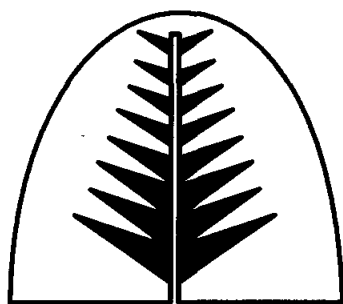


ELEVENTH ANNUAL REPORT

2001-2002



ARYAN

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ARYAN PESTICIDES LIMITED

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ARYAN PESTICIDES LIMITED

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General Shareholder Information

Distribution of Shareholding as on 31st March, 2002

Range	No. of Holders	%	No. of Shares	%
1 – 5000	129	65.82	292400	0.58
5001 – 10000	24	12.24	199000	0.40
10001 – 20000	12	6.12	225000	0.45
20001 – 30000	3	1.53	7700	0.15
30001 – 40000	1	0.51	4000	0.08
40001 – 50000	0	0.00	0	0.00
50001 – 100000	9	4.59	704000	1.40
100001 & above	18	9.18	48744600	96.94
TOTAL	196	100.00	50282000	100.00

Shareholding Pattern as on 31st March, 2002

SR. NO.	PARTICULARS	SHAREHOLDING	%
1.	Banks / Financial Institutions	220200	4.38
2.	Domestic Companies	3507980	69.77
3.	Indian Mutual Funds	447800	8.91
4.	Individuals	852220	16.94
	TOTAL	50,28,200	100.00

Financial Calender : 1st April to 31st March.

Dates of Book Closure : 18th September, 2002 to 24th September, 2002 (both days inclusive)

Listing on Stock Exchanges :

The Company's shares are listed on The Stock Exchange, Mumbai and Over the Counter Exchange of India. Listing Fees for the year 2001-2002 and 2002-2003 have been paid to both the above mentioned Exchanges.

Physical Stock Code : 32190

Web Site : www.aryanindia.com

E-mail : aryan@bom3.vsnl.net.in

Registrar and Share : Purva Sharegistry (India) Pvt. Ltd.

Transfer Agent 33, Printing House, 28, Police Court Lane,
Fort, Mumbai - 400 001.



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BOARD OF DIRECTORS :

Mr. J. N. Tawakley	-	<i>Chairman</i>
Mr. K. S. Natrajan	-	<i>Managing Director</i>
Mr. S. J. Tawakley	-	<i>Whole Time Director</i>
Mr. S. C. Ganatra	-	<i>Whole Time Director</i>
Mr. H. N. Shah	-	<i>Director</i>
Mr. D. A. Desai	-	<i>Director</i>
Mr. J. T. Vora	-	<i>Director</i>

AUDITORS : M/s. A. L. Kapani & Co.
Chartered Accountants, Mumbai.

BANKERS : Corporation Bank
Canara Bank

CORPORATE OFFICE : B-212 Arjun Centre,
B.S. Devshi Marg,
Govandi (East),
Mumbai - 400 088.

REGISTERED OFFICE : Plot Nos. 1, 2, 26 & 27
MIDC, Dhatav,
Roha - 402 116,
Dist. Raigad,
Maharashtra.

PLANT : Roha, Maharashtra

11th ANNUAL GENERAL MEETING

Day / Date: Tuesday, 24th September, 2002.

Time : 11.30 a.m.

Venue : Plot Nos. 1, 2, 26 & 27, MIDC, Dhatav,
Roha 402 116, Dist. Raigad,
Maharashtra.



ARYAN PESTICIDES LIMITED

NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the Members of ARYAN PESTICIDES LTD. will be held at the Registered Office of the Company at Plot Nos. 1, 2, 26 & 27, MIDC Industrial Area, Dhatav, Roha 402 116, Dist. Raigad, Maharashtra on Tuesday, the 24th September, 2002 at 11.30 a.m. to transact the following business :

Ordinary Business :

1. To receive, consider, approve and adopt the audited Balance Sheet as at, and the Profit & Loss Account for the financial year ended 31st March, 2002 and Balance Sheet as at that date together with the Director's Report and Auditor's Report thereon.
2. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

Special Business :

3. To appoint a Director in place of Mr. H. N. Shah who was appointed as an Additional Director by the Board of Directors and whose term of office expires at this Annual General Meeting under Section 260 of the Companies Act, 1956 (Act) and Article 122 of the Articles of Association of the Company, and in respect of whom the Company has received Notices pursuant to Section 257 of the Act in writing from some members proposing his candidature for the office of Director.
4. To appoint a Director in place of Mr. D. A. Desai who was appointed as an Additional Director by the Board of Directors and whose term of office expires at this Annual General Meeting under Section 260 of the Companies Act, 1956 (Act) and Article 122 of the Articles of Association of the Company, and in respect of whom the Company has received Notices pursuant to Section 257 of the Act in writing from some members proposing his candidature for the office of Director.
5. To appoint a Director in place of Mr. J. T. Vora who was appointed as an Additional Director by the Board of Directors and whose term of office expires at this Annual General Meeting under Section 260 of the Companies Act, 1956 (Act) and Article 122 of the Articles of Association of the Company, and in respect of whom the Company has received Notices pursuant to Section 257 of the Act in writing from some members proposing his candidature for the office of Director.

Registered Office :
Plot Nos. 1, 2, 26 & 27
MIDC Industrial Area,
Dhatav, Roha 402 116,
Raigad, Maharashtra

Dated : 27th June, 2002

By Order of the Board
For Aryan Pesticides Limited

J. N. TAWAKLEY
Chairman



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NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND A PROXY NEED NOT BE A MEMBER.
2. A proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 18th September, 2002 to Tuesday, the 24th September, 2002 (both days inclusive).
4. Members are requested to notify immediately to the Company's Registered Office at Plot Nos. 1, 2, 26 & 27, MIDC Industrial Area, Dhatav, Roha 402 116, Dist. Raigad, Maharashtra the change of address, if any.
5. The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of Special Business, under items 3 to 5 as set out above, is annexed hereto and forms part of this notice.
6. For the convenience of Members, Attendance Slip and the Proxy Form are attached to this Annual Report. Members are required to affix their signatures (as per the specimen registered with the Company) at the space provided thereof and hand over the Attendance Slip at the entrance to the place of the Meeting. Proxy/Representative of a Member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956.

Item Nos. 3 to 5

Mr. H.N. Shah, Mr. D.A. Desai and Mr. J.T. Vora were appointed by the Board of Directors of the Company as Additional Directors of the Company with effect from 27th June, 2002. Under the provisions of Section 260 of the Companies Act, 1956 and Article 122 of the Articles of Association of the Company, Mr. H. N. Shah, Mr. D. A. Desai and Mr. J. T. Vora will hold office until this Annual General Meeting. Notices in writing alongwith the requisite deposit have been received from some members of the Company in accordance with Section 257 of the Companies Act, 1956, signifying their intention to propose Mr. H. N. Shah, Mr. D. A. Desai and Mr. J. T. Vora as candidates from the office of Directors.

Mr. H.N. Shah is Fellow Member of the Institute of Company Secretaries of India with Legal background having wide experience in the Company Law matters. He is associated with Deepak Nitrite Limited as Company Secretary & Chief (Law).

Mr. D.A. Desai is a Chartered Accountant and presently employed as a Vice-President (Co-ordination) of Deepak Fertilisers and Petrochemicals Corporation Limited.

Mr. J.T. Vora has been associated with Deepak Nitrite Limited for a very long time and has served it in various capacities and is presently General Manager - Business Development.

Accordingly, the Resolutions in these items of the Notice appointing them as Directors are being proposed for the consideration of the members.

None of the Directors, except Mr. H.N. Shah, Mr. D.A. Desai and Mr. J.T. Vora may be, considered to be interested in passing of the respective resolutions.

Registered Office :
Plot Nos. 1, 2, 26 & 27
MIDC Industrial Area,
Dhatav, Roha 402 116,
Raigad, Maharashtra

By Order of the Board
For Aryan Pesticides Limited

J. N. TAWAKLEY
Chairman

Dated: 27th June, 2002



ARYAN PESTICIDES LIMITED

DIRECTORS' REPORT

Your Directors present the Eleventh Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2002.

FINANCIAL RESULTS :

	(Rs. in Lacs)	
	2001-2002 Current Year	2000-2001 Previous Year
Sales	3927.81	3871.02
PROFIT / (LOSS) BEFORE TAX	(308.36)	(1172.13)
PROFIT / (LOSS) AFTER TAX	(244.79)	(1172.18)
Add : Balance Brought forward from previous year	(1616.84)	(444.85)
Less : Prior Adjustment relating to previous years	(33.41)	0.19
Balance carried forward	(1895.04)	(1616.84)

PERFORMANCE :

The recessionary trend in the chemical industry continued to remain during the year under review and the overall business situation further aggravated by the terror strikes in USA followed by the civil disturbance in the Country. The margins of the products were under pressure due to increase in the input cost of raw materials and competition from cheaper Imports.

Despite these adverse conditions your Company has recorded Sales of Rs. 3927.81 Lacs in the year under review as compared to Rs. 3871.02 Lacs in the previous year. The Company continued to get the fullest co-operation from Deepak Nitrite Limited (DNL) towards optimising the utilization of its plant by offering substantial job work to the Company.

Consequently the Company has registered loss after tax of approx. Rs. 244.79 Lacs in comparison to the figure of approx. Rs. 1172.18 Lacs in the previous year.

FINANCE :

Your Directors are happy to inform you that the Company has repaid in full the Loan granted by Industrial Investment Bank of India Limited (IIBI). Industrial Development Bank of India (IDBI) and Export Import Bank of India (Exim) have restructured the Loans sanctioned to the Company and also have reduced the interest rate which has assisted the Company to reduce the burden of its interest cost.

FUTURE OUTLOOK :

As anticipated DNL stepping in the shoes of Promoters of the Company has helped improving the financial health of the Company. Due to substantial synergies in operation of the two Companies, DNL has been able to add value to some of the major products of the Company and find better business opportunities in establishing the markets.

SALE OF PROMOTERS HOLDING IN THE COMPANY TO DEEPAK NITRITE LIMITED (DNL) :

In accordance with the agreement executed by the Promoters of the Company with DNL and subsequent successful completion of Public Offer to the Shareholders of the Company as required under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, DNL has acquired as on 31st March, 2002 about 47% of the Companies capital. The balance shares as contemplated in the agreement will be acquired by DNL from the Promoters of the Company during the current year.

DIVIDEND :

In view of the loss incurred by the Company, your Directors, regret their inability to declare any Dividend for the year under review.



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EXPORTS :

With DNL actively promoting your Company's products in the overseas markets, the demand and awareness for the products in the overseas market has gone up substantially. Although, the export turnover of the Company this year appears to be lower than that of the previous year, this is mainly on account of your Company's products being exported as a part of DNL's basket of products.

FIXED DEPOSITS :

Your Company has neither accepted nor renewed any deposits from public / shareholders during the year.

DIRECTORS :

Dr. K.B. Mathur and Mr. H.C. Mathur resigned as Directors of the Company. Your Company wishes to place on record its sincere appreciation for the services rendered by Dr. K.B. Mathur and Mr. H.C. Mathur during their tenure as Directors of the Company.

Mr. S.C. Ganatra, Director retires by rotation at the ensuing Annual General Meeting and does not seek reappointment and thus vacates the office of a Director with effect from the forthcoming Annual General Meeting. The Board places on record its sincere appreciation for the valuable services rendered by Mr. S.C. Ganatra during his tenure as a Director of the Company.

During the current year DNL has nominated Mr. H.N. Shah, Mr. D.A. Desai and Mr. J.T. Vora who are associated with Deepak Group, as Additional Directors w.e.f. 27th June, 2002 in order to avail of their rich experience in the respective professional fields. They hold office till the ensuing Annual General Meeting and being eligible offer themselves for appointment as Directors.

Thus your Board has now become broad based with Individuals from Legal, Finance and Technical profession.

AUDITORS :

M/s. A. L. Kapani & Co., Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment. Your Directors commend their reappointment for the ensuing year.

STATUTORY INFORMATION DISCLOSURES :

Information in accordance with the Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure - I hereto and forms a part of this Report.

The Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217 (2A) of the Companies Act, 1956. Hence no, information is required to be appended to this report in this regard.

A Directors Responsibility Statement pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 is given in Annexure-II hereto and forms a part of this Report.

ACKNOWLEDGEMENT :

Your Directors place on record their appreciation for the continued support received by the Company from the Local Authorities of Raigad as also from the State and Central Government Authorities.

The Board expresses its gratitude to the Banks and Financial Institutions for their valuable assistance especially during these trying times. Thanks are also due to the customers, shareholders and employees for their valued co-operation.

For ARYAN PESTICIDES LTD.

Place : Mumbai
Dated : 27th June, 2002

J. N. TAWAKLEY
Chairman



ARYAN PESTICIDES LIMITED

ANNEXURE I TO DIRECTORS' REPORT

Statement containing particulars pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors Report.

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY :

	2001-02	2000-01
a) POWER & FUEL CONSUMPTION :		
1. ELECTRICITY :		
Purchased Units	41,87,488	37,77,831
Total Amount (Rs.)	1,60,82,690	1,51,90,130
Rate / Unit (Rs.)	3.84	4.02
Own generation through Generator		
Units	117216	114274
HSD used (Ltrs.)	35,974	34,600
Total Amount	3,82,124	6,10,322
Rate / Unit (Rs.)	3.26	5.34
2. COAL	NIL	NIL
3. FURNACE OIL :		
Quantity (Kilo Litres)	3,220	2,497
Total Cost (Rs.)	2,76,05,664	2,65,63,547
Average Rate (Rs.)	8,573	10,638
b) CONSUMPTION PER K.G. PRODUCTION :		
Electricity – Kwh	1.01	1.21
Furnace Oil – Kilo Ltrs.	0.78	0.80
HSD – Kilo Ltrs.	0.03	0.01



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FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION :

a) Research & Development (R & D) :

1. Specified areas in which R & D is carried out by the Company.

The Focus of the Research and Development team is mainly on improvement of existing processes in terms of yield and purity and introduction of new value added products.

2. Benefits derived :

This has helped in continuing our stronghold on existing products both in domestic and international market.

3. Future Plan of action :

Research and Development is working on development of new value added products to replace existing products so as to maximise contribution.

4. Expenditure incurred on Research & Development :

	(Rs. in lacs)	
	2001 - 2002	2000 - 2001
Capital Expenditure	NIL	NIL
Recurring Expenditure	4.65	8.71
Total Expenditure	4.65	8.71
Total R & D Expenditure as a (%) of total turnover (Rs.)	0.11%	0.23%

b) Technology absorption, adoption and innovation :

1. Efforts in brief made towards technology absorption, adoption and innovation :

Shifting to noble metal catalysis for hydrogenation. In house development of value added product and utilising productive capacity of plant.

2. Benefits derived as a result of the above efforts :

Improved throughput of plant and better utilisation of existing facility.

3. Details of Technology Imported :

The Company has not imported any technology.

c) FOREIGN EXCHANGE EARNINGS AND OUTGO :

	(Rs. in lacs)	
	2001 - 2002	2000 - 2001
Foreign Exchange earned on FOB basis	Rs. 90.09	400.50
Foreign Exchange used	Rs. 174.80	144.39

For and on behalf of the Board

Place : Mumbai
Dated : 27th June, 2002

J. N. TAWAKLEY
Chairman