



***Bagtzy's***

**INDIA LIMITED**

***16th***  
***Annual Report***  
***2002-2003***




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**BOARD OF DIRECTORS**
**SHRI SHYAM BAGRI**

Chairman cum Managing Director

**SHRI RAJ KUMAR BAGRI**

Whole Time Director

**SHRI LAXMI NARAIN SAIN**

Whole Time Director

**SHRI MANAK LAL BHANSALI**

Director

**SHRI SUNDAR LAL SETHI**

Director

**SHRI SATYA NARAYAN CHANDAK**

Director

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**MAIN BANKERS**

STATE BANK OF BIKANER &amp; JAIPUR

IDBI BANK LIMITED

CENTRAL BANK OF INDIA

ORIENTAL BANK OF COMMERCE

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**STATUTORY AUDITORS**

M/S. SUMER BANSAL &amp; CO.

CHARTERED ACCOUNTANTS

36, Netaji Subash Marg,

New Delhi - 110 002

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**REGISTERED OFFICE**

X-2, Hauz Khas

New Delhi - 110 016

CONTENTS	PAGE
Notice .....	3
Director's Report .....	8
Auditor's Report .....	15
Balance Sheet .....	17
Profit & Loss Account .....	18
Notes on Accounts .....	24
Additional Information on Accounts .....	28
Cash Flow Statement .....	29
Attendance Slip / Proxy Form .....	31



## NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Shareholders of the Company will be held at Oasis Farm, Farm No. 3, Near Radha Swami Satsang Beas, Village Fathe Pur Beri, New Delhi – 110 030, on Friday, the 26th September 2003 at 11.00 A.M. to transact the following business as :-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet for the year ended 31st March, 2003, together with the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri S. L. Sethi, who retires by rotation and being eligible, offer himself for the reappointment.
3. To appoint a Director in place of Shri M. L. Bhansali, who retires by rotation and being eligible, offer himself for the reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to authorise Board of Directors to fix their remuneration.
5. To authorise Board of Directors of the company to appoint Branch Auditors in consultation with the Statutory Auditors of the company and to authorise Board of Directors of the company to fix their remuneration.

### SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a ordinary resolution :  
 "To appoint, Shri Satya Naraian Chandak, as director of the company who was appointed as an Additional Director by the Board of Directors of the company pursuant to Article 80 of the Articles of Association of the Company and who holds office under the said Article and Section 260 of the Companies Act, 1956, upto the date of this Annual General Meeting, as a Director of the Company and in respect of whom, the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Shri Satya Naraian Chandak as a candidate for the office of Director.  
 "RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Shri Satya Naraian Chandak be and is hereby elected and appointed as Director of the Company, liable to retire by rotation."
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :  
 "RESOLVED that approval of the members of the Company be and is hereby accorded pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modifications or enactment thereof for the time being in force) for the payment of revised remuneration to Sh. Shyam Bagri, Chairman Cum Managing Director of the company for the remaining tenure of his appointment as per the terms and conditions set out in the draft agreement to be executed between the Company and Sh. Shyam Bagri, Chairman Cum Managing Director of the Company. The said supplemental agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement in such manner as may be agreed to between Sh. Shyam Bagri and the Board of Directors of the Company."  
 "RESOLVED FURTHER that the approval of the members of the Company be and is also hereby accorded to the payment of the minimum remuneration to Shri Shyam Bagri, Chairman Cum Managing Director of the company in the event of loss or inadequacy of profits in any year subject to ceilings laid down in Schedule XIII of the Companies Act, 1956."
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 the applicable provisions of the Securities and Exchange Board of India (Delisting of securities) Guidelines, 2003 (hereinafter referred to as the "Delisting Guidelines") and subject to the provisions of the Companies Act, 1956 [including and statutory modification(s) or re-enactments thereof for the time being in force], the Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder, Listing Agreements and all other applicable rules, regulations and guidelines and subject to the approval(s), consent(s), permission(s) or sanction(s) of the Securities and Exchange Board of India, Stock Exchanges where the shares of the Company are listed and other appropriate authorities, institutions or regulators as may be prescribed or imposed by any authority while granting such approval(s), permission(s) and sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee thereof constituted by the Board) the consent of the Company be and is hereby accorded to the Board to delist the equity shares of the Company from The Stock Exchange Ahmedabad & Jaipur Stock Exchange Limited".
9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :  
 "RESOLVED that approval of the members of the Company be and is hereby accorded pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modifications or enactment thereof for the time being in force) for reappointment of whole time director Sh. Raj Kumar Bagri of the company as per the terms and conditions set out in the draft agreement to be executed between the Company and Sh Raj Kumar Bagri Whole time Director of the company for a period of five year. The said reappointment is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement in such manner as may be agreed to between Sh. Raj Kumar Bagri and the Board of Directors of the Company."  
 "RESOLVED FURTHER that the approval of the members of the Company be and is also hereby accorded to the payment of the minimum remuneration to Shri Raj Kumar Bagri, Whole time Director of the company in the event of loss or inadequacy of profits in any year subject to ceilings laid down in Schedule XIII of the Companies Act, 1956."
10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :  
 "RESOLVED that approval of the members of the Company be and is hereby accorded pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modifications or enactment thereof for the time being in force) for reappointment of whole time director Sh. Laxmi Narain Sain of the company as per the terms and conditions set out in the draft agreement to be executed between the Company and Sh Laxmi Narain Sain Whole time Director of the company for a period of five year. The said reappointment is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement in such manner as may be agreed to between Sh. Laxmi Narain Sain and the Board of Directors of the Company."  
 "RESOLVED FURTHER that the approval of the members of the Company be and is also hereby accorded to the payment of the minimum remuneration to Shri Laxmi Narain Sain, Whole time Director of the company in the event of loss or inadequacy of profits in any year subject to ceilings laid down in Schedule XIII of the Companies Act, 1956."

By the Order of the Board  
For Bagrrys India Limited

Place : New Delhi  
Dated : 12-08-2003


**NOTES**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxy in order to be effective must reach at the Regd. Office of the Company not later than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Book of the Company shall remain closed from Friday, the 19th day of September, 2003 to Friday the 26th day of September, 2003 (both days inclusive).
3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of item nos. 6, 7, 8, 9 & 10 of the Notice set out above, is annexed hereto.
4. Members are requested to intimate to the Company immediately change of address, if any, at the registered office of the company or to the Registrar & Transfer Agents.
5. Members seeking any information with regard to the accounts at the time of the meeting are requested to write to the Company at least 10 (ten) days before the date of the meeting so as to enable the management to keep the relevant information ready.
6. The documents referred to in the accompanying Notice are open for inspection at the registered office of the Company during working hours on any working day except Sunday and holidays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
7. As a measure of economy, copies of annual report will not be distributed at the Annual General Meeting. The members are requested to bring the Annual Report alongwith them at the meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members are requested to note that all correspondence relating to share transfer should be addressed to its Registrars and Transfer Agents, Sky Line Financial Services Pvt. Ltd., 123, Vinoba Puri, Laj Pat Nagar - II, New Delhi - 110 024.
10. The equity shares of the Company have been notified for compulsory trading in demat form by all investors from January 2002, and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders are requested to avail this facility and get their shareholding converted into dematerialized form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant (DP) at the following address :  
Mr. Kapil Arora/Mr. Sarbesh Singh, Sky Line Financial Services Pvt. Ltd., 123, Vinoba Puri, Lajpat Nagar - II, New Delhi- 110 024.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE**

**ITEM NO. 6**

Sh. Satya Naraian Chandak was appointed as an Additional Director of the Company by the Board in its Meeting held on 3rd March 2003. In accordance with the provisions of Section 260 of the Companies Act, 1956, he holds office of Director till the conclusion of this Annual General Meeting. As required under the provisions of Section 257 of the Companies Act, 1956, the company has received a notice from a Member of the Company signifying his intention to propose Shri Satya Naraian Chandak to the office of Director liable to retire by rotation.

Sh. Satya Naraian Chandak, Chartered Accountant is young and dynamic person having vast experience in the financial sector. Considering his vast experience in financial matters, the Board of Directors have appointed him Director of the company, subject to the approval of the members.

The Board recommends the passing of resolution as set out at item no. 6 of the Notice read with the explanations given above.

Except Shri Satya Naraian Chandak, Director of the Company, no other Director is interested or concerned in this resolution.

**ITEM NO. 7**

Shri Shyam Bagri was appointed as the Chairman Cum Managing Director of the Company with effect from 1st April 2000 for a period of Five Years as approved by the members of the Company. Presently Shri Shyam Bagri, Chairman Cum Managing Director of the company is drawing salary of Rs.45,000.00 per month which has been increased to Rs.1,00,000.00 per month by the board of directors of the company w.e.f. 1st October 2003 in their board meeting held on 12-08-2003 as recommended by the Remuneration Committee.

Due to the dedication and sincere efforts made by Sh. Shyam Bagri, the working results of the company has improved substantially. Further keeping in view the amended provisions of the schedule XIII, increase in cost of living and trends in the remuneration packages for managerial personnel, the remuneration committee recommended to the Board of Directors of the Company to increase the remuneration of Shri Shyam Bagri, Chairman Cum Managing Director of the Company from Rs.45,000.00 per month to Rs.1,00,000.00 per month, for remaining period w.e.f. 01-10-2003, subject to the approval of the members. The draft agreement to be entered into by the company with Shri Shyam Bagri, Chairman Cum Managing Director in respect of the revised remuneration, inter alia, contents the following terms and conditions for as per the draft agreement placed. The terms and conditions with respect to the payment of remuneration to Sh. Shyam Bagri, Chairman Cum Managing Director of the company are laid down as under :-

- I) **SALARY** : Salary @ Rs. 100000/- (Rupees One lac only) per month.
- II) **PERQUISITES** : Perquisites will be restricted to an amount equal to the annual salary. For this purpose perquisites be classified into three categories, Parts A, B and C.


**PART - A**
**i) HOUSING :**

- a) The expenditure by the Company on hiring accommodation for the Chairman Cum Managing Director will be subject to 50% of salary, over and above 10% payable by the appointee;
- b) Where the Company does not provide accommodation for Chairman Cum Managing Director, House Rent Allowance may be paid by the Company subject to ceiling laid down in Clause (i) (a) above.
- c) Where accommodation in the Company owned house is provided, the Chairman Cum Managing Director shall pay to the Company by way of rent @ 10% of salary.

**EXPLANATION :** The expenditure incurred by the Company on Gas, Electricity, Water and Furniture shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary of the Chairman Cum Managing Director.

**ii) MEDICAL REIMBURSEMENT:** Expenses incurred for self and the family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

**iii) LEAVE TRAVEL CONCESSION:** For self and family once in a year in accordance with the rules of the company.

**iv) PERSONAL ACCIDENT INSURANCE:** Premium not to exceed Rs. 4,000.00 per annum.

**v) CLUB FEES :** Fees of Clubs, subject to a maximum of Two Clubs. This will not include admission and life membership fees.

**EXPLANATION :** For the purpose of this Part 'Family' means the spouse, the dependent children and dependent parents.

**PART - B**
**vi) (a) Company's contribution towards provident fund as per the rules of the company.**

(b) Gratuity as per the rules of the company but shall not exceed half month's salary for each completed year of service.

The aforesaid perquisites stated in (vi)(a), (vi)(b) will not be included in the computation of the aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

**vii) Earned Leave :** On full pay and allowance and perquisites as per the rules of the company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashed at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

**PART - C**
**viii) Provision for car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to Chairman Cum Managing Director.**
**iii) In addition to the above perquisites specified in paragraph II, Sh. Shyam Bagri, Chairman Cum Managing Director of the company shall be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified in paragraph I of this section:**

(a) Children's education:- An allowance limited to a maximum of Rs. 5,000.00 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible up to a maximum of two children.

Keeping in view of the above, the Board of Directors of the company decided to revise remuneration of Sh. Shyam Bagri on the terms and conditions mentioned above, which will be in the best interest of the Company.

**Minimum Remuneration:**

The Chairman Cum Managing Director Sh Shyam Bagri shall be paid the aforesaid remuneration and perquisites and minimum remuneration even in the event of absence or inadequacy of profits in any year during his tenure, subject to the compliance of schedule XIII of the Companies Act, 1956 in this regard.

In the event of termination of the appointment of the Chairman Cum Managing Director of the company he shall be entitled to receive compensation in accordance with the provisions of section 318 of the companies act, 1956.

In compliance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the payment of revised remuneration to Sh. Shyam Bagri, the Chairman Cum Managing Director as set out above is now being placed before the members for their approval.

A copy of the draft Agreement based on the terms with respect to revised remuneration as approved by the Board, between the Company and Sh. Shyam Bagri, Chairman Cum Managing Director is available for inspection during the business hours at the Registered office of the company on every working day.

None of the directors except Sh. Shyam Bagri, Chairman Cum Managing Director, Sh. Raj Kumar Bagri whole time Director of the company being relatives are interested or concerned in this Resolution.

**ITEM NO. 8**

The Securities and Exchange Board of India (SEBI) has issued the Securities and Exchange Board of India (Delisting of Securities) Guideline, 2003, (hereinafter referred to as the "Delisting Guidelines") incorporating, among others, provisions for delisting of securities of a Listed Company voluntarily by a promoter or an acquirer or any other person from the Stock Exchanges.

The Securities and Exchange Board of India (SEBI) has specified for settlement of the Company's equity shares only in dematerialised form by all investors. The Securities of the company listed at Jaipur Stock Exchange Limited & The Stock Exchange Ahmedabad have been remained infrequently traded during the proceeding three years by the shareholders and in general public also.





Your Directors commend the Resolution for approval.

None of the Director of the Company is, in any way, concerned or interested in this resolution.

#### **ITEM NO. 9**

Appointment of Shri Raj Kumar Bagri as the Whole time Director of the Company has been confirmed with effect from 28th September, 1998 for a period of Five Years by the members of the Company. Presently Shri Raj Kumar Bagri, Whole time Director of the company is drawing salary of Rs.15,000.00 per month & perquisites as approved by the members of the company in the meeting held on 2nd September, 2002.

Sh. Raj Kumar Bagri, is young and dynamic person. The board of directors of the company has reappointed him as whole time director of the company on the existing terms of remuneration inter alia, contents the following terms and conditions, as per the draft agreement placed, for a period of five years w.e.f. 27th September, 2003 in the meeting of board of directors held on 12-08-2003, as recommended by the Remuneration Committee. The terms and conditions with respect to the payment of remuneration to Sh. Raj Kumar Bagri, Whole time Director of the company are laid down as under :-

- I) **SALARY** : Salary @ Rs. 15000/- (Rupees Fifteen Thousand only) per month.
- II) **PERQUISITES** : Perquisites will be restricted to an amount equal to the annual salary. For this purpose perquisites be classified into three categories, Parts A, B and C.

#### **PART - A**

##### **i) HOUSING :**

- a) The expenditure by the Company on hiring accommodation for the Whole time Director will be subject to 50% of salary, over and above 10% payable by the appointee;
- b) Where the Company does not provide accommodation for Whole time Director, House Rent Allowance may be paid by the Company subject to ceiling laid down in Clause (i) (a) above.
- c) Where accommodation in the Company owned house is provided, the Whole time Director shall pay to the Company by way of rent @ 10% of salary.

**EXPLANATION** : The expenditure incurred by the Company on Gas, Electricity, Water and Furniture shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary of the Whole time Director.

- ii) **MEDICAL REIMBURSEMENT**: Expenses incurred for self and the family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- iii) **LEAVE TRAVEL CONCESSION**: For self and family once in a year in accordance with the rules of the company.
- iv) **PERSONAL ACCIDENT INSURANCE**: Premium not to exceed Rs. 4,000.00 per annum.
- v) **CLUB FEES** : Fees of Clubs, subject to a maximum of Two Clubs. This will not include admission and life membership fees.

**EXPLANATION** : For the purpose of this Part 'Family' means the spouse, the dependent children and dependent parents.

#### **PART - B**

- vi) (a) Company's contribution towards provident fund as per the rules of the company.
  - (b) Gratuity as per the rules of the company but shall not exceed half month's salary for each completed year of service.
- The aforesaid perquisites stated in (vi)(a), (vi)(b) will not be included in the computation of the aforesaid ceiling on perquisites to the extended these either singly or put together are not taxable under the Income Tax Act, 1961.
- vii) **Earned Leave** : On full pay and allowance and perquisites as per the rules of the company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashed at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

#### **PART - C**

- viii) Provision for car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to Whole time Director.
- III) In addition to the above perquisites specified in paragraph II, Sh. Raj Kumar Bagri, Whole time Director of the company shall be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified in paragraph I of this section:
  - (a) **Children's education**:- An allowance limited to a maximum of Rs. 5,000.00 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible up to a maximum of two children.

Keeping in view of the above, the Board of Directors of the company decided to revise remuneration of Sh. Raj Kumar Bagri on the terms and conditions mentioned above, which will be in the best interest of the Company.

#### **Minimum Remuneration:**

The Whole time Director Sh Raj Kumar Bagri shall be paid the aforesaid remuneration and perquisites and minimum remuneration even in the event of absence or inadequacy of profits in any year during his tenure, subject to the compliance of schedule XIII of the Companies Act, 1956 in this regard.

In the event of termination of the appointment of the Whole time Director of the company he shall be entitled to receive compensation in accordance with the provisions of section 318 of the companies act, 1956.



In compliance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the payment of remuneration to Sh. Raj Kumar Bagri, Whole time Director as set out above is now being placed before the members for their approval.

A copy of the draft Agreement based on the terms with respect to remuneration as approved by the Board, between the Company and Sh. Raj Kumar Bagri, Whole time Director is available for inspection during the business hours at the Registered office of the company on every working day.

None of the directors except Sh. Shyam Bagri, Chairman Cum Managing Director, Sh. Raj Kumar Bagri whole time Director of the company being relatives are interested or concerned in this Resolution.

#### **ITEM NO. 10**

The tenure of appointment of Shri Laxmi Narain Sain as Whole time Director of the company has expire on 11th August, 2002, which has been further extended for a period of five years considering his vast experience in the flour milling activities & also in health food products, in the meeting of board of directors of the company held on 10-08-2002 subject to the approval of the members of the company on the revised terms of remuneration inter alia, contents the following terms and conditions, as per the draft agreement placed, w.e.f. 10th August, 2002. The terms and conditions with respect to the payment of remuneration to Sh. Laxmi Narain Sain, Whole Time Director of the company are laid down as under :-

- i) **SALARY** : Salary @ Rs. 2500/- (Rupees Two Thousand Five Hundred only) per month.
- ii) **HOUSE RENT** : Reimbursement of rent paid upto 50% of the Salary.
- iii) **PERSONAL ACCIDENT INSURANCE**: Premium not to exceed Rs. 1,000 per annum.
- iv) **P.F., L.T.C. & OTHER BENEFITS** : As regards other terms and conditions relating to employment not specifically spelt out above, the rules of the company should be apply. The remuneration and other perquisites as set out above are in accordance with and within the limits prescribed under Schedule XIII to the Companies Act, 1956.

Keeping in view of the above, the Board of Directors of the company decided to revise remuneration of Sh. Laxmi Narain Sain on the terms and conditions mentioned above, which will be in the best interest of the Company.

#### **Minimum Remuneration:**

The Whole time Director Sh. Laxmi Narain Sain shall be paid the aforesaid remuneration and perquisites and minimum remuneration even in the event of absence or inadequacy of profits in any year during his tenure, subject to the compliance of schedule XIII of the Companies Act, 1956 in this regard.

In compliance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the payment of existing remuneration to Sh. Laxmi Narain Sain, the Whole time Director is now being placed before the members for their approval.

A copy of the draft Agreement based on the terms with respect to revised remuneration as approved by the Board, between the Company and Sh. Laxmi Narain Sain, Whole time Director is available for inspection during the business hours at the Registered office of the company on every working day.

None of the directors except Sh. Laxmi Narain Sain, Whole time Director, is interested or concerned in this Resolution.

By the Order of the Board  
For Bagrrys India Limited

(SHYAM BAGRI)

CHAIRMAN CUM MANAGING DIRECTOR

Date : 12-08-2003



## DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting herewith the Sixteenth Annual Report together with the audited accounts for the year ended on 31st March, 2003.

### 1. FINANCIAL RESULTS:

The working results reveal a net profits of Rs. 1,44,46,157/- before depreciation and taxation as compared to Rs. 1,14,06,074/- in the previous year. The Profits is proposed to be appropriated as under :

(AMOUNT IN RS.)

Profit before depreciation	1,44,46,157
Balance brought forward from previous year	1,02,96,841
<b>Total</b>	<b>2,47,42,998</b>
Which is proposed to be appropriated as under :	
Depreciation for the year	17,07,101
Income tax relating to earlier year	(10,174)
Provision for taxation	
- Current year	51,25,000
- Deffered Tax	42,000
Transferred to General Reserve	40,00,000
Balance carried to Balance Sheet	1,38,79,071
<b>Total</b>	<b>2,47,42,998</b>

### 2. OPERATIONS & BUSINESS DEVELOPMENT:

During the year under report, the sales of the company have been increased from Rs. 2362.14 lacs to Rs. 2544.03 lacs however, other income of the company decreased from Rs. 61.85 lacs to Rs. 45.00 lacs respectively.

The company earned net profit of Rs. 1,27,39,056/- after providing depreciation of Rs. 17,07,101/- in comparison to previous year profit of Rs. 96,45,407/- after providing depreciation of Rs. 17,60,667/-.

Your directors feel satisfaction on the improved working results. Keeping in view the handsome orders your directors are quite hopeful for further improvement in sales and profitability but Excise duty become leviable on Muesli which will adversely effect the profitability of the company.

### 3. DIVIDEND:

Your Directors regret that it is not possible to recommend any dividend on Equity Shares. The money so retained shall be ploughed back to carry on the smooth running of the Company.

### 4. APPOINTMENT OF DIRECTORS:

Shri S.L. Sethi, retires by rotation and being eligible, offers himself for the re-appointment.

Shri M.L. Bhansali, retires by rotation and being eligible, offers himself for the re-appointment.

Shri Satya Naraian Chandak has been appointed as an additional director of the Company on 3rd March, 2003.

### 5. AUDITORS OBSERVATION:

The observations made by auditors in their report are self explanatory and do not require further clarifications.

### 6. AUDITORS:

M/s Sumer Bansal & Company, Chartered Accountants, Statutory Auditors of the Company, retires and being eligible, offers themselves for re-appointment.

M/s Jain Sharma & Company, Chartered Accountants, branch Auditors of the Company, retires and being eligible, offers themselves for re-appointment.

### 7. PERSONNEL:

The Company has not employed any employee whose aggregate remuneration was not less than Rs. 24,00,000/- per annum, if employed throughout the year or Rs. 2,00,000/- per month, if employed for the part of the year.

### 8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO:

Information as per section 217 (1)(e) of the Companies Act, 1956 read with the companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988 and forming Part of the Directors' Report for the year ended on 31st March, 2003 which is as under :-




**a. Conservation of Energy : ELECTRICITY,**

	CURRENT YEAR (2002-2003)	PREVIOUS YEAR (2001-2002)
UNITS PURCHASED	15,65,072	16,47,944
TOTAL AMOUNT (RS.)	70,04,890	73,63,106
RATE PER UNIT (RS.)	4.48	4.47
PRODUCTION (M.T.)		
WHEAT PRODUCTS	29,057.20	29,917.60
(INCLUDING WHEAT HUSK)		
CONSUMPTION PER M.T.	53.86	55.08
AVERAGE COST PER M.T. (RS.)	241.07	246.11

**b. Technology Absorption:**

The milling technology of wheat process is based on the indigenous techniques adopted by other Roller Flour Mills. However, the development works are carried out on continuous basis for improvement of the quality of all the products of the Company.

**c. Foreign Exchange:**

Earnings : Rs. Nil

Outgo : Rs. Nil

**9. DIRECTORS**

Information under clause 49 of the listing agreement regarding re-appointment of Directors : Shri S.L. Sethi and Shri M.L. Bhansali retiring by rotation as given hereunder.

Shri S.L. Sethi, B.Sc., Diploma in Flour Milling, aged 53 years is a flour milling technologist having experience of about 30 years in food industry. He worked with Delhi Flour mill from September 1971 to November 1983 as miller and there after joined M/s. Rajdhani Roller Flour Mills Limited on November 1983 and is still working with them as Chief Miller. Sh. S.L. Sethi is Chairman of shareholder/investor grievances committee and member of remuneration and audit committee. He is not having any directorship in the public limited companies.

Shri M.L. Bhansali, aged 46 years is a Chartered Accountant and Company Secretary and is the promoter Director of the Company. He has vast experience of 25 years in Commercial, Financial, Taxation and other fields. He completed his C.A. in 1985 and came into practice in 1985. He is partner of M/s. M.L. Bhansali & Co., Chartered Accountant, Faridabad.

Names of other Indian public limited companies in which Mr. M.L. Bhansali is Directors of the member of Committee (s) :-

M/s. Bagrrys Finance Limited

M/s. Bagrrys Hotels Limited

M/s. RMB Financial Services Ltd.

Sh. M.L. Bhansali is Chairman of remuneration committee and member of shareholders/investor grievance and audit committee.

**10. CORPORATE GOVERNANCE**

Corporate governance along with Auditor's Certificate on its compliance is given as Annexure – A & B to the report.

**11. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

i. that in preparation of the annual accounts, for the financial year ended 31st March, 2003, the applicable "accounting standards have been followed alongwith proper explanation relating to material departures;

ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 31st March, 2003 and of the profit or loss of the "Company for year under review;

iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. that the Directors have prepared the annual accounts for the financial year ended 31st March, 2003 on a 'going concern' basis.

**12. LISTING OF COMPANY'S SECURITIES:**

The securities of the Company are listed on Delhi, Ahmedabad and Jaipur Stock Exchanges. The Company has paid Listing Fee for the Financial Year 2002-2003 to all the aforesaid Stock Exchanges.

**13. ACKNOWLEDGEMENTS:**

The Directors wish to thank the bankers, financial institutions, other business associates and shareholders for the co-operation and encouragement extended to the Company. The Directors also place on record their deep appreciation for the contribution made by the employees at all levels.

By the Order of the Board  
For Bagrrys India Limited

(SHYAM BAGRI)

CHAIRMAN CUM MANAGING DIRECTOR

Date : 12-08-2003