

**BHAGERIA DYE-CHEM LTD.**

**14TH ANNUAL REPORT 2002-2003**

## Bhageria Dye-Chem Limited

### BOARD OF DIRECTORS

Mr. Suresh Bhageria  
Mr. Shashikant Tulsian  
Dr. Shyam Agarwal  
Mr. O.P. Bubna  
Mr. P.S. Dalvi  
Mr. Vinod Bhageria

- Chairman  
- Director  
- Director  
- Director  
- Director  
- Managing Director

### AUDITORS

M/s. SARDA & PAREEK

Chartered Accountants  
10, Andheri Om Niwas,  
45, Swami Nityanand Marg,  
Andheri (East).

MUMBAI - 400 069.

### REGISTERED OFFICE

A-101, Virwani Ind. Estate.  
Western Express Highway,  
Goregaon (East), MUMBAI- 400 063.

### BANKERS

ORIENTAL BANK OF COMMERCE

Overseas Branch, Nariman Point,  
MUMBAI - 400 021.

### BNP PARIBAS

French Bank Building, 62, Homji Street,  
Fort, MUMBAI - 400 001

### ANNUAL GENERAL MEETING

Date : 6th September, 2003.

Time : 11.00 A.M.

Venue : Lalit Restaurant Hall, Near Rly. Station,  
Goregaon (West), MUMBAI - 400 062.

### SHARE TRANSFER AGENT (PHYSICAL & DEMAT)

ADAM COMSOF LIMITED

Narayan Building,  
23, Lakhamshi Napoo Road  
Dadar Central Railway  
MUMBAI - 400 014.

### WORKS

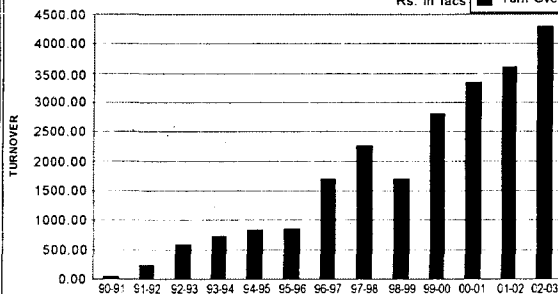
Plot No.6310, IV Phase,  
G.I.D.C Vapi,  
GUJARAT - 396 195.

**BOOK CLOSURE :**  
**28th August, 2003**  
**to**  
**6th September, 2003**  
**(BOTH DAYS INCLUSIVE)**

TURNOVER OF THE CO.

Rs. in lacs

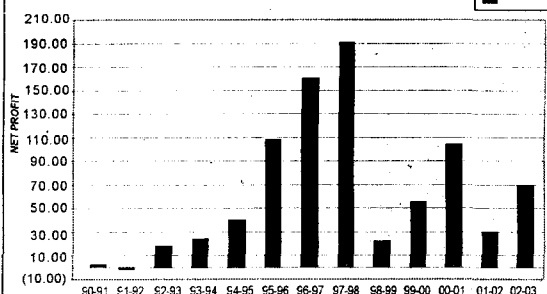
■ Turn Over



NET PROFIT OF THE CO.

Rs. in lacs

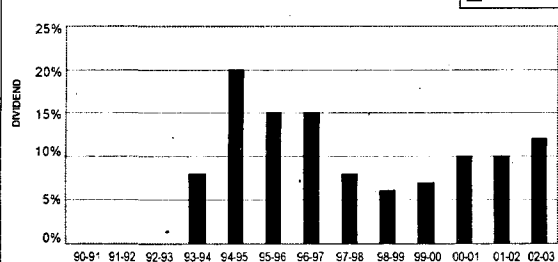
■ Net Profit



DIVIDEND OF THE CO.

%

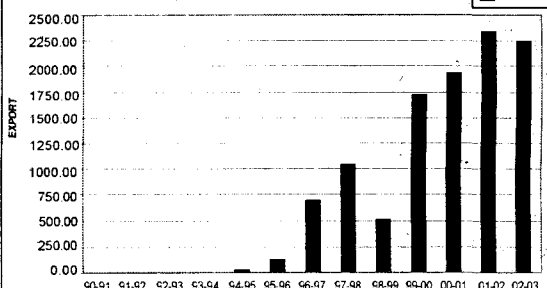
■ Dividend



EXPORT OF THE CO.

Rs. in lacs

■ Export



**NOTICE TO THE MEMBERS**

NOTICE is hereby given that the 14th Annual General Meeting of the members of BHAGERIA DYE-CHEM LIMITED will be held on Saturday, September 6, 2003 at 11 A. M. at Lalit Restaurant Hall, Near Railway Station, Goregaon [West], Mumbai - 400 062 to transact, with or without modification(s) the following businesses :

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2003 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To sanction the declaration and payment of Dividend on Equity Shares for the year ended March 31, 2003.
3. To appoint a Director in place of Dr. Shyam Agarwal, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. S. Dalvi, who retires from office by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

**SPECIAL BUSINESS:**

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for a partial modification of the Ordinary Resolution passed by the members at the Annual General meeting held on September 22, 2001 for the increase in remuneration of Mr. Suresh Bhageria, Chairman of the Company w.e.f. April 1, 2003 till the expiry of his present term of office and is hereby specifically approved with liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the board and Mr. Suresh Bhageria so as not to exceed the limits as specified in schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof.

FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution."

7. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for a partial modification of the Ordinary Resolution passed by the members at the Annual General meeting held on September 22, 2001 for the increase in remuneration of Mr. Vinod Bhageria, Managing Director of the Company w.e.f. April 1, 2003 till the expiry of his present term of office and is hereby specifically approved with liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the board and Mr. Vinod Bhageria so as not to exceed the limits as specified in schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof.

FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution."

8. To consider and, if thought fit, to pass with or without modifications, the following resolutions as a SPECIAL RESOLUTION:

"RESOLVED THAT in accordance with the provisions of the Companies Act, 1956 and other Acts, if any, including any amendment thereto and subject to the consents, permissions sanctions and approvals if any as may be necessary from the members, Stock Exchange Authorities and subject to conditions as were prescribed/ made applicable in granting such Listing approvals, the consent of the company be and is hereby accorded to Board of Directors of the company to apply for delisting of Equity Shares of the Company from the The Stock

**Bhageria Dye-Chem Limited**

Exchanges at Ahmedabad and Jaipur and that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things including executions of any documents for this purpose and attend to all statutory compliance's to get the Equity Shares delisted from the above Stock Exchanges".

**Registered Office :**

A/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [ East ],  
Mumbai - 400 063.  
14th June, 2003

For and on behalf of the Board  
For **BHAGERIA DYE-CHEM LIMITED**

**SURESH BHAGERIA**  
Chairman

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 28/08/2003 to 06/09/ 2003 (both days inclusive).
3. The Dividend on Equity Shares as recommended by the Board of Directors of the Company, when sanctioned at the Annual General Meeting of the Company will be paid on or after September 6, 2003 to:
  - I] to those members of the Company whose names stand registered on the Company's Register of Members as on September 6, 2003. OR
  - II] in respect of shares held in electronic form, to those "deemed members" whose names appear on the statements of beneficial ownership furnished by the National Securities Depository Limited [ NSDL ] and Central Depository Services [ India ] Limited [ CDSL ], at the end of business hours on September 5, 2003.
4. Pursuant to the provision of Section 205(A) of the Companies Act, 1956, unclaimed Dividend upto the year ended March 31, 1995 has been transferred to the credit of the General Revenue Account of the Central Government. The members who have not received the dividend for the said year may claim the amount from the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, "A" Wing, CBD-Belapur, Navi Mumbai - 400 614, telephone No. 2757 6802.

Members are hereby informed that Dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to The Investors Education & Protection Fund, constituted by the Central Government under Sections 205(A) & 205(C) of the Companies Act, 1956.

Members should note that no claim can be made by the shareholders for the unclaimed Dividends which have been transferred to the credit of The Investors Education & Protection Fund of the Central Government under the amended provisions of section 205(B) of the Companies Act, 1956.

Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 1996 and onwards are requested to claim the amount forthwith from the Company.

5. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
6. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
7. The Company has listed its shares on The Stock Exchange, Mumbai, The Stock Exchange, Ahmedabad and The Stock Exchange, Jaipur.
8. a. In view of Circular issued by the SEBI for appointing common agency for both mode of transfers i.e. Physical as well as Demat, the Company has appointed M/s. ADAM COMSOF LIMITED as Registrar & Transfer Agent of the Company. Members are therefore requested to send their grievances to them for early disposal at the address given below.
- b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository

Participants and not to the Company.

**M/s. ADAM COMSOF LIMITED,**  
 [Unit : Bhageria Dye-Chem Limited]  
 Narayan Building, 23, Lakhamshi Napoo Road,  
 Dadar Central Railway, Mumbai - 400 014.  
 Telephone No. 9522415 1447

9. a. Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole/ First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
- b. Members desirous of availing the facility of Electronic Credit of Dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
- c. Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
10. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
11. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
12. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
13. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
14. The explanatory statement U/s. 173 of the Companies Act, 1956 is enclosed herewith.

#### LISTING REQUIREMENTS:

As required under Clause 49 [vi] of the Listing Agreement, given below are the details of the Director(s) who retire by rotation and are eligible for re-appointment (Resolution at Item Nos. 3&4):

A. Name	: Dr. SHYAM AGARWAL.
Age	: 48 [12.01.1955].
Qualifications	: M.S, D.O.M.S. (Bom)

Dr. Shyam Agarwal is associated with the Company since October 21, 1994. He has an experience of over 20 years in the field of drugs and pharmaceuticals.

Other Directorships	: NIL
Committee Memberships	:
Audit Committee	: BHAGERIA DYE-CHEM LIMITED.
Share Holders Committee	: BHAGERIA DYE-CHEM LIMITED.

B. Name	: MR. P.S. DALVI
Age	: 52 [26.08.1951].
Qualifications	: B.sc (TECH)

Mr. P. S. Dalvi is associated with the Company since September 1, 2000 and has experience of over 25 years in the field of Dyes & Dyes Intermediates.

Other Directorships	: NIL
Committee Memberships	: NIL

**Bhageria Dye-Chem Limited****EXPLANATORY STATEMENT U/S. 173 OF THE COMPANIES ACT, 1956 :****Item No. 6 :**

Mr. Suresh Bhageria was re-appointed as Chairman of the Company by the Board at the meeting held on July 28, 2001 and by the members at the Annual General meeting of the Company held on September 22, 2001 for a period of 5 years w.e.f. April 1, 2001 and his remuneration was approved by the members.

The Board at its meeting held on June 14, 2003 has revised the remuneration of Mr. Suresh Bhageria w.e.f. April 1, 2003 till the expiry of his present term of office as below. Mr. Suresh Bhageria looks after day to day affairs of the Company and also marketing side of the Company and is working for the Company since inception.

Salary in the scale of Rs. 22,000/- to Rs. 50,000/- per month. In addition to salary Mr. Suresh Bhageria shall be entitled to :

1. Conveyance allowance as per the rules of the Company.
2. Bonus/exgratia as may be announced by the Company.
3. Medical allowance including reimbursement as per the rules of the Company.
4. Leave with full pay and all allowances as per the rules of the Company.
5. Leave Travel Concession as per the rules of the Company.
6. Yearly encashment of leave as per the rules of the Company.
7. Contribution to provident fund, superannuation fund and gratuity fund as per the rules of the Company.
8. Provision of car with driver.
9. Free telephone facility at residence.

**MINIMUM REMUNERATION :**

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII of the Companies Act, 1956 computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act 1956 as in force for the time being or as amended in the future.

This may be treated as an abstract of the terms of the appointment of Mr. Suresh Bhageria pursuant to section 302 of the Companies Act, 1956.

The Board recommend the resolution for approval by the members.

Mr. Suresh Bhageria may be deemed to be interested in the resolution as the same is related to his own appointment. Mr. Vinod Bhageria may be deemed to be interested being related to Mr. Suresh Bhageria.

**Item No. 7.**

Mr. Vinod Bhageria was re-appointed as Managing Director of the Company by the Board at the meeting held on July 28, 2001 and by the members at the Annual General meeting of the Company held on September 22, 2001 for a period of 5 years w.e.f. April 1, 2001 and his remuneration was approved by the members.

The Board at its meeting held on June 14, 2003 has revised the remuneration of Mr. Vinod Bhageria w.e.f. April 1, 2003 till the expiry of his present term of office as below. Mr. Vinod Bhageria looks after production of the Company and also marketing side of the Company and is working for the Company since inception.

Salary in the scale of Rs. 20,000/- to Rs. 50,000/- per month. In addition to salary Mr. Vinod Bhageria shall be entitled to :

1. Conveyance allowance as per the rules of the Company.
2. Bonus/exgratia as may be announced by the Company.
3. Medical allowance including reimbursement as per the rules of the Company.
4. Leave with full pay and all allowances as per the rules of the Company.
5. Leave Travel Concession as per the rules of the Company.
6. Yearly encashment of leave as per the rules of the Company.



7. Contribution to provident fund, superannuation fund and gratuity fund as per the rules of the Company.
8. Provision of car with driver.
9. Free telephone facility at residence.

**MINIMUM REMUNERATION :**

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII of the Companies Act, 1956 computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act 1956 as in force for the time being or as amended in the future.

This may be treated as an abstract of the terms of the appointment pursuant to section 302 of the Companies Act, 1956.

The Board recommend the resolution for approval by the members.

Mr. Vinod Bhageria may be deemed to be interested in the resolution as the same is related to his own appointment.  
Mr. Suresh Bhageria may be deemed to be interested being related to Mr. Vinod Bhageria.

**Item No. 8 :**

The Equity Shares of the Company are at present listed with the Stock Exchanges at Ahmedabad, Jaipur and Mumbai. The Equity Shares of the Company on Ahmedabad and Jaipur Stock Exchanges are not traded in a material way and is negligible in quantum. The number of Shareholders in these regions are also not significant. The Board of Directors of the Company therefore proposes that the Equity Shares of the Company should be delisted from Ahmedabad and Jaipur Stock Exchanges. The listing of the shares will however continue with Mumbai Stock Exchange which is regional Stock Exchange and with its expansion of BOLT terminals it provide nationwide trading terminals and thereby considerable liquidity to the members and investors for sale and purchase of the Equity Shares of the Company.

As per the new SEBI [DELISTING OF SECURITIES] GUIDELINES, 2003 issued by the SEBI, it is necessary that approval of the shareholders of the Company be obtained by passing a Special Resolution at a General meeting for voluntary delisting of shares.

None of the Directors of the Company is/are interested in the resolution.

The Board recommend the resolution for approval by the members.

**Registered Office :**

A/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [East],  
Mumbai - 400 063.  
14th June, 2003

For and on behalf of the Board  
For **BHAGERIA DYE-CHEM LIMITED**

**SURESH BHAGERIA**  
Chairman

**Bhageria Dye-Chem Limited****DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have great pleasure in presenting 14th Annual Report together with the Audited accounts for the year ended March 31, 2003.

**FINANCIAL RESULTS:**

	Year ended 31.03.2003 Rs. In Lacs	Year ended 31.03.2002 Rs. In Lacs
Sales & Other Income	4282.96	3607.29
Profit before tax and appropriations	98.42	38.56
Profit after tax	68.68	30.14
Add : Excess provision for taxation of earlier years	—	6.62
Add : Balance brought forward from previous year	272.85	330.86
Profit available for disposal	341.53	367.62
Proposed Dividend	46.88	34.63
Transfer to General Reserve	25.00	60.14
Profit carried forward	269.65	272.85

**DIVIDEND:**

Your Directors recommend payment of dividend for the year ended March 31, 2003 of Rs. 1.20 per share on each Equity share of Rs.10/- each which after approval shall be paid in accordance with the applicable Law.

This will be the 10th consecutive year of payment of Dividend by your company.

**OPERATIONS:**

Your Directors have pleasure in informing you that despite recessionary pressures in the industry, your company was able to achieve Total Income of Rs. 4282.96 Lacs against Rs.3607.29 Lacs in Previous year showing an increase of 18.73%. The net profit is increased by 127.86%. This was made possible by a strict but judicious control on costs. During the year, there was transporters strike in the month of March'2003, Due to that production & profitability was effected adversely. A full analysis and discussion on the business outlook is included in this Annual Report under the heading 'Managements discussion and analysis'.

**RESEARCH & DEVELOPMENT:**

The R&D department of the company has been arduously working to provide quality and value for money to the customers in keeping with market trends.

**FIXED DEPOSITS:**

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 from Public and the rules made there under.

**BOARD OF DIRECTORS:**

As per the Provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Dr. Shyam Agarwal and Mr. P. S. Dalvi, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

**CORPORATE GOVERNANCE:**

The Company has taken proactive steps to ensure that the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchange are complied with. A separate report on Corporate Governance together with Auditors' Certificate on its compliance are included in this Annual Report.



**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2003.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

**AUDITORS:**

M/s. Sarda & Pareek, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2004 as set out in the Notice convening the Meeting.

**AUDITORS' OBSERVATIONS:**

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule "R" which are self explanatory and, therefore, do not call for any further comments.

**AUDIT COMMITTEE:**

In accordance with the provisions of the Listing Agreement and Corporate Governance the Company has constituted an Audit Committee comprising of the following Directors viz., Mr. S. P. Tulsian, Dr. Shyam Agarwal and Mr. O. P. Bubna as members. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

**DEPOSITORY SERVICES:**

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE354C01019.

Shareholder's therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [ DPs ] with whom they have their Demat Accounts for getting their holdings in electronic form.

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information pursuant to 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 are given in Annexure "A" to this report.

**PARTICULARS OF EMPLOYEES:**

None of the employees of the Company came within the purview of the information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

**LISTING:**

The Company has listed its shares on The Stock Exchange, Mumbai, The Stock Exchange, Ahmedabad and The Stock Exchange, Jaipur.

The Board of your Company has decided to apply for delisting the equity shares of the Company from the Stock Exchange at Jaipur and Ahmedabad as the trading at these stock exchanges were not significant.

## **Bhageria Dye-Chem Limited**

The listing of the shares will however continue with The Stock Exchange, Mumbai which is regional Stock Exchange and with its expansion of BOLT terminals it provide nationwide trading terminals and thereby considerable liquidity to the members and investors for sale and purchase of the Equity Shares of the Company.

### **SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:**

The Company has taken all the necessary steps for safety and environmental control and protection at the plant.

### **ACKNOWLEDGMENT:**

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

#### **Registered Office :**

A/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [East],  
Mumbai - 400 063.  
14th June, 2003

For and on behalf of the Board  
For **BHAGERIA DYE-CHEM LIMITED**

**SURESH BHAGERIA**  
*Chairman*

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