



**13TH
ANNUAL REPORT
2001-2002**

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Bharat RASAYAN LIMITED

**Bharat RASAYAN LIMITED***13th Annual Report 2001-2002***BOARD OF DIRECTORS***Promoter Directors***S.N. GUPTA**

Chairman & Managing Director

M.P. GUPTA

Whole Time Director

R.P. GUPTA

Whole Time Director

*Other Director***P.K. MITTAL**

Director (Independent and Non-Executive)

COMPANY SECRETARY & COMPLIANCE OFFICER**Y. D. SARDANA****AUDITORS****M/S. B.K. GOEL & ASSOCIATES**

Chartered Accountants

P-16, N.D.S.E.-II

New Delhi - 110 049.

BANKERS**STATE BANK OF INDIA****REGISTERED OFFICE**1501, Vikram Tower,
Rajendra Place,
New Delhi - 110 008.**FACTORY**Village Mokhra,
Tehsil Meham,
Distt. Rohtak (Haryana).

Members may please note that no gifts/coupons shall be distributed at the meeting

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**Bharat RASAYAN LIMITED**

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NOTICE

The 13th Annual General Meeting of Bharat Rasayan Limited will be held at Petals Restaurant and Banquets, 25, Bhera Enclave, Outer Ring Road, New Delhi-110087, on Monday, the 23rd September, 2002, at 10:30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt the audited Profit and Loss Account for the year ended 31st March, 2002, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri P.K.Mittal who retires by rotation and is eligible for reappointment.
3. To appoint Auditors of the company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended as follows :

- i) After Article 83, the following new Article be inserted as Article 83A under the title "Postal Ballot"

POSTAL BALLOT

83A -In case the resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, and in case where the Company may decide to pass any resolution by means of postal ballot, the company shall get such resolution passed by means of a postal ballot instead of transacting such business in general meeting of the company, subject to compliance of the provisions of Section 192A of the Act and the Rules framed thereunder.

- ii) The following proviso be inserted after Article 126(2) :

Provided that the company can also pay the dividend by crediting it directly to the Bank Accounts of the shareholders through Electronic Fund Transfer Systems of the Banks.

EXPLANATORY STATEMENT

The explanatory statement as required under Section 173(2) of the Companies Act, 1956, in respect of Special Business

Item No. 4

The Companies (Amendment) Act, 1999 and 2000 have brought changes in the Companies Act, 1956 by inserting provisions, inter-alia, relating to, voting by postal ballot. The consequential changes are proposed to be made in the Articles of Association of the Company to ensure its conformity with the said provisions of the Companies Act, 1956, as amended and the Rules framed thereunder and to enable the company to pay the dividend through the Electronic Clearing Services to the shareholders who opt for this service.

None of the director is directly or indirectly interested in the abovesaid resolution.

Regd. Office :

1501, Vikram Tower,
Rajendra Place,

NEW DELHI - 110008.

AUGUST 29, 2002

BY ORDER OF THE BOARD

(Y.D.SARDANA)

COMPANY SECRETARY

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, and such proxy(ies) need not be a member of the company. Proxy(ies) in order to be effective, must be delivered at the registered office of the company, not less than 48 hours before the time of the meeting.

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2. The register of members and share transfer books of the company will remain closed from 20.09.2002 to 23.09.2002 (both days inclusive).
3. Members/Proxies should bring the attendance slip duly completed. Members who hold shares in dematerialised mode are requested to bring their Client-ID and DP-ID Numbers also for easy reference.
4. As a measure of economy, 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.
5. Members intending to seek any information on the annual accounts at the meeting are requested to intimate the company at least seven days before the date of the meeting.
6. Information required to be furnished under the Listing Agreement in respect of Shri P.K.Mittal proposed to be reappointed as Director.

- | | | |
|------------------|---|------------------|
| a) Age | : | 51 Years |
| b) Qualification | : | Higher Secondary |
| c) Experience | : | 33 years |

Mr. Mittal is a Non-Executive Director of the Company since 01.01.1999.

- | | | |
|------------------------|---|---------------------------------------|
| d) Other Directorships | : | i) Super Sonic Carrier Pvt. Limited |
| | | ii) Indo Plast Packaging Pvt. Limited |

He is Chairman of the Company Shareholders & Investors' Grievance Committee.

IMPORTANT INFORMATION FOR ATTENTION OF THE SHAREHOLDERS

1. Investors' Service Centre

The company has its in-house share department under the overall supervision of the Company Secretary. The complaints/queries received from shareholders are replied within ten days. For any assistance regarding share transfers, transmissions, change of address, non-receipt of dividend, duplicate/missing share certificates and other matters pertaining to the shares held in physical mode, please write to him at the registered office of the company. Summary of the complaints received from the shareholders and the action taken thereon is placed before the Shareholders & Investors' Grievance Committee, which is now working under the Chairmanship of Shri P.K.Mittal, the Non-Executive Director. The shareholders who do not get prompt response from the Secretarial Department may write to Shri P.K.Mittal at Registered Office of the company.

2. Listing on Stock Exchanges

Company's shares are listed at Delhi Stock Exchange (Regional Stock Exchange), The Stock Exchange, Mumbai and National Stock Exchange of India Limited and upto date annual listing fees have been paid to them.

Stock Codes

- | | | |
|---|---|-------------------------------|
| a) Delhi Stock Exchange | : | 02128 |
| b) The Stock Exchange Mumbai | : | i) Normal Weekly Segment : 50 |
| | | ii) Rolling Segment : 500050 |
| c) National Stock Exchange of India Limited | : | Bharat Ras |



3. Dematerialisation of Shares

The Securities and Exchange Board of India (SEBI) has notified for compulsory trading in Company's shares in dematerialised mode from 30.04.2001. For dematerialisation of their shares, the shareholders should approach a Depository Participant (DP). The International Security Identification Number (ISIN) allotted to the company's shares is INE838B01013. After dematerialisation of shares the shareholders must contact their DPs for any information/instructions in respect of their shareholdings, except dividend warrants which are directly despatched by the company to the shareholders (beneficiaries) at their address registered with their DPs.

4. Share Transfer System

Physical share transfers are registered within 3/4 weeks of receipt of valid transfer documents. On receipt of the transfer documents, a letter is sent to the transferor(s) about the receipt of transfer documents and he/she is asked to inform the company about their valid objections, if any, within 15 days of the date of the letter. After expiry of 15 days the transfer documents are placed before the Share Transfer Committee in its next meeting and after its approval the transfers are registered in the Members' Register.

As per SEBI requirements, after transfer of shares is registered, a letter is sent to the transferee giving him/her option to receive the shares in dematerialised mode. A period of 30 days is given to the shareholder to intimate his/her option. If no intimation is received then the share certificate(s) duly endorsed in his/her name is sent to him/her by registered post. If the shareholder desires to receive the shares in dematerialised mode he/she is required to approach a Depository Participant for opening his/her account alongwith the aforesaid letter received by him/her, from the company. After his/her account is opened by a Depository Participant, the Depository Participant collects the Company's letter from the shareholder and the same, alongwith Dematerialised Request Form (DRF) duly completed by the shareholder, is sent by the Depository Participant to the Company. The shares are thereafter dematerialised by the Company, and notified to the Depositories.

5. Financial Calender for the year 2002-03

i) Financial Reporting for -

| | |
|-----------------------------|------------------------|
| - Quarter ending 30.06.2002 | : End of July, 2002 |
| - Quarter ending 30.09.2002 | : End of October, 2002 |
| - Quarter ending 31.12.2002 | : End of January, 2003 |
| - Quarter ending 31.03.2003 | : End of April, 2003 |

ii) Annual General Meeting for

| | |
|---------------------------|--------------------------|
| the year ended 31.03.2003 | : End of September, 2003 |
|---------------------------|--------------------------|

6. Unclaimed Dividend

Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividends for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investors Education and Protection Fund of the Central Government. Thereafter no claim shall lie either with the Central Government or with the Company in respect of such dividend. Unpaid dividend for the financial year ended 31.03.1995 will be transferred to the said fund on 08.11.2002.

7. Nominations

Members holding shares in physical mode and desirous of making a nomination in respect of their shareholdings in the company, as permitted under Section 109A of the Companies Act, 1956, are requested to obtain the prescribed Form-2B, from the Company Secretary. Members holding shares in dematerialised mode may approach their Depository Participant (DP) in this regard.

8. General

Website: The Company is putting the Quarterly Financial Results on its website www.bharatrasayan.com. Other important developments/notices are also being displayed on its website. Details of company's products and other updated valuable information about the company is also available on this website.

**Bharat RASAYAN LIMITED***13th Annual Report 2001-2002***DIRECTORS' REPORT****TO THE MEMBERS OF BHARAT RASAYAN LIMITED**

Your Directors have pleasure in presenting their 13th Annual Report together with the audited accounts of the company for the year ended 31st March, 2002.

FINANCIAL RESULTS*(Rs. In Lacs)*

| Particulars | For the year ended 31.03.2002 | For the year ended 31.03.2001 |
|---|----------------------------------|----------------------------------|
| Sales & Other Income | <u>5517.63</u> | <u>4396.31</u> |
| Profit before interest & depreciation | 826.00 | 524.41 |
| Less : Interest | 121.73 | 105.14 |
| : Depreciation | <u>106.99</u> | <u>95.62</u> |
| Profit before income tax | 597.28 | 323.65 |
| Provision for Taxation - Current Liability | 217.23 | 125.64 |
| - Deferred Liability | <u>6.07</u> | <u>—</u> |
| Profit after tax | 373.98 | 198.01 |
| Surplus brought forward from previous year | <u>132.66</u> | <u>133.69</u> |
| Profit available for appropriation | <u>506.64</u> | <u>331.70</u> |
| Appropriations | | |
| Dividend | NIL | 89.22 |
| Tax on previous year's dividend | 9.10 | 9.82 |
| Transferred to General Reserve | 400.00 | 100.00 |
| Balance being surplus carried over to the Balance Sheet | <u>97.54</u> | <u>132.66</u> |

FINANCIAL HIGHLIGHTS

During the year under review, revenues from operations increased by 25.51% to Rs. 5517.63 lacs from Rs. 4396.31 lacs in the previous year. Profit after tax increased to Rs. 373.98 lacs as compared to Rs. 198.01 lacs in previous year.

EXPORTS

The company's exports (including exports as supporting manufacturer) during the year were Rs. 1651.48 lacs, an increase of 5.75% over the previous year (Rs. 1561.57 lacs).

SHIFTING OF OFFICE

Your Directors are pleased to inform you that your Company's Corporate and Registered Offices have moved to 15th Floor in Vikram Tower, Rajendra Place, New Delhi-110008.

DIVIDEND

With increase in competition in the pesticides industries, your company for its survival, has to expand and modernise its quality control and R&D Departments. Your directors have also some plans for acquisition and further expansion of its present plant for which your company will need more funds for its fixed and working capital requirements. With a view to conserve the company's resources your directors have decided to skip the dividend and have thus not recommended any dividend for this financial year.

**Bharat RASAYAN LIMITED***13th Annual Report 2001-2002***FUTURE OUTLOOK**

Because of failure of monsoon in many parts of the country, your directors are little pessimistic about the performance of the company in the coming quarters of the financial year 2002-2003. Therefore, the results for the financial year ending March 31, 2003 might not be as much encouraging as were for the financial year ending March 31, 2002.

FIXED DEPOSITS

The company continues to accept the deposits under section 58A of the Companies Act, 1956, and as on 31.03.2002 there was no overdue deposit with the company. All deposits due for payment were either paid or renewed during the year.

INSURANCE

All the properties and insurable interests of the company including buildings, plant & machinery and stocks, wherever necessary and to the extent required, have been adequately insured.

POLLUTION CONTROL

Your Company is conscious of its responsibility to keep the environment free from any pollution and it has installed the necessary pollution control devices in the factory.

AUDITORS' REPORT

The report of the Auditors is self-explanatory and does not call for any comments from the Directors.

STATUTORY STATEMENTS**a) Conservation of energy, technology absorption and foreign exchange earnings/outgo**

Statements pursuant to section 217(1)(e) of the Companies Act, 1956, are given in the Annexure.

b) Particulars of employees pursuant to section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 :

| Sr. No. | Name of the Employee | Designation | Age (In Yrs.) | Qualification | Date of Commencement of employment in the company | Experience (In Yrs.) | Remuneration (In Rs.) | Previous Employment |
|---------|----------------------|------------------------------|---------------|---------------|---|----------------------|-----------------------|-----------------------------|
| 1. | Shri S.N.Gupta | Chairman & Managing Director | 54 | M.A. (Eco.) | 15.12.1989 | 26 | 33,18,212 | Bharat Insecticides Limited |

The remuneration comprise salary, commission based on profit, the company's contribution to provident fund and monetary value of perquisites. The appointment is on contractual basis.

c) Directors' responsibility statement pursuant to Section 217(2AA) of the Companies Act, 1956

Directors confirm that in the preparation of the Annual Accounts :

1. the applicable accounting standards have been followed. There was no material departures requiring any explanation.
2. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are 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 and of the profit of the Company for that period.
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the accounts have been prepared on a going concern basis.

**Bharat RASAYAN LIMITED***13th Annual Report 2001-2002***CORPORATE GOVERNANCE**

The Securities and Exchange Board of India (SEBI) has recently introduced a Code of Corporate Governance and made certain provisions mandatory for the listed companies through the route of the Listing Agreement. Your Company is required to comply with the mandatory provisions within the financial year 2002-03, but not later than March 31, 2003.

DIRECTORATE

Shri P.K.Mittal retires by rotation at the forthcoming annual general meeting of the company and being eligible offers himself for reappointment.

AMENDMENT IN THE ARTICLES OF ASSOCIATION OF THE COMPANY

To enable the company to pay dividend, as and when declared, to the shareholders through RBI Electronic Clearing Service and to enable the Board of Directors to obtain the shareholders approval on the resolutions relating to such business as the Central Government may by notification declare to be conducted only by postal ballots and in cases where the company may decide to pass a resolution by means of postal ballots, the resolution for amendment in the Articles of Association of the Company is being placed in the ensuing Annual General Meeting for your approval.

AUDITORS

M/s. B.K.Goel & Associates, Chartered Accountants, the auditors of the company retire at the ensuing annual general meeting and being eligible offer themselves for re-appointment. Your Directors commend for their re-appointment.

ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge support extended by State Bank of India, company's customers, suppliers, depositors and last but not the least, the shareholders. Your directors also take this opportunity to place on record their sincere appreciation to employees of the company, at all levels, for their concerted efforts and services rendered to the company during the year.

ON BEHALF OF THE BOARD

NEW DELHI
AUGUST 21, 2002

(S.N.GUPTA)
CHAIRMAN & MANAGING DIRECTOR

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