

BNR UDYOG LIMITED



**20th Annual Report
2013-2014**



BNR UDYOG LIMITED

TWENTYETH ANNUAL GENERAL MEETING

Day : Wednesday Date : 03-09-2014 Time : 10-00 A.M.

Venue : Hotel Inner Circle, Somajiguda, Hyderabad -500 082

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CORPORATE INFORMATION

- 1. BOARD OF DIRECTORS:**

Mr. Kamal Narayan Rathi	- Managing Director	(DIN: 00011549)
Mr. Sandeep Rathi	- Executive Director cum CFO	(DIN: 05261139)
Mr. J. Vikramdev Rao	- Non Executive & Independent Director	(DIN: 00173556)
Mr. T. Bharadwaj	- Non Executive & Independent Director	(DIN: 00211834)
Dr. B. Priyadarshini	- Non Executive & Independent Director	(DIN: 02268397)
- 2. COMPANY SECRETARY** : Ms. Sonal Agarwal CS
- 3. REGISTERED OFFICE** : 6-3-650, 218, 2nd floor, Maheshwari Chambers,
Somajiguda, Hyderabad – 500082, Telangana, India
Ph No. +91-40-23375791, 23375793
- 4. AUDIT COMMITTEE :**

Mr. J. Vikramdev Rao	- Chairman
Mr. T. Bharadwaj	- Member
Dr. B. Priyadarshini	- Member
- 5. NOMINATION & REMUNERATION COMMITTEE:**

Mr. T. Bharadwaj	- Chairman
Mr. J. Vikramdev Rao	- Member
Dr. B. Priyadarshini	- Member
- 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Mr. J. Vikramdev Rao	- Chairman
Mr. T. Bharadwaj	- Member
Dr. B. Priyadarshini	- Member
Mr. Sandeep Rathi	- Member
- 7. AUDITORS** : Laxminiwas & Jain,
Chartered Accountants
Station Road, Nampally, Hyderabad - 500001.
- 8. BANKERS** : HDFC Bank Ltd.
The A.P. Mahesh Co-op Urban Bank Ltd.
ICICI Bank Ltd.
State Bank of India
- 9. REGISTRAR AND SHARE TRANSFER AGENT**
M/s. Karvy Computer Share Pvt. Ltd.
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad-500 081
Tel : +91-40-44655000 Fax +91-40-23420814
- 10. LISTED AT** : BSE Limited.
- 11. DEMAT ISIN NUMBER IN NSDL& CDSL** : INE355C01016
- 12. WEBSITE** : www.bnrul.com
- 13. INVESTOR E-MAIL ID** : info@bnrul.com
- 14. CORPORATE IDENTITY No.** : L67120AP1994PLC018841



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NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Shareholders of M/s.BNR Udyog Limited will be held on Wednesday, i.e. 3rd day of September, 2014 at 10-00 a.m. at Hotel Inner Circle, Somajiguda, Hyderabad - 500 082 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the financial statements for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year ended on 31st March 2014.
3. To appoint a Director in place of Mr. Sandeep Rathi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors and fix their remuneration.

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 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. J. Vikramdev Rao (holding DIN 00173556), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

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 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. T. Bharadwaj (holding DIN 00211834), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

7. 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 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. B. Priyadarshini (holding DIN 02268397), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in



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respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 14 of the Companies Act, 2013, the Articles of Association of the Company be and is hereby altered in the following manner:

- a) In interpretation clause of Article 2 the following definition is inserted after existing clause 2(q):
2(r) 'Electronic mode' means carrying out electronically-based, transactions whether main server is installed in India or not, including, but not limited to:
- business to business and business-to-consumer transactions, data interchange and other digital supply transactions;
 - offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
 - financial statements, web-based marketing, advisory and transactional services, database services and products, supply chain management;
 - online services such as telemarketing, telecommuting, education and information research; and all related data communication services;
 - facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail addresses, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
 - posting of an electronic message board or network that the company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting; or
 - other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
 - video conferencing, audio-visual mode, net conferencing and/or any other electronic communication facility.
- b) A new clause 69(c) is being inserted under Article 69 (b) which is as under:
" 69(c) Voting by members through electronic mode
A member may exercise his vote at a General Meeting or Postal Ballot by electronic mode in accordance with Section 108 of the Companies Act, 2013 and rules made thereunder and shall be eligible to vote only once for a single resolution."
- c) A new clause 95 (c) is being inserted after Article 95(b) which is as under:
"95 (c) Participation in Meeting of the Board by Directors through electronic mode
Notwithstanding anything contained herein, the director(s) may participate in the meeting(s) of the Board or any committee thereof through electronic mode by video conferencing or other audio visual modes as may be prescribed, and the Director(s) so participating shall be deemed to be present at the meeting for the purposes of quorum, voting, recording of minutes and all other relevant provisions in this regard by following procedure specified under applicable laws for the time being in force and rules, regulations, circulars, notifications, guidelines etc. issued/ to be issued from time to time by competent/statutory authority(ies)."



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- d) A new Clause 155(4) is being inserted under Article 155(3) which is as under:
"155(4) Service of documents through electronic mode
Notwithstanding anything contained in these articles and as per Section 20 & 134 of the Companies Act, 2013 read with rules made thereunder, a Company may serve copies of the Balance sheet, Statement of Profit and Loss, Auditors' Report, Directors' Report, Notice of the General Meeting along with explanatory statements etc. and any other documents to the members through electronic mode, by following conditions laid down under the relevant rules."
- e) A new Article 168 is being inserted after Article 167 which is as under:
"168 Maintenance of registers and records in electronic mode
Notwithstanding anything contained in these Articles, Registers, Index, Agreement, Memorandum, Minutes, Books of Accounts or any other documents required to be kept by the Company under the Companies Act, 2013 may be kept in electronic form or in such form and manner as may be prescribed under Section 120 of the Companies Act, 2013 and rules made thereunder."
- f) A new Article 169 is being inserted after Article 168 which is as under:
169 "General Clause – Overriding effect of Companies Act, 2013"
The intention of these Articles is to be in consonance with the contemporary Act, Rules and Regulations prevailing in India. If there is an amendment in any Act, Rules and Regulations allowing what was not previously allowed under the Statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles. In case of any of the provisions contained in these articles is inconsistent or contrary to the provisions of the Companies Act, 2013 and rules made thereunder, the provisions of Companies Act, 2013 and rules made thereunder shall override the provisions of these Articles and these Articles shall be deemed to have been amended to include such provisions of the Companies Act, 2013. All references to sections of Companies Act, 1956 shall be deemed to include the corresponding sections/provisions of the Companies Act, 2013 if any."

9. To consider and if thought fit, to pass with or without modifications (s) , the following resolution as a special resolution:

"RESOLVED THAT pursuant to section 188 of the Companies Act, 2013 and rules made thereunder, other applicable provisions of the said Act , applicable clause of the Listing Agreement, consent of the Company be and is hereby accorded for the below related party transaction between the Company and its wholly owned subsidiary as per the terms and conditions :"

Name of Related Party	Nature of transactions
BNR Pashamylaram Enterprises Private Limited	Sale/Transfer of Land

"RESOLVED FURTHER THAT the Board of Directors be and is here by authorized to do all such acts, deeds and things or take such steps or actions which they may deem necessary in this respect."

For and on behalf of the Board,
BNR Udyog Limited,
sd/-

Place : Hyderabad
Date : 30-07-2014

Kamal Narayan Rathi
Managing Director



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NOTES:

1. **A MEMBER IS ENTITLED TO ATTEND AND VOTE OR ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 30th August 2014 to 3rd September 2014 (both days inclusive) for determining the names of members eligible for dividend, if approved, on equity shares. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership, as per details furnished by NSDL and CDSL, for this purpose.
4. Subject to the provisions of the Companies Act, dividend as recommended by the Board of Directors, if declared at the meeting, will be payable to those members whose names appear on the Company's Register of Members as on 29th August 2014.
5. The Company is presently using National – ECS (NECS) for dividend remittance. Members holding shares in physical form are requested to notify/send any change in their address/ mandate/bank details; and particulars of their bank account, in case the same have not been sent earlier to the Company's Registrar and Transfer Agent.
6. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants. The address/ bank mandate as furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the dividend warrants.
7. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
8. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. In terms of Companies Act, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, in the year 2013-14, the Company would be transferring the unclaimed or unpaid Final Dividend for the year 2006-2007 to the IEPF on or before October 20th, 2014. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.
10. The Securities 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 the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.



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11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Karvy Computershare Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.
13. Electronic copy of the Annual Report for 2013-14 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 hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-2014 is being sent in the permitted mode.
14. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website at www.bnrul.com to download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id info@bnrul.com.

15. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited.

The instructions for e-voting are as under:

(A) In case of members receiving e-mail:

- i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact our Registrar and Share transfer agents on toll free No. 1-800-34-54-001 for any further clarifications.



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- iv) Members can cast their vote online from 28th August 2014 at 9.00 A.M. and ends on 30th August 2014 at 6.00.P.M
 - v) After entering these details appropriately, click on "LOGIN".
 - vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vii) You need to login again with the new credentials.
 - viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
 - ix) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company, then your exiting login id and password are to be used.
 - x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
 - xi) 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.
 - xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xiii) Corporate/Institutional Members (Corporate / FIS / FIIS / Trust / Mutual Funds / Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to scrutinizerpcs@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- (B) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company / depository participant(s) or requesting physical copy]:**
- (i) Please follow all steps from sl. no. (i) to sl. no. (xii) above, to cast vote.

C. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 1st August 2014.

D. Mr. Vivek Surana, Practicing Company Secretary, C.P. No. 12901 has been appointed as the Scrutinizer to scrutinize the e-voting process.



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E. 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.

F. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bnrul.com and on the website of Karvy within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

G. Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 1st August 2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

For and on behalf of the Board,
BNR Udyog Limited,

sd/-

Place : Hyderabad
Date : 30-07-2014

Kamal Narayan Rathi
Managing Director

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO.5

Mr. J. Vikramdev Rao is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in June, 1995. Mr. J. Vikramdev Rao is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. J. Vikramdev Rao retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. J. Vikramdev Rao being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. J. Vikramdev Rao as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. J. Vikramdev Rao fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. J. Vikramdev Rao as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. J. Vikramdev Rao as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. J. Vikramdev Rao, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.