directors and management wish to place on record their appreciation of the efforts put in by all employees to achieve good performance.

**RISK MANAGEMENT :**

Risks are events, situations or circumstances which may lead to negative consequences on a Company's business. Risk management is a structured approach to manage uncertainty. It involves identifying potential risks, assessing their potential impact, taking timely action to minimize potential impact and continuous monitoring of identified risks. Your Company has a robust risk management process to identify and assess business risks and opportunities. Your Company's risk management plan describes the potential risk, contains an analysis of the impact of risks and includes risk strategies to help the business reduce the consequences. The risk management plan of your Company is regularly reviewed to ensure that it accurately reflects the current potential risks to its business.

**FUTURE OUTLOOK :**

Steel manufacturing industries, sponge iron & Ferro chrome manufacturing industries are running simultaneously. The future of Sponge Iron is dependent on the availability of the substitute i.e. iron scrap considering that there is enormous scope for increasing steel consumption in the domestic sector shows the prospects for the sponge iron also.

Sponge iron is mainly used to produce long steel which is used in the construction sector. The steel sector is expected to do well with production set to grow by 6.2% in 2015-16 as against 4.3% reported during April 14 - February 2015. The government has announced many infrastructure projects which will drive the demand for steel & accordingly the production of sponge is also likely to grow by 6.4% in 2015 16. During 2015-16, company expects the operating margin of the industry to remain flat.

On the other hand, Ferro-Alloys Industry envisages power intensive production. In the absence of competitively available electrical power, the domestic industry may face stiff competition from imports leading to possible closure or underutilization of the capacity in the industry. To support power intensive production and steady power supplies to the Industry at a stable price, Company has its own 40 MW power plant and is focusing on its captive power generation for cheaper availability of electricity.

The chrome industry is at the crossroads buffeted by rising costs, stagnant prices and the dominance of China.

Your Company is confident about the future given the integrated nature of its operations, its location which is ideal to cater to demand. The main advantage to be shown is being closer to Sea ports for raw materials and being in Western India which is in the heart of finished products' requirement.

In the year 2014 world steel demand grew higher than previous forecasts due to a stronger than expected performance in the developed world in the second half of the year. It is expected that the global steel demand recovery continues but growth is stabilizing at a lower rate with continued volatility and uncertainty leading to a challenging environment for steel companies.

With the commitment of the Government towards infrastructure development in the country, the demand of stainless steel will definitely increase which in turn will provide a great opportunity for the higher demand for Ferro chrome.

**CAUTIONARY NOTE :**

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF  
BOBSHELL ELECTRODES LIMITED****Report on the Financial Statements :**

We have audited the accompanying Financial statements of BOBSHELL ELECTRODES LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2015, 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's 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 flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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.

**Auditor's 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, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards 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 disclosures in the financial statements. The procedures selected depend on the auditor's 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation 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 on the Financial Statements.

**Opinion :**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:-

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ( hereinafter referred to as the " Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us , we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) the Balance sheet, the 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 Statements 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 the written representations received from the Directors as on 31st March 2015 are taken on record by the Board of Directors, none of the Director is disqualified as on 31st March 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) with respect to the other matters to be included in the Auditor's 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 has disclosed the impact of pending litigations on its financial position in its financial statements ;
- ii. In our opinion and as per the information and explanation provided to us the Company has not entered into any long-term contracts including derivatives contract, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
- iii. the company is not required to transfer any amount to Investor Education and Protection Fund.

**For DJNV & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 115145W**

**Place : Ahmedabad**  
**Date : 30th May 2015**

**Devang Doctor**  
**(Partner)**  
**M. No.**

### ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of BOBSHELL ELECTRODES LIMITED for the year Ended on 31st March,2015, we report that:

- 1) (a) In our opinion and according to the information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) In our opinion, the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- 2) (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in

relation to the size of the company and the nature of the business.

- (c) company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.
- 3) The company has not granted any loans, secured or unsecured to the parties covered in the register maintained under Section 189 of the companies Act, 2013. Accordingly, clauses III (a) & (b) of the Order are not applicable.
- 4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- 5) The Company has not accepted any deposits from the public.
- 6) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence para 3(vi) of CARO 2015 is not applicable.

- 7) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (c) the company is not required to transfer the amount of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956)
- 8) The Company does have accumulated losses at the end of the financial year has incurred cash losses in the financial year and in the immediately preceding financial year.
- 9) According to the records of the company the company has not borrowed from financial institutions or banks or issued debentures till 31st March, 2015. Hence in our opinion the question of reporting on defaults in repayment of dues to financial institutions or banks or debentures does not arise.
- 10) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by other from banks or financial institutions.
- 11) According to the records of the company the company has not taken any term loans during the year, hence comments under the clause are not called for.
- 12) Based on the audit procedures performed and informations and explanations given by the management we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For DJNV & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 115145W**

**Place : Ahmedabad**  
**Date : 30th May 2015**

**Devang Doctor**  
**(Partner)**  
**M. No.**

**BOBSHELL ELECTRODES LIMITED**

**BALANCE SHEET AS ON 31ST MARCH 2015**

Particulars	Note No.	As At 31 March, 2015 Amt. (Rs.)	As At 31 March, 2014 Amt. (Rs.)
<b><u>EQUITY AND LIABILITIES :</u></b>			
<b>1. Shareholders' Funds :</b>			
a) Share Capital	3	60,060,000	60,060,000
b) Reserves & Surplus	4	<u>(26,437,453)</u>	<u>(25,060,526)</u>
		33,622,547	34,999,474
<b>2. Share Application money pending allotment</b>		0	0
<b>3. Non-Current Liabilities :</b>			
a) Long Term Borrowings	5	0	0
b) Deferred Tax Liabilities (Net)	6	1,558,346	1,570,391
c) Other Long term Liabilities	7	0	0
d) Long-term Provisions		<u>0</u>	<u>0</u>
		1,558,346	1,570,391
<b>4. Current Liabilities :</b>			
a) Short-term borrowings		0	0
b) Trade Payables		1,304,696	245,787
c) Short term Provisions	7	302,674	277,969
d) Other Current liabilities	8	<u>918,502</u>	<u>529,809</u>
		2,525,872	1,053,565
<b>TOTAL</b>		<b><u>37,706,766</u></b>	<b><u>37,623,431</u></b>
<b><u>ASSETS :</u></b>			
<b>1. Non-Current Assets :</b>			
a) Fixed Assets :			
(i) Tangible Assets	9	16,465,165	16,519,152
(ii) Intangible Assets		<u>-</u>	<u>-</u>
		16,465,165	16,519,152
b) Non-Current Investments		-	-
c) Long-Term Loans and Advance	10	1,089,836	606,364
d) Trade Receivable	11	-	-
e) Other Non-Current Assets	12	8,426,379	7,836,303
<b>2. Current Assets :</b>			
a) Current Investment		-	-
b) Short Term Loans and Advances	10	691,935	520,855
c) Trade Receivables	11	6,185,441	5,612,167
d) Inventories	13	2,352,610	1,733,385
e) Cash & Cash Equivalent	14	2,453,268	4,523,812
f) Other Current Assets	12	<u>20,502</u>	<u>271,393</u>
<b>TOTAL</b>		<b><u>37,685,136</u></b>	<b><u>37,623,431</u></b>
<b>Summary of Significant Accounting Policies</b>	<b>2</b>	<b><u>21,630</u></b>	<b><u>0</u></b>

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For, DJNV & CO.

For, BOBSHELL ELECTRODES LTD.

Chartered Accountants  
Firm Reg. No. 115145W

Devang Doctor  
(Partner)  
M. No. 039833

Jenish S.Joshi  
Chief Financial Officer

Shailesh Joshi  
Director

Mudra Pathak  
Director

Place : Ahmedabad  
Date : 30th May, 2015

Place : Ahmedabad  
Date : 30th May, 2015

**BOBSHELL ELECTRODES LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

Particulars	Note No.	31 March, 2015 Amt. (Rs.)	31 March, 2014 Amt. (Rs.)
<b><u>INCOME :</u></b>			
Gross Revenue from Operations	15	30,282,677	28,137,315
Less : Excise Duty		1,581,788	1,350,836
Net Revenue from Operations		28,700,889	26,786,479
Other Income	16	801,714	852,679
<b>Revenue (i)</b>		<b><u>29,502,603</u></b>	<b><u>27,639,158</u></b>
<b><u>EXPENDITURE :</u></b>			
Cost of Materials Consumed	17	17,537,557	18,129,136
(Increase) / Decrease in inventory of Finished Goods	18	(276,726)	214,996
Employee Benefits Expense	19	6,244,693	4,873,830
Finance Cost	20	97,356	150,918
Depreciation and Amortisation expense	21	988,699	930,139
Other Expenses	22	5,889,400	3,884,382
<b>Total Expenses (ii)</b>		<b><u>30,480,979</u></b>	<b><u>28,183,402</u></b>
<b>Profit / (Loss) before Tax</b>	<b>[(i) - (ii) ]</b>	<b><u>(978,376)</u></b>	<b><u>(544,243)</u></b>
<b>Tax Expense :</b>			
Current Tax		--	--
Deferred Tax Liability		(12,045)	77,999
		<b><u>(12,045)</u></b>	<b><u>77,999</u></b>
<b>Profit / (Loss) for the year</b>		<b>(966,331)</b>	<b>(622,242)</b>
<b>Basic earnings per share</b>	<b>24</b>	<b>(0.16)</b>	<b>(0.10)</b>
<b>Summary of Significant Accounting Policies</b>	<b>2</b>		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

For, BOBSHELL ELECTRODES LTD.

Devang Doctor  
(Partner)  
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Chief Financial Officer

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Mudra Pathak  
Director

Place : Ahmedabad  
Date : 30th May, 2015

Place : Ahmedabad  
Date : 30th May, 2015

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**NOTE - 3 - SHARE CAPITAL :**

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	Amt (Rs.)	Number	Amt (Rs.)
<b>Authorised Shares :</b>				
Equity Shares of Rs. 10/- each.	7,000,000	70,000,000	7,000,000	70,000,000
<b>Issued :</b>				
Equity Shares of Rs. 10/- each.	6,006,000	60,060,000	6,006,000	60,060,000
<b>Subscribed &amp; fully Paid up :</b>				
Equity Shares of Rs. 10/- each fully paid up	6,006,000	60,060,000	6,006,000	60,060,000
<b>TOTAL</b>	<b>6,006,000</b>	<b>60,060,000</b>	<b>6,006,000</b>	<b>60,060,000</b>

The company has only 1 class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.

The details of shareholders holding more than 5% shares as at 31/03/2015 and 31/03/2014 is set out below.

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	% held	Number	% held
Shailesh Joshi	550,000	9.16%	550,000	9.16%

The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2015 & 31/03/2014 is set out below.

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	Amt (Rs.)	Number	Amt (Rs.)
Shares at the beginning	6,006,000	60,060,000	6,006,000	60,060,000
Addition	-	-	-	-
Deletion	-	-	-	-
<b>Shares at the end</b>	<b>6,006,000</b>	<b>60,060,000</b>	<b>6,006,000</b>	<b>60,060,000</b>

**NOTE - 4 - RESERVE & SURPLUS :**

Particulars	As at	As at
	31 March 2015	31 March 2014
	Amt. (Rs.)	Amt. (Rs.)
<b>Surplus/(Deficit) in the Statement of Profit and Loss :</b>		
Balance as per Last Financial Statement	(25,060,526)	(24,438,284)
Add : Profit for the year	(966,331)	(622,242)
<b>Net Surplus/ (Deficit) at year end</b>	<b>(26,026,858)</b>	<b>(25,060,526)</b>
Other Adujustments on account of Depreciation	410,595.00	
<b>TOTAL</b>	<b>(26,437,453)</b>	<b>(25,060,526)</b>

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**NOTE - 5 - LONG TERM BORROWINGS :**

Particulars	Non Current		Current	
	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)
Term Loan - From Financial Institute (Secured)	--	--	740,904	329,834
<b>TOTAL</b>	<b>--</b>	<b>--</b>	<b>740,904</b>	<b>329,834</b>
Less : Amount disclosed under head "Other Current Liabilities" (Note 8)	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>740,904</b>	<b>329,834</b>

**Term Loan From Financial Institute :**

Term Loan from the financial institute was taken in the Financial Year 14-15 and carries Interest @ 12.00 % . The loan is repayable in 12 monthly instalments. The loan is secured by hypothecation of the Vehicle for which the loan is taken.

Particulars	As at 31 March 2015 Amt. (Rs.)	As at 31 March 2014 Amt. (Rs.)
<b><u>NOTE - 6 - DEFERRED TAX LIABILITY / DEFERRED TAX ASSET :</u></b>		
<b>Deferred Tax Liability :</b>		
Opening Balance	1,570,391	1,492,392
Add : Deffered Tax Asset / Liability	(12,045)	77,999
<b>TOTAL</b>	<b>1,558,346</b>	<b>1,570,391</b>
<b><u>NOTE - 7 - SHORT TERM PROVISIONS :</u></b>		
Provision for Employee Benefits	302,674	277,969
<b>TOTAL</b>	<b>302,674</b>	<b>277,969</b>
<b><u>NOTE - 8 - OTHER CURRENT LIABILITIES :</u></b>		
Current maturity of long term borrowings ( Note 5)	740,904	329,834
Electricity Expense Payable	-	-
Unpaid Expenses	40,562	12,072
Other Statutory Dues	75,236	123,453
Professional Fees Payable	61,800	64,450
<b>TOTAL</b>	<b>918,502</b>	<b>529,809</b>

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**NOTE - 9 - TANGIBLE ASSETS :**

<u>COST OF VALUATION</u>	Fre Hold Land	Factory Building	Office Building	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Computer	TOTAL
As at 31 March 2013	5,240,823	5,991,147	1,874,000	45,154,259	4,315,173	1,988,227	2,260,481	1,468,363	68,292,473
Addition	-	-	-	-	-	-	2,135,840	27,800	2,163,640
Disposal	-	-	-	-	-	-	710,495	-	710,495
Other Adjustment	-	-	-	-	-	-	-	-	-
As at 31 March 2014	5,240,823	5,991,147	1,874,000	45,154,259	4,315,173	1,988,227	3,685,826	1,496,163	69,745,618
Addition	100,000	-	-	-	24,150	-	1,804,310	-	1,928,460
Disposal	-	-	-	-	-	-	917,405	-	917,405
Other Adjustment	-	-	-	42,896,546	4,099,414	1,533,101	-	1,348,871	49,877,932
As at 31 March 2015	5,340,823	5,991,147	1,874,000	2,257,713	239,909	455,126	4,572,731	147,292	20,878,741
<b>DEPRECIATION</b>									
<u>DEPRECIATION</u>	Fre Hold Land	Factory Building	Office Building	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Computer	TOTAL
As at 31 March 2013	-	2,780,347	168,741	43,199,837	3,138,355	1,579,284	316,106	1,316,335	52,499,005
Charge for the year	-	200,104	30,546	2,419	204,971	125,855	341,804	24,440	930,139
Disposal	-	-	-	-	-	-	202,678	-	202,678
Other Adjustment	-	-	-	-	-	-	-	-	-
As at 31 March 2014	-	2,980,451	199,287	43,202,256	3,343,326	1,705,139	455,232	1,340,775	53,226,466
Charge for the year	-	180,742	68,415	-	4,830	48,752	642,190	43,770	988,699
Disposal	-	-	-	-	-	-	334,252	-	334,252
Other Adjustment	-	-	-	43,202,256	3,343,326	1,580,980	-	1,340,775	49,467,337
As at 31 March 2015	-	3,161,193	267,702	-	4,830	172,911	763,170	43,770	4,413,576
<b>NET BLOCK</b>									
As at 31 March 2014	5,240,823	3,010,696	1,674,713	1,952,003	971,847	283,088	3,230,594	155,388	16,519,152
As at 31 March 2015	5,340,823	2,829,954	1,606,298	2,257,713	235,079	282,215	3,809,561	103,522	16,465,165
Transfer to General reserve				(305,710)	756,088	(47,879)	-	8,096	410,595

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**NOTE - 10 - LOANS & ADVANCES :**

Particulars	Long Term		Short Term	
	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)
<b>(A) Capital Advances :</b>				
Unsecured, Considered Good	--	--	-	-
<b>(A)</b>	--	--	-	-
<b>(B) Security Deposit :</b>				
Unsecured , Considered Good	1,089,836	606,364	512,800	145,694
<b>(B)</b>	<b>1,089,836</b>	<b>606,364</b>	<b>512,800</b>	<b>145,694</b>
<b>(C) Other Loans &amp; Advances :</b>				
(i) Advance Tax/ TDS Receivable	--	-	81,756	146,542
Less : Provision	-	-	-	-
Net Advance	--	-	81,756	146,542
(ii) Prepaid Expense	-	-	-	-
(iii) Loans/ Advances to Employees	--	-	12,500	140,262
(iv) Balance with Statutory / Govt. Authorities	--	-	2,067	2,067
(v) Advance to Suppliers	--	-	82,812	86,290
<b>(C)</b>	--	-	97,379	375,161
<b>TOTAL (A+B+C)</b>	<b>1,089,836</b>	<b>606,364</b>	<b>691,935</b>	<b>520,855</b>

**NOTE - 11 - TRADE RECEIVABLES :**

Particulars	Non Current		Current	
	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)
<b>A. Outstanding for a period exceeding six months from the date they are due for payment</b>				
- Unsecured , Considered Good	--	-	2,469,783	3,002,831
<b>(A)</b>	--	-	<b>2,469,783</b>	<b>3,002,831</b>
<b>B. Other Receivables :</b>				
Unsecured , Considered Good	--	-	3,715,658	2,609,336
<b>(B)</b>	--	-	<b>3,715,658</b>	<b>2,609,336</b>
<b>TOTAL (A+B)</b>	--	-	<b>6,185,441</b>	<b>5,612,167</b>

**NOTE - 12 - OTHER ASSETS :**

A. Non Current Bank Balance (Note 15)	8,426,379	7,836,303	-	-
B. Accrued Interest	--	-	-	-
C. Receivable on Sale of Fixed Assets	-	-	--	271,000
D. MODVAT Excise Duty Account	-	-	2	393
<b>TOTAL</b>	<b>8,426,379</b>	<b>7,836,303</b>	<b>20,502</b>	<b>271,393</b>

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**NOTE - 13- INVENTORIES :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
Raw Materials & Others	1,675,960	1,333,461
Finished Stock	676,650	399,924
<b>TOTAL</b>	<b>2,352,610</b>	<b>1,733,385</b>

**NOTE - 14 - CASH AND CASH EQUIVALENTS :**

Particulars	<u>Non Current</u>		<u>Current</u>	
	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)	As at 31-3-2015 Amt (Rs.)	As at 31-3-2014 Amt (Rs.)
<b>A. Cash and Cash Equivalents :</b>				
<b>Balances with Bank :</b>				
in Current Accounts	-	-	2,059,163	4,309,885
Cash on Hand	-	-	394,105	213,926
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>2,453,268</b>	<b>4,523,811</b>
<b>B. Other Bank Balances :</b>				
Deposits with original maturity for more than 12 months	8,426,379	7,836,303	-	-
	<b>8,426,379</b>	<b>7,836,303</b>	<b>-</b>	<b>-</b>
<b>Less :</b>				
Amount disclosed Under Non Current Assets (Note 13 )	8,426,379	7,836,303	-	-
<b>(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A+B)</b>	<b>-</b>	<b>-</b>	<b>2,453,268</b>	<b>4,523,811</b>

**NOTE - 15 - REVENUE FROM OPERATIONS :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
<b>Sale of Products :</b>		
Finished Goods	30,282,677	28,137,315
<b>TOTAL</b>	<b>30,282,677</b>	<b>28,137,315</b>

**NOTE - 16 - OTHER INCOME :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
Discount	978	103,260
Interest	800,736	749,419
<b>TOTAL</b>	<b>801,714</b>	<b>852,679</b>

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**NOTE - 17 - COST OF MATERIALS CONSUMED :**

Particulars	31 March, 2015		31 March, 2014	
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
Inventory at the Beginning of the year	1,333,461		1,482,248	
ADD : Purchases	17,880,056		17,980,349	
LESS : Inventory at the end of the year	1,675,960		1,333,461	
<b>Cost of Materials Consumed</b>		<b>17,537,557</b>		<b>18,129,136</b>

**NOTE - 18 - (INCREASE)/ DECREASE IN INVENTORIES :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
Inventory at the beginning of the year		
Finished Stock	399,924	614,920
	399,924	614,920
Inventory at the end of the year		
Finished Stock	676,650	399,924
	676,650	399,924
<b>(Increase)/ Decrease in Stock</b>	<b>(276,726)</b>	<b>214,996</b>

**NOTE - 19 - EMPLOYEE BENEFIT EXPENSES :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
Director's Remuneration	2,124,000	2,133,000
Provident Fund	323,630	317,164
Salary, Wages & Bonus	2,468,301	2,326,913
Gratuity fund with LIC	1,161,792	-
Staff Welfare	166,970	96,753
<b>TOTAL</b>	<b>6,244,693</b>	<b>4,873,830</b>

**NOTE - 20 - FINANCE COST :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
Bank Guarantee Charges	14,789	31,124
Interest On Car Loan	82,567	119,794
<b>TOTAL</b>	<b>97,356</b>	<b>150,918</b>

**NOTE - 21 - DEPRECIATION AND AMORTISATION EXPENSES :**

Particulars	31 March 2015 Amt. (Rs.)	31 March 2014 Amt. (Rs.)
Depreciation of Tangible Assets	988,699	930,139
<b>TOTAL</b>	<b>988,699</b>	<b>930,139</b>

**BOBSHELL ELECTRODES LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015****NOTE - 22 - OTHER EXPENSES :**

<b>Particulars</b>	<b>31 March 2015 Amt. (Rs.)</b>	<b>31 March 2014 Amt. (Rs.)</b>
Auditors Rremuneration	70,000	40,000
Conveyance & Lodging	307,016	163,845
Excise On Closing Stock	164,928	123,246
Factory Expense	279,111	313,911
Freight Expenses	448,125	324,468
Insurance	151,272	249,582
Selling & Marketing Expense	481,049	-
Rates & Taxes	36,522	40,709
Power & Fuel Expense	864,834	868,983
Stores & Spares	54,022	11,851
Travelling Expense	158,429	87,757
Vehicle Repairs	103,480	140,025
Service Tax	10,626	21,050
Miscellaneous Expenses	1,531,099	1,265,360
Laboratory expenses	50,515	-
Commission	1,200,000	-
Listing Fees	-	233,596
<b>TOTAL</b>	<b>5,911,028</b>	<b>3,884,382</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2015**

**1. Corporate Information :**

Bobshell Electrodes Limited is a public company domiciled in India and is engaged in manufacturing and marketing of Low Heat Input Maintenance Welding Electrodes. It has a leading name in providing total solution in Maintenance Welding products and services.

Bobshell is having the most modern manufacturing facilities and having all microprocessor controlled machineries to produce "Zero Defect Electrodes". The products are unique in nature. As a result the products are patented.

**2. Basis of preparation :**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects 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 an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below:

**2.1 Summary of significant accounting polices :**

**a. Use of Estimates :**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Tangible fixed assets :**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repaired maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss when the asset is de recognized.

**c. Depreciation on Tangible Fixed Asset :**

Depreciation on fixed asset is calculated on Straight Line method considering the useful life prescribed under the Schedule II to The Companies Act, 2013 except

**d. Investments :**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, will be classified as current investments. All other investments will be classified as non- current investments.

Non-current investments are carried at cost. However, provision for diminution in value is to be made to recognize a decline other than temporary in the value of investments.

**e. Inventories :**

(i) Raw materials including consumables are valued at lower of cost or net realizable value including duties, taxes, freight, insurance and handling and clearing charges and other incidental expenses.

- (ii) Work In progress are valued at lower of cost or net realizable value.
- (iii) Finished goods are valued at cost or net realizable value whichever is lower.

**f. Revenue Recognition :**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of goods. The Company collects VAT & CST on behalf of the government and therefore, these are no economic benefits flowing to the Company. Hence they are excluded from revenue.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head "Other Income" in the statement of profit & loss.

**g. Retirement Benefits :**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit & loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to profit and loss statement.

**h. Income Tax :**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced up to the Balance Sheet date. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the Profit & Loss Account of the respective year of change.

**i. Segment Reporting :**

As the entire operation of the company is related to one reporting segment comprising of welding rods and allied products, there are no separate reportable segment as per Accounting Standard – 17.

**j. Provisions and Contingent liabilities :**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**k. Cash & Cash equivalents :**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**BOBSHELL ELECTRODES LIMITED****24. EARNING PER SHARE :**

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

Sr. No.	Particulars	Year ended 31-03-2014	Year ended 31-03-2014
1	Net Profit / (Loss) attributable to shareholders	(9,87,961)	(6,22,242)
2	Weighted average no. of. Equity Shares	6,006,000	6,006,000
3	Basic Earning Per Share	(0.16)	(0.10)

**25. RELATED PARTY TRANSACTIONS :**

Name	Relationship	Nature of transaction	Amt (Rs)		Outstanding Balance (Rs)	
			2014-14	2013-14	2014-14	2013-14
Shailesh Joshi	Chairman & Managing Director	Remuneration	12,00,000	1,365,000	-	-
Kashyap Pathak	Director	Remuneration	9,24,000	768,000	-	-

26. There are no dues to Micro & Small Enterprises as defined under the MSMED Act, 2006.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

For, BOBSHELL ELECTRODES LTD.

Devang Doctor  
(Partner)  
M. No. 039833

Jenish S.Joshi                      Shailesh Joshi      Mudra Pathak  
Chief Financial Officer      Director              Director

Place : Ahmedabad  
Date : 30th May, 2015

Place : Ahmedabad  
Date : 30th May, 2015

**BOBSHELL ELECTRODES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	31 March, 2015 Amt. (Rs.)	31 March, 2014 Amt. (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before tax	(1,000,006)	(544,243)
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
ADD : Depreciation	988,699	930,138
Loss on sale of Vehicle	265,153	-
<b>Operating Profit before Working Capital Changes</b>	<b>3253,846</b>	<b>385,895</b>
Movement in Working Capital :		
Increase / (Decrease) in Trade Payables	1,058,909	(624,532)
Increase / (Decrease) in Provisions	24,705	(58,969)
Increase / (Decrease) in Other Current Liabilities	388,693	18,211
(Increase)/ Decrease in Trade Receivables	(573,274)	477,758
(Increase)/ Decrease in Inventories	(619,225)	363,783
(Increase)/ Decrease in Current Loans & Advances	(171,080)	(77,020)
(Increase)/ Decrease in Other Assets	250,891	(236,082)
Cash generated from / (used in) operations	359,619	(136,851)
Income Tax Paid	-	-
<b>Net Cash Flow From / ( Used in ) Operating Activities (A)</b>	<b>613,465</b>	<b>249,045</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(1,928,460)	(2,163,640)
Sale of Fixed Assets	318,000	507,817
Increase or Decrease in Long term Loans and advances	(193,364)	-
<b>Net Cash Flow From / ( Used in ) Investing Activities (B)</b>	<b>(1,610,460)</b>	<b>(1,655,823)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase or Decrease in Long term Loans and advances	(483,472)	(193,364)
(Increase) / Decrease in Other Non Current Assets	(590,076)	(1,042,178)
Proceeds from Long Term Borrowings	(0)	329,834
<b>Net Cash Flow From / ( Used in ) Financing Activities (C)</b>	<b>(1,073,548)</b>	<b>(905,708)</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(2,070,543)</b>	<b>(2,312,486)</b>
Cash & Cash Equivalents at the beginning of the year	4,523,811	6,836,297
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,453,268</b>	<b>4,523,811</b>

As per our report of even date attached herewith

For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

For, BOBSHELL ELECTRODES LTD.

Devang Doctor  
(Partner)  
M. No. 039833

Jenish S.Joshi  
Chief Financial Officer

Shailesh Joshi  
Director

Mudra Pathak  
Director

Place : Ahmedabad  
Date : 30th May, 2015

Place : Ahmedabad  
Date : 30th May, 2015

**BOBSHELL ELECTRODES LIMITED**

**CIN : L29308GJ1994PLC023275**

B-505, Fairdeal House, Opp. St. Xaviers' Ladies Hostel, Swastik Char Rasta Ahmedabad: 380 006

**ATTENDANCE SLIP**

DP ID*	
Client ID*	

Folio	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER \_\_\_\_\_

I hereby record my presence at the 21TH ANNUAL GENERAL MEETING of the Company held on Wednesday, 30th September, 2015 at 11.00 A.M. at 802th , Swagat Building, Nr. Lal Bunglow, C.G.Road, Ahmedabad – 3800 06.

Signature of the Shareholder | Proxy : \_\_\_\_\_

\* Applicable for investors holding shares in electronic form.

**BOBSHELL ELECTRODES LIMITED**

**CIN : L29308GJ1994PLC023275**

B-505, Fairdeal House, Opp. St. Xaviers' Ladies Hostel, Swastik Char Rasta Ahmedabad: 380 006

**Form No. MGT- 11**

**PROXY FORM**

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

Name of Members : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail Address : \_\_\_\_\_ Folio No. | Client ID : \_\_\_\_\_ DP Id : \_\_\_\_\_

I/we, being the member(s) of \_\_\_\_\_ shares of Bobshell Electrodes Ltd, hereby appoint :

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2015 at at 11.00 a.m. at 802th , Swagat Building, Nr. Lal Bunglow, C.G.Road, Ahmedabad – 3800 06 and at any adjournment thereof in respect of such resolutions as are indicated below:

NO.	ORDINARY BUSINESS
1	Adoption of financial statements for the year ended on March 31, 2015
2	Reappointment of Mr. Kamlesh M. Shah as Director
3	Appointment of DJNV & Co. as Statutory Auditor and fix their remuneration
SPECIAL BUISNESS	
4	APPOINTMENT OF CFO
5	FIXREMUNERATION OF MANAGING DIRECTOR

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of Second proxy holder

\_\_\_\_\_  
Signature of Third proxy holder

**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 the commencement of the meeting.

**BOOK POST**

If undelivered, please return to :



**BOBSHELL ELECTRODES LIMITED**

**CORPO. OFFICE :**

**802, SWAGAT, C. G. ROAD, ELLISBRIDGE,  
AHMEDABAD-380006.**

**FORM -A**

**(Pursuant to clause 31 (a) of the Listing Agreement)**

1.	Name of the Company	Bobshell Electrodes Limited
2.	Audited Financial Statement for the year ended	March 31,2015
3.	Type of Observation	Un-qualified
4.	Frequency of observation	Not applicable

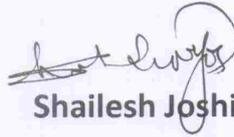
**For DJNV & CO.,  
Chartered Accountants,  
Firm Regn No. 115145W**



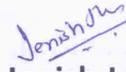
**Devang Doctor  
(Partner)  
M.NO. 039833**



**For Bobshell Electrodes Limited,**



**Shailesh Joshi  
(Chairman & MD)**



**Jenish Joshi  
(CFO)**