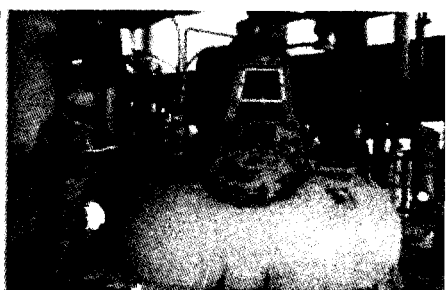


**21st
Annual Report
2009-2010**



Bharat RASAYAN LIMITED
(AN ISO 9001 : 2008 CERTIFIED COMPANY)

**Bharat RASAYAN LIMITED***21st Annual Report 2009-2010***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****ITTI BHARGAVA****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

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Bharat RASAYAN LIMITED

21st Annual Report 2009-2010

NOTICE

The 21st 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 20th August, 2010, 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, 2010 and the Directors' and Auditors' Reports thereon.
2. To consider declaration of dividend for the financial year ended 31.03.2010.
3. To appoint a Director in place of Mr. S.N.Gupta who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. R.P.Gupta 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 Section 293(1)(e) of the Companies Act, 1956, approval of members be and is hereby granted for contribution to be made by the Company upto Rs. 75,00,000/- (Rupees Seventy Five Lacs Only) to Charitable and Other Funds."

Regd. Office
1501, Vikram Tower,
Rajendra Place,
NEW DELHI-110008.
JULY 26, 2010

BY ORDER OF THE BOARD

(ITTI BHARGAVA)
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

Your Company has been in the forefront in carrying out various social activities, thereby meeting its social obligations and responsibility towards society. Your Company has planned to make contribution upto Rs. 75,00,000/- (Rupees Seventy Five Lacs only) to Charitable and Other Funds.

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, detailed 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.



Bharat RASAYAN LIMITED
21st Annual Report 2009-2010

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 16.08.2010 to 20.08.2010 (both days inclusive).
8. The Unclaimed Dividend for the financial years ended on 31.03.2008 and 31.03.2009 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 19th September, 2010 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 16th August, 2010; 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 16th August, 2010.

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.
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. S.N.GUPTA	Mr. R.P.GUPTA
Age	62 Years	44 Years
Qualification	M.A. (Economics)	B.Com.
Experience	34 Years	24 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 - 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
 JULY 26, 2010

(ITTI BHARGAVA)
 COMPANY SECRETARY



TO THE MEMBERS OF BHARAT RASAYAN LIMITED

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	For the year ended 31.03.2010	For the year ended 31.03.2009
Sales & Other Income	10287.03	10703.23
Profit before interest & depreciation	971.62	1018.67
Less : Interest	15.25	49.58
: Depreciation	87.59	92.05
Profit before income tax	102.84	141.63
	868.78	877.04
Less: Provision for Taxation - Current Liability	295.98	311.87
- Last Year	0.34	50.00
	296.32	361.87
	572.46	515.17
Less: Provision for FBT	Nil	2.31
	572.46	512.86
Add: Deferred Tax Assets	8.35	4.43
Profit after tax	580.81	517.29
Less: Provision for dividend distribution tax	12.70	14.44
Provision for Dividend	76.48	42.49
	89.18	56.93
	491.63	460.36
Surplus brought forward from previous year	32.15	21.79
Profit available for appropriation	523.78	482.15
Appropriations		
Transferred to General Reserve	500.00	450.00
Balance being surplus carried over to the Balance Sheet	23.78	32.15

The gross receipts for the financial year 2009-10 of the Company were Rs 102.87 Crores as compared to Rs. 107.03 Crores in the previous year, registering a marginal decline of 3.88%. Exports during the year were Rs. 31.34 Crores as compared to Rs. 50.42 Crores in the previous year. Due to levy of anti-dumping duty on one of raw material, export became incompetent, leading a decline of 37.84%. Profit after tax has increased to Rs. 5.81 Crores as compared to Rs. 5.17 Crores in the previous year, registering a growth of 12.38%.

Management Discussion and Analysis Report in terms of Clause-49 of the Listing Agreement with Stock Exchange(s) is enclosed as ***Annexure-I***.

Your directors are pleased to recommend dividend of 18%, i.e. Rs. 1.80 per share. The Company's net outgoing on account of dividend (excluding tax on distributed profits) will be Rs. 76.48 Lacs.

As on 31.03.2010, there was no deposit under section 58A of the Companies Act, 1956.

The Company continues to carry adequate insurance cover for all its assets against foreseeable perils. The Company continues to maintain Public Liability Policy as per the provisions of Public Liability Insurance Act.

**EVENTS IN FACTORY**

Due to riots / malicious damages by local villagers factory was temporarily shut down on 07.07.2010 till improvement in the law and order situation. Management is making all efforts to resolve issues with villagers with their participation and factory is expected to resume production shortly. The Company is adequately insured as Company has taken Loss of Profit policy. Therefore, the financial implications of the forced shut-down of the factory would not be substantial.

POLLUTION CONTROL

The Company has taken various initiatives to keep the environment free from pollution. It has installed various devices in the factory to control the pollution.

AUDITORS & AUDITORS' REPORT

M/s. B.K.Goel & Associates, Chartered Accountants, the auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend for their re-appointment.

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 Annexure-II.

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

As such there is no employee covered under the said Rules.

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

Your Directors confirm:

1. that in the preparation of the Annual Accounts the applicable accounting standards have been followed. There were no material departures requiring any explanation.
2. that 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 as at 31st March, 2010 and of the profit of the Company for the year ended on that date.
3. that the Directors have taken proper and sufficient care 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. that the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Company has been committed to the principles of good corporate governance and the Board of Directors always believes in the transparency, accountability and integrity. Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance and Auditor's Certificate on it is given in **Annexure-III.**

DIRECTORATE

Mr. S.N.Gupta and Mr. R.P.Gupta retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for reappointment.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the support extended by the Company's bankers, customers, suppliers, all other service providers and associates 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
JULY 26, 2010.

(S.N.GUPTA)
CHAIRMAN & MANAGING DIRECTOR



ANNEXURE - I TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Industry Structure and Development**

The Company is engaged in the business of agrochemicals. In Indian agrochemicals industry, there is equal presence of Multinational as well as Indian Companies. The MNCs have focused on high-end speciality products whereas Indian players have focused on generic and off-patent products. With the growth of Indian economy and the emphasis placed by the Government on improving productivity in the Agriculture Sector, the agrochemicals industry has a pivotal role to play.

The industry has built up large capacities and has many players resulting in high level of competition. Due to seasonal nature of the business and uncertainties involved in the coverage of monsoon, a large inventory is required to be maintained.

Financial Performance with respect to operational performance

The gross receipts for the financial year 2009-10 of the Company were Rs 102.87 Crores as compared to Rs. 107.03 Crores in the previous year, registering a marginal decline of 3.88%. Exports during the year were Rs. 31.34 Crores as compared to Rs. 50.42 Crores in the previous year. Due to levy of anti-dumping duty on one of raw material, export became incompetent, leading a decline of 37.84%. Profit after tax has increased to Rs. 5.81 Crores as compared to Rs. 5.17 Crores in the previous year, registering a growth of 12.38%.

Outlook

Having regard to the thrust given by the Central Government to the agriculture sector and overall good monsoon, the outlook for the current year 2010-11 appears to be a good year.

Risk, Concern and Threats

The overall pesticides business is dependent on weather and sudden change in weather affects the demand for the agrochemicals and this kind of risk remains in this industry.

Even though, the agrochemical industry plays a very positive role to increase the productivity of the agriculture but there is always a negative perception in the minds of the people and environmentalists about its effects on environment and agriculture produce.

The industry has to maintain a large inventory and offers extended credit due to seasonality of agricultural operations.

SWOT ANALYSIS**Strength**

1. Your Company is one of the foremost Companies in India that has a large manufacturing range of agrochemicals. It is one of the few companies manufacturing its own technical grade pesticides from basic raw materials. This gives it an inherent advantage over quality and prices.
2. The Company's products have been widely accepted in foreign markets also.
3. The Company has a team of professionally qualified, competent and dedicated managers on its roll.
4. The Company's In-house Research & Development Unit is recognized by Ministry of Science & Technology, Govt. of India, Department of Scientific & Industrial Research, New Delhi.

**Weakness**

In today's modern economy with the changing preferences, the business environment is changing at a very fast pace. The multinational companies have been expending huge amounts on R&D for developing new molecules and your Company is manufacturing the generic range products and is subject to competition from China. The Company has to gear up its R&D efforts to align itself to the WTO/Patent Regime that will affect most of the manufacturing sectors in India.

Opportunities

1. Several agriculture oriented policy initiatives under implementation by the Government and the availability of credit to the agriculture sector as priority sector are expected to improve the prospects of Agrochemicals industry as a whole.
2. Enhanced awareness among the farming community regarding usage of pesticides for better yields.
3. Export potential of generic pesticides.

Adequacy and Internal Controls System

During the year, the Board and Audit Committee have vigorously interacted with the auditors of the Company to review the overall systems and all major findings and suggestions are complied with and reported to the Audit Committee on a quarterly basis. Further, the Company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use and that the transactions are authorized, recorded and reported correctly.

Human Resources Development

Your Company believes that human resources are the most precious assets of your Company. Your Company's ongoing thrust is to maintain productive work culture and to orient the employees to effectively face the new and emerging challenges emanating from the competitive environment. Number of employees on Company Roll as on 31.03.2010 was 220. Besides, the Company also employed casual workers through contractors during the year. The job description of each member has been defined and performance indicators are monitored accordingly to improve motivation level and to encourage talent. The Company has been continuously conducting in-house and external training programmes through Workshops, Conferences, Seminars etc. for its people so as to develop their skills and capabilities.

Cautionary Statement

Statements in the Management Discussion and analysis describing the Company's objectives, projections and expectations may be forward looking statements within the meaning of applicable law and regulations. Actual results might differ from those expressed or implied. The important factors that could make a difference to the Company's operations include climatic conditions, economic conditions affecting demand/supply, global players and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.



ANNEXURE-II TO THE DIRECTORS' REPORT

INFORMATION REQUIRED UNDER 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.

A. CONSERVATION OF ENERGY

- (a&b) Wherever possible, energy conservation measures have already been implemented. However, efforts to conserve and optimize the use of energy through improved operational methods and other means are being continued on an ongoing basis.
- (c) The energy consumption and the cost of production is being kept under control.
- (d) Not Applicable.

B. TECHNOLOGY ABSORPTION

FORM 'B'

Research & Development (R&D)

- (1) R&D efforts of the Company are directed towards quality assurance, improvement of existing products and development of new processes for products.
- (2) Improvement in the product quality and cost reduction.
- (3) Studies for introduction of new products are carried out on an ongoing basis. A new product Ethion was introduced during the year.
- (4) Expenditure on R&D by Company's In-house R&D Unit:
 - (a) Capital : Rs. 6.73 lacs
 - (b) Recurring : Rs. 41.50 lacs
 - (c) Total : Rs. 48.24 lacs
 - (d) Total R&D expenditure (as % of total expenditure) : 0.51%

Technology Absorption, Adaptation & Innovation

- (1) The Company has no technical collaboration and the processes are carried out on the standard known technology and efforts are made to improve upon the same on an ongoing basis.
- (2) The Company has been in a position to cater to the requirements of customers, both Indian and foreign.
- (3) The Company has not imported any technology so far.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

- (1) The Company is in constant touch with the overseas markets. Efforts are being made to develop new markets and consolidate the existing one by marketing products conforming to international standards.
- (2) Total foreign exchange used Rs. 1923.60 lacs (previous year Rs. 2107.05 lacs)
- (3) Total foreign exchange earned Rs. 3134.08 lacs (previous year Rs. 5042.46 lacs)

ON BEHALF OF THE BOARD

NEW DELHI
JULY 26, 2010.

(S.N.GUPTA)
CHAIRMAN & MANAGING DIRECTOR



ANNEXURE-III TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause-49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that good Corporate Governance strengthens the Investors' trust and ensures a long term partnership that helps in Company's objectives. The Company's Philosophy on Corporate Governance lays strong emphasis on transparency, accountability, integrity, full disclosures and independent monitoring the state of affairs. The philosophy is manifested in its operations through exemplary standards of ethical behaviour, both within the organisation as well as in external relationships.

2. BOARD OF DIRECTORS

a) Composition and Category of Directors

Presently the Board of Directors of your Company comprises of presently Eight (8) Directors, of whom Four (4) are Executive Directors and the rest are Independent and Non-Executive Directors. There is no nominee director, appointed by any Financial Institution on the Board. Thus the requirements of the Listing Agreement are duly complied with. As on 31.03.2010, the composition of the Board of Directors was as under:

Sr. No.	Name of the Director	Category of Directorship	No. of Directorships of other	
			Companies	Committees
1.	Mr. S.N.Gupta	Chairman & Managing Director	3	None
2.	Mr. M.P.Gupta	Executive Director	5	None
3.	Mr. R.P.Gupta	Executive Director	3	None
4.	Mr. Ajay Gupta	Executive Director	None	None
5.	Mr. Sandesh Jain	Independent / Non-Executive Director	4	3
6.	Mr. Naresh Agarwal	Independent/Non-Executive Director	None	None
7.	Mr. Pankaj Gupta	Independent/Non-Executive Director	None	None
8.	Mr. Ram Kanwar	Independent/Non-Executive Director	None	None

b) Mr. S.N.Gupta is an Executive Chairman of the Company.

c) Meetings and Attendance

During the financial year 2009-10, Fifteen (15) Board Meetings were held. The dates on which the said meetings were held are as follows:

01.04.2009	30.04.2009	08.06.2009	04.07.2009
31.07.2009	05.08.2009	28.08.2009	15.09.2009
10.10.2009	31.10.2009	23.11.2009	04.12.2009
30.01.2010	26.02.2010	31.03.2010	

The Annual General Meeting was held on 25.09.2009.

The attendance of the Directors in the meetings was:

Sr. No.	Name of the Director	Category of Directorship	Attendance at	
			Board Meetings	A.G.M. held on 25.09.2009
1.	Mr. S.N.Gupta	Chairman & Managing Director	14	Yes
2.	Mr. M.P.Gupta	Executive Director	14	Yes
3.	Mr. R.P.Gupta	Executive Director	14	Yes
4.	Mr. Ajay Gupta	Executive Director	12	No
5.	Mr. Sandesh Jain	Independent / Non-Executive Director	12	Yes
6.	Mr. Naresh Agarwal	Independent / Non-Executive Director	10	No
7.	Mr. Pankaj Gupta	Independent / Non-Executive Director	14	Yes
8.	Mr. Ram Kanwar	Independent / Non-Executive Director	08	No