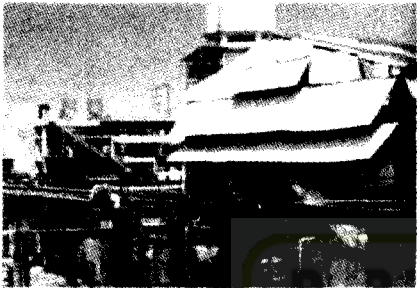


20th
Annual Report
2008 - 2009



Bharat RASAYAN LIMITED
(AN ISO 9001 : 2000 CERTIFIED COMPANY)

**Bharat RASAYAN LIMITED***20th Annual Report 2008-2009***BOARD OF DIRECTORS****Promoter Directors****S. N. GUPTA**

Chairman & Managing Director

M. P. GUPTA

Whole Time Director

R. P. GUPTA

Whole Time Director

Other Directors**AJAY GUPTA**

Director (Executive)

SANDESH JAIN

Director (Independent & Non-Executive)

NARESH AGARWAL

Director (Independent & Non-Executive)

PANKAJ GUPTA

Director (Independent & Non-Executive)

RAM KANWAR

Director (Independent & Non-Executive)

**COMPANY SECRETARY &
COMPLIANCE OFFICER****LAKSHMI GURUNG****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

2 KM Stone, Madina-Mokhra Road,

Village Mokhra, Tehsil Meham,

Distt. Rohtak (Haryana).

**REGISTRAR & SHARE
TRANSFER AGENT****M/S. LINK INTIME INDIA PVT. LIMITED**

A-40, 2nd Floor, Naraina Industrial Area, Phase-II,

Near Batra Banquet Hall, New Delhi - 110 028.

Tel. Nos. : 91-11-41410592-94

Fax No. : 91-11-41410591

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

| CONTENTS | Page No. |
|------------------------------------|-----------------|
| <i>Notice</i> | 1 |
| <i>Directors' Report</i> | 9 |
| <i>Corporate Governance Report</i> | 14 |
| <i>Auditors' Report</i> | 22 |
| <i>Balance Sheet</i> | 25 |
| <i>Profit & Loss Account</i> | 26 |
| <i>Schedules</i> | 27 |
| <i>Balance Sheet Abstract</i> | 38 |
| <i>Cash Flow Statement</i> | 39 |

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**NOTICE**

The 20th Annual General Meeting of Bharat Rasayan Limited will be held at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110087, on Friday, the 25th September, 2009, at 10:30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and Adopt the audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2009 and the Directors' and Auditors' Reports thereon.
2. To consider declaration of dividend for the financial year ended 31.03.2009.
3. To appoint a Director in place of Mr. M.P.Gupta who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. Sandesh Jain who retires by rotation and is eligible for reappointment.
5. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

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 Article No. 116 of the Articles of Association of the Company and pursuant to Sections 198, 269, 309, 310, 311 & Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the forthcoming Annual General Meeting, Shri M.P.Gupta be and is hereby reappointed as a Whole Time Director of the Company for a further period of 5 years w.e.f. 01.04.2009, on the following terms and conditions:

(A) MONTHLY SALARY

Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) per month.

(B) COMMISSION

Profit based commission payable @25% of eligible profit computed in the manner laid down under Sections 349 and 350, subject to the ceiling laid down under Sections 198 and 309 of the Companies Act, 1956 and Schedule-XIII thereto.

(C) PERQUISITES

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. For this purpose, perquisites are classified into three categories, "A", "B" and "C" as follows:

Category-A**1. Housing**

- a) In case the hired accommodation is provided by the Company, the expenditure by the Company on hiring unfurnished accommodation for him will be subject to the ceiling of sixty percent of his salary over and above ten percent payable by him.
- b) In case the accommodation provided to him is owned by the Company, ten percent of his salary shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, he shall be entitled to house rent allowance as may be approved by the Board subject to ceiling of sixty percent of his salary.

2. Gas, Electricity, Water, Furnishings

If provided by the Company, shall be valued as per Income Tax Rules, 1962 and shall be restricted to 10% of his salary.

**3. Medical Reimbursement**

Medical expenses incurred by him for self and family will be reimbursed, not to exceed Rs. 15,000/- per annum, on submission of relevant bills.

4. Leave Travel Concession

Leave Travel Concession for him and his family, once in a year, in accordance with the Rules of the Company.

5. Club Fees

Club fees, subject to a maximum of two clubs excluding admission and life membership fees.

6. Personal Accident Insurance

Premium not to exceed Rs. 10,000/- per annum.

The aggregate monetary value of the above perquisites shall not exceed his annual salary.

Explanation: For the purpose of Category-A family means his spouse, his dependent children and dependent parents.

Category-B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Company's rules, will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category-C

The Company shall provide Car with Driver and telephone at his residence. Provision of 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 and paid by him.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Shri M.P.Gupta will be entitled to receive minimum remuneration permissible under Section-II of Part-II of Schedule-XIII to the Companies Act, 1956, as amended or as may be amended from time to time."

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 Article No. 116 of the Articles of Association of the Company and pursuant to Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the Annual General Meeting, Shri S.N.Gupta be and is hereby reappointed as a Chairman & Managing Director of the Company w.e.f. 15.12.2009 to 31.03.2014.

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

"RESOLVED THAT pursuant to Section 198, 309, 310, 311 & Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the forthcoming Annual General Meeting, the remuneration of Shri S.N.Gupta, Chairman & Managing Director of the Company, be and is hereby revised for a further period of 5 years w.e.f. 01.04.2009, on the following terms and conditions:

(A) MONTHLY SALARY

Rs. 2,75,000/- (Rupees Two Lakh Seventy Five Thousand only) per month.

**(B) COMMISSION**

Profit based commission payable @55% of eligible profit computed in the manner laid down under Sections 349 and 350, subject to the ceiling laid down under Sections 198 and 309 of the Companies Act, 1956 and Schedule-XIII thereto.

(C) PERQUISITES

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. For this purpose, perquisites are classified into three categories, "A", "B" and "C" as follows:

Category-A**1. Housing**

- a) In case the hired accommodation is provided by the Company, the expenditure by the Company on hiring unfurnished accommodation for him will be subject to the ceiling of sixty percent of his salary over and above ten percent payable by him.
- b) In case the accommodation provided to him is owned by the Company, ten percent of his salary shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, he shall be entitled to house rent allowance as may be approved by the Board subject to ceiling of sixty percent of his salary.

2. Gas, Electricity, Water, Furnishings

If provided by the Company, shall be valued as per Income Tax Rules, 1962 and shall be restricted to 10% of his salary.

3. Medical Reimbursement

Medical expenses incurred by him for self and family will be reimbursed, not to exceed Rs. 15,000/- per annum, on submission of relevant bills.

4. Leave Travel Concession

Leave Travel Concession for him and his family, once in a year, in accordance with the Rules of the Company.

5. Club Fees

Club fees, subject to a maximum of two clubs excluding admission and life membership fees.

6. Personal Accident Insurance

Premium not to exceed Rs. 10,000/- per annum.

The aggregate monetary value of the above perquisites shall not exceed his annual salary.

Explanation: For the purpose of Category-A family means his spouse, his dependent children and dependent parents.

Category-B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Company's rules, will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category-C

The Company shall provide Car with Driver and telephone at his residence. Provision of 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 and paid by him.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Shri S.N.Gupta will be entitled to receive minimum remuneration permissible under Section-II of Part-II of Schedule-XIII to the Companies Act, 1956, as amended or as may be amended from time to time."

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

"RESOLVED THAT pursuant to Sections 198, 309, 310, 311 & Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the forthcoming Annual General Meeting, the remuneration of Shri R.P.Gupta, Whole Time Director of the Company, be and is hereby revised for a further period of 5 years w.e.f. 01.04.2009, on the following terms and conditions:

(A) MONTHLY SALARY

Rs. 1,00,000/- (Rupees One Lakh only) per month

(B) COMMISSION

Profit based commission payable @20% of eligible profit computed in the manner laid down under Sections 349 and 350, subject to the ceiling laid down under Sections 198 and 309 of the Companies Act, 1956 and Schedule-XIII thereto.

(C) PERQUISITES

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. For this purpose, perquisites are classified into three categories, "A", "B" and "C" as follows:

Category-A

1. Housing

- a) In case the hired accommodation is provided by the Company, the expenditure by the Company on hiring unfurnished accommodation for him will be subject to the ceiling of sixty percent of his salary over and above ten percent payable by him.
- b) In case the accommodation provided to him is owned by the Company, ten percent of his salary shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, he shall be entitled to house rent allowance as may be approved by the Board subject to ceiling of sixty percent of his salary.

2. Gas, Electricity, Water, Furnishings

If provided by the Company, shall be valued as per Income Tax Rules, 1962 and shall be restricted to 10% of his salary.

3. Medical Reimbursement

Medical expenses incurred by him for self and family will be reimbursed, not to exceed Rs. 15,000/- per annum, on submission of relevant bills.

4. Leave Travel Concession

Leave Travel Concession for him and his family, once in a year, in accordance with the Rules of the Company.

5. Club Fees

Club fees, subject to a maximum of two clubs excluding admission and life membership fees.

**6. Personal Accident Insurance**

Premium not to exceed Rs. 10,000/- per annum.

The aggregate monetary value of the above perquisites shall not exceed his annual salary.

Explanation: For the purpose of Category-A family means his spouse, his dependent children and dependent parents.

Category-B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Company's rules, will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category-C

The Company shall provide Car with Driver and telephone at his residence. Provision of 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 and paid by him.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Shri R.P.Gupta will be entitled to receive minimum remuneration permissible under Section-II of Part-II of Schedule-XIII to the Companies Act, 1956, as amended or as may be amended from time to time."

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

"RESOLVED that pursuant to Section 293(1)(e) of the Companies Act, 1956, approval of members be and is hereby granted for donation of Rs. 51,10,100/- made by the Company to Shri Ram Krishna Sewa Sadan, Shri Ram Krishna Cancer Hospital and Shri Agrasen North Ex-Welfare Society (Regd.)."

11. 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-31 and other applicable provisions of the Companies Act, 1956, if any, the Articles of Association of the Company be altered as follows:

After Article No. 13, the following new Article be inserted as Article 13A under the title "**BUY-BACK OF SHARES**".

BUY-BACK OF SHARES

- 13 (A)** Notwithstanding anything contained in these Articles, in the event it is permitted by law for a Company to purchase its own shares or securities, when and if thought fit, the Company may buy back such of the Company's own shares or securities, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by law and as per scheme decided by Board of Directors from time to time.

Regd. Office

1501, Vikram Tower,
Rajendra Place,
NEW DELHI-110008.
AUGUST 28, 2009

BY ORDER OF THE BOARD

(LAKSHMI GURUNG)
COMPANY SECRETARY



EXPLANATORY STATEMENT

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

ITEM NO. 6

The existing tenure of Shri M.P.Gupta, Whole Time Director of the Company expired on 31.03.2009. The Board of Directors in its meeting held on 01.04.2009 decided to reappoint Shri M.P.Gupta, subject to the approval of the members of the Company, as Whole Time Director of the Company for a period of 5 years w.e.f. 01.04.2009 on the remuneration and other terms and conditions contained in the resolution.

In view of contribution made and significant services rendered by Shri M.P.Gupta to the Company and having regard to his knowledge and experience, the Board considers that the reappointment of Shri M.P.Gupta as Whole Time Director of the Company will be beneficial to and in the interest of the Company and hence recommends the resolution for your approval.

No other Director except Shri M.P.Gupta is concerned or interested in the resolution.

ITEM NOS. 7 and 8

The existing tenure of Shri S.N.Gupta, Chairman & Managing Director of the Company will expire on 14.12.2009.

Under able leadership of Shri S.N.Gupta, Company has achieved commendable growth and having regard to his knowledge, experience and outstanding performance, the Board considers that the reappointment of Shri S.N.Gupta as Chairman & Managing Director of the Company will be beneficial to and in the interest of the Company and hence recommends the resolution for your approval.

No other Director except Shri S.N.Gupta is concerned or interested in the resolution.

ITEM NO. 9

As Shri R.P.Gupta is looking after the factory production and general administration and also he is extending the technical as well as administrative support to the Company. In view of contribution made and significant services rendered by Shri R.P.Gupta to the Company and having regard to his knowledge and experience, the Board considers that the remuneration of Shri R.P.Gupta, Whole Time Director should be revised with w.e.f. 01.04.2009 and hence recommends the resolution for your approval.

No other Director except Shri R.P.Gupta is concerned or interested in the resolution.

ITEM NO. 10

Your Company has been in the forefront in carrying out various social activities, thereby meeting its obligations and social responsibility towards the society. Your Company made charitable donation of Rs. 51,10,100/- paid to Shri Ram Krishna Sewa Sadan, Shri Ram Krishna Cancer Hospital and Shri Agrasen North Ex-Welfare Society (Regd.).

The Directors recommend this resolution for acceptance by the members.

ITEM NO. 11

The Articles of Association is proposed to be altered by the addition of Article No. 13A to permit the Company to purchase its own securities on such terms and conditions and in the manner as may be prescribed by the law.

The Directors recommend this resolution for acceptance by the members.

**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 need not be a member of the Company. Proxies 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.
2. 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.
3. The 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. However, Annual Accounts will be available for inspection and copy can be obtained on demand.
4. 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.
5. 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, may obtain the prescribed Form-2B, from the Company or download from the website of Ministry of Corporate Affairs (MCA). Members holding shares in dematerialised mode may approach their Depository Participant (DP) in this regard.
6. M/s. Link Intime India Pvt. Limited acts as a Registrar and Share Transfer Agent on behalf of the Company and is a common agency for dealing with demat and physical shares.
7. The share transfer books and register of members of the Company will remain close from 20.09.2009 to 25.09.2009 (both days inclusive).
8. The Unclaimed Dividend for the financial year ended on 31.03.2008 lying in the unpaid dividend account will be transferred to the Investors Education and Protection Fund (IEPF) Account after completion of seven years. Members who have not encashed their dividend may lodge their claim with the company immediately.
9. The Dividend, if approved by the members in the ensuing Annual General Meeting, will be paid on or before 24th October, 2009 to those shareholders whose names appear:
 - a) as Member in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company/Registrar & Share Transfer Agent on or before 25th September, 2009; and
 - b) in respect of the shares in electronic form on the basis of beneficial ownership furnished by National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) for this purpose as at the end of 25th September, 2009.

Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company Secretary or Registrar & Share Transfer Agent M/s. Link Intime India Pvt. Limited, in respect of their physical shares quoting their folio number.
10. The register of Directors' Shareholding shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

**Bharat RASAYAN LIMITED***20th Annual Report 2008-2009*

11. Information required to be furnished under the Listing Agreement in respect of following directors proposed to be appointed/reappointed as Directors:

| Particulars | Name of the Directors | |
|--|--|---|
| | Mr. M.P.GUPTA | Mr. SANDESH JAIN |
| Age | 55 Years | 45 Years |
| Qualification | B.Com. | B.Com., FCA |
| Experience | 32 Years | 19 Years |
| Directorship | since 15.05.1989 | since 30.09.2006 |
| Work exposure | Specialization in the field of Finance, Banking, Taxation, Accounts and General Administration | - Practicing Chartered Accountant - Specialization in the field of Corporate Law & Corporate Finance |
| Directorship in other Companies | - Bharat Insecticides Limited - Bharat Rasayan Finance Ltd. - B R Agrotech Limited - Siris Crop Sciences Limited - Synochem Organics Pvt. Ltd. | - Rathi Graphic Technologies Limited - Beach Financial Services Pvt. Ltd. - New Delhi Media Pvt. Limited - Mask Impex Pvt. Limited |
| Proprietorship | No | - Sandesh Jain & Co., Chartered Accountants |
| Member of any Committee in the Company | - Shareholders' & Investors' Grievance Committee - Shares Transfer Committee | - Audit Committee - Remuneration Committee - Shares Transfer Committee |

| Particulars | Name of the Directors | |
|--|--|--|
| | Mr. S.N.GUPTA | Mr. R.P.GUPTA |
| Age | 61 Years | 43 Years |
| Qualification | M.A. (Economics) | B.Com. |
| Experience | 33 Years | 23 years |
| Directorship | since 15.05.1989 | since 15.05.1989 |
| Work exposure | Specialization in the field of International Business, overall Marketing Strategy and Corporate Planning | looking after the factory Production, Procurement and General Administration |
| Directorship in other Companies | - Bharat Insecticides Limited - Siris Crop Sciences Limited - Crop Care Federation of India | - Bharat Insecticides Limited - Bharat Rasayan Finance Limited - B R Agrotech Limited - Siris Crop Sciences Limited |
| Proprietorship | No | Gupta Associates |
| Member of any Committee in the Company | No | - Shares Transfer Committee |

BY ORDER OF THE BOARD

NEW DELHI
AUGUST 28, 2009

(LAKSHMI GURUNG)
COMPANY SECRETARY