



**Bhagiradha Chemicals &
Industries Limited**

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Annual Report 1999-2000



ANNUAL REPORT 1999-2000

BOARD OF DIRECTORS

D. Ranga Raju

G. Satyanarayana Raju

D. Sadasivudu

S. Koteswara Rao *Managing Director*

BANKERS

ICICI Bank Limited

AUDITORS

R. Kankaria & Uttam Singhi
Chartered Accountants
Hyderabad - 500 082

REGISTERED OFFICE

8-2-248/A/B,
Road No. 3,
Banjara Hills,
Hyderabad - 500 034.

FACTORY

Cheruvukommupalem Village
Yerajarla Road
Ongole Mandal
Prakasam District
Andhra Pradesh



BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the **Seventh Annual General Meeting** of the Shareholders of Bhagiradha Chemicals & Industries Limited will be held at 2.30 P.M. on Wednesday, the 6th day of September, 2000 at Hotel Green Park, Ameerpet, Hyderabad - 500 016 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and the Auditors' Report and the Audited Profit & Loss Account for the financial year ended 31st March, 2000 and the Balance Sheet as at that date.
2. To appoint a Director in place of Sri D. Ranga Raju, who retires by rotation in terms of Article 143 of the Company's Articles of Association and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sri D. Sadasivudu, who retires by rotation in terms of Article 143 of the Company's Articles of Association and being eligible, offers himself for reappointment.
4. To appoint M/s. R. Kankaria & Uttam Singhi, Chartered Accountants, as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the Provisions of Sections 198, 209, 309, 310, 311 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act as amended, the company hereby accords its consent and approval to the re-appointment of Sri S. Koteswara Rao as Managing Director of the company for a period of 5 (five) years with effect from 1st March, 2000 and the remuneration and perquisites payable to him are as follows:

- | | | |
|----------------|---|--|
| a. Salary | : | Rs.10,000/- per month including dearness allowance and other allowances |
| b. Perquisites | : | i. Personal accident insurance annual premium shall not exceed Rs.10,000/- |
| | | ii. Telephone to be provided at the residence. |
| | | iii. Provision for car with driver to be provided by the company |

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

"RESOLVED THAT pursuant to the Provisions of Sections 198, 209, 309, 310, 311 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act as amended, the company hereby accords its consent and approval to the re-appointment of Sri D. Sadasivudu as Executive Director of the company for a period of 5 (five) years with effect from 1st March, 2000 and the remuneration and perquisites payable to him are as follows:

- | | | |
|----------------|---|--|
| a. Salary | : | Rs.10,000/- per month including dearness allowance and other allowances |
| b. Perquisites | : | i. Personal accident insurance annual premium shall not exceed Rs.10,000/- |
| | | ii. Telephone to be provided at the residence. |
| | | iii. Provision for car with driver to be provided by the company |

By Order of the Board
For **BHAGIRADHA CHEMICALS &
INDUSTRIES LTD.**

Registered Office:
8-2-248/A/B, Road No.3,
Banjara Hills,
Hyderabad - 500 034
Date: 17.7.2000

S. KOTESWARA RAO
Managing Director



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NOTES:

1. The Explanatory statement relating to item Nos. 5 & 6 of special business of the meeting referred above, are annexed to this Notice as required by Section 173 of the Companies Act, 1956.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 28th day of August, 2000 to Wednesday, the 6th day of September, 2000 (both days inclusive).
3. Members are requested to notify the change of address, if any, to the company and to bring their copy of the Annual Report to the Meeting.
4. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his/her stead and such proxy need not be member of the company. The proxy forms should be lodged with the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
5. Members/Proxies are requested to deposit the enclosed Attendance Slip duly filled in and signed for attending the meeting.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

The following explanatory statement sets out all materials facts relating to the Special Business under item Nos. 5 and 6 of the accompanying Notice dated 17th July, 2000.

IN RESPECT OF ITEM NO. 5

The Board of Directors at its meeting held on 31st January, 2000 had reappointed Sri S. Koteswara Rao as Managing Director of the company for a further period of 5 (five) years with effect from 1st March, 2000 at the remuneration and perquisites as stated in the resolution. The reappointment was made subject to the necessary approval of the shareholders at the general meeting of the company. The remuneration and the perquisites accepted by the Board of Directors of the company, are in consonance with the provisions of schedule XIII of the Companies Act, 1956, as in force on the date of reappointment and as on date.

The company under the leadership of Sri S. Koteswara Rao as Managing Director has progressed well year after year and the company has over the years achieved excellence in many operational parameters which are comparable with the highest international standards of efficiencies. Considering the efforts, dynamism, dedication and leadership provided by Sri S. Koteswara Rao, Board is pleased to recommend the proposed resolution for reappointment and payment of the remuneration to the Managing Director for the approval of the shareholders.

Your Directors commend the resolution for approval. Except Sri S. Koteswara Rao, none of the other Director's is, in any way, concerned or interested in the said resolution.

IN RESPECT OF ITEM NO. 6

The Board of Directors at its meeting held on 31st January, 2000 had reappointed Sri D. Sadasivudu as Executive Director of the company for a further period of 5 (Five) years with effect from 1st March, 2000 at the remuneration and perquisites as stated in the resolution. The reappointment was made subject to the necessary approval of the shareholders at the general meeting of the company. The remuneration and the perquisites accepted by the Board of Directors of the company, are in consonance with the provisions of schedule XIII of the Companies Act, 1956, as in force on the date of reappointment and as on date.

Your Directors commend the resolution for approval. Except Sri D. Sadasivudu, none of the other Director's is, in any way, concerned or interested in the said resolution.



BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the Seventh Annual Report of your Company together with Audited Accounts for the Financial year ended 31st March, 2000

	Amount (Rs. in lakhs)
1. FINANCIAL RESULTS	
Sales and other Income	1794.14
Profit before Interest & Depreciation	51.46
Less: Depreciation	63.31
Interest	147.41
Profit/(Loss) after Interest & Depreciation	(159.26)
Add: Balance in Profit & Loss Account Brought forward	31.01
Balance carried to Balance Sheet	(128.25)

2. OPERATIONS

Your company has produced 519 MT of Chlorpyrifos Technical during the year under review and has sold 522 MT of the product which includes 345 MT of exports.

The selling prices of Chlorpyrifos have been under severe pressure in the domestic as well as in the international market. Your company is putting in every effort to reestablish the profitability through reduction in the manufacturing cost and an increase in the operating capacity.

3. ENVIRONMENT PROTECTION

Your Company has taken adequate steps for the treatment and disposal of effluents. Efforts are also made to raise appropriate green belt in and around the plant area.

4. INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels.

5. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Technology Absorption, Adaptation and Innovation

The Company is establishing its R & D facilities for upgradation and modernisation of the manufacturing facilities for the improvement of the productivity.

b. Conservation of Energy

The requisite information with regard to conservation of energy as required under section 217(1) (e) of the Companies Act, 1956 are given in Annexure which is attached hereto and forms part of the Directors' Report.



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c. Foreign Exchange Earnings and outgo

i. Earnings	Rs. 850.73 lakhs
ii. Outgo	Rs. 72.41 lakhs

6. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Sri D. Ranga Raju and Sri D. Sadasivudu retires by rotation at the forthcoming Annual General Meeting of the company and being eligible, offer themselves for reappointment.

7. AUDITORS

Subsequent to the change of the Company's Auditors firm name from M/s. U.C. Bhandari & R. Kankaria to M/s. R. Kankaria & Uttam Singhi, M/s. R. Kankaria & Uttam Singhi, Chartered Accountants has informed the same vide their letter dated 10.5.2000. Hence, the company's Auditors M/s. R. Kankaria & Uttam Singhi, Chartered Accountants are due to retire at the ensuing Annual General Meeting and are eligible for reappointment. They have confirmed their eligibility under section 224 (1B) of the Companies Act, 1956.

8. PARTICULARS OF EMPLOYEES

Particulars of employees in accordance with the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended are not given, as none of the employees qualify for such disclosure.

9. Y2K COMPLIANCE

The year 2000 transition has been smooth for your company and the financial impact of the transition was insignificant.

10. ACKNOWLEDGEMENTS

The Board desires to place on record its appreciation of the co-operation and continued support extended to the company by the Statutory Organisations, ICICI Limited, TIFAC, the company's Banker, Customers and the members of the company.

For and on behalf of the Board

Place : Hyderabad
Date : 17.6.2000

S. KOTESWARA RAO
Managing Director