



# **Bharat RASAYAN LIMITED**

(AN ISO 9001 : 2008 CERTIFIED COMPANY)



## **24TH ANNUAL REPORT 2012-2013**



**BOARD OF DIRECTORS**

**Promoter Directors**

**S. N. GUPTA**  
**M. P. GUPTA**  
**R. P. GUPTA**

Chairman & Managing Director  
Whole Time Director  
Whole Time Director

**Other Directors**

**AJAY GUPTA**  
**V.K. SHARMA**  
**SANDESH JAIN**  
**NARESH AGARWAL**  
**PANKAJ GUPTA**  
**RAM KANWAR**  
**AMIT GUPTA**

Director (Executive)  
Director (Executive)  
Director (Independent & Non-Executive)  
Director (Independent & Non-Executive)  
Director (Independent & Non-Executive)  
Director (Independent & Non-Executive)  
Director (Independent & Non-Executive)

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

**DEEPIKA BHARDWAJ**

**AUDITORS**

**M/S. B.K. GOEL & ASSOCIATES**

Chartered Accountants  
P-16, N.D.S.E.-II, New Delhi - 110 049.

**COST AUDITORS**

**M/S. M.K. SINGHAL & CO.**

Cost Accountants  
"Panchvati", Opp. M.M.College, Modinagar - 201 204 (U.P.).

**BANKERS**

**- STATE BANK OF INDIA                      - HDFC BANK LIMITED**  
**- AXIS BANK LIMITED                      - UCO BANK**  
**- YES BANK LIMITED**

**REGISTERED OFFICE  
FACTORY**

1501, Vikram Tower, Rajendra Place, New Delhi - 110 008.

**Unit-I** 2 KM Stone, Madina-Mokhra Road, Village Mokhra,  
Distt. Rohtak - 124 022 (Haryana).

**Unit-II** 42/4, Amod Road, GIDC, Industrial Estate, Dahej,  
Distt. Bharuch - 392 130 (Gujarat)

**REGISTRAR & SHARE  
TRANSFER AGENT**

**M/S. LINK INTIME INDIA PVT. LIMITED**

44, Community Centre, 2nd Floor, Naraina Industrial Area,  
Phase-I, Near PVR, Naraina, New Delhi - 110 028.

Tel. Nos. : 91-11-41410592-94, Fax No : 91-11-41410591

E-mail ID : delhi@linkintime.co.in

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

visit us at [www.bharatgroup.co.in](http://www.bharatgroup.co.in)

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## **NOTICE**

Notice is hereby given that the twenty-fourth Annual General Meeting of the members of Bharat Rasayan Limited will be held on Thursday, September 26, 2013 at 10.30 a.m. at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110 087, to transact the following business:

### **ORDINARY BUSINESS**

#### **Item No.1 - Adoption of Accounts**

To consider and adopt the Audited Balance Sheet of the Company as at March 31, 2013, Statement of Profit and Loss for the year ended on that date together with the report of the Board of Directors and Auditors thereon.

#### **Item No. 2 - Re-appointment of Shri S. N. Gupta**

To appoint a Director in place of Shri S. N. Gupta, who retires by rotation and, being eligible, seeks re-appointment.

#### **Item No. 3 - Re-appointment of Shri Ram Kanwar**

To appoint a Director in place of Shri Ram Kanwar, who retires by rotation and, being eligible, seeks re-appointment.

#### **Item No.4 - Re-appointment of Shri Pankaj Gupta**

To appoint a Director in place of Shri Pankaj Gupta, who retires by rotation and, being eligible, seeks re-appointment.

#### **Item No.5 - Re-appointment of Shri Naresh Agarwal**

To appoint a Director in place of Shri Naresh Agarwal, who retires by rotation and, being eligible, seeks re-appointment.

#### **Item No. 6 - Re-Appointment of Statutory Auditors**

To re-appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** M/s. B. K. Goel & Associates, Chartered Accountants (Firm Registration No. 016642N), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors."

### **SPECIAL BUSINESS**

#### **Item No. 7 - Re-appointment of Shri Ajay Gupta as an Executive Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactments thereof, approval of the Company be and is hereby accorded to the re-appointment of Shri Ajay Gupta, as a Whole-time Director designated as Executive Director of the Company for a period of three years with effect from May 12, 2013, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.



**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Item No. 8 - Approval under Section 293(1)(d) of the Companies Act, 1956**

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

**"RESOLVED THAT** consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company together with the money already borrowed, may exceed the aggregate of the Paid-up Share Capital of the Company and its free reserves, provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed ₹200 Crores (Rupees Two Hundred Crores only) apart from the Temporary loans obtained or to be obtained from time to time from the Company's Bankers/Financial Institutions in the ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all such effective steps to implement the decision of the members of the Company as they may consider appropriate in the interest of the Company and to do all such acts, deeds and things from time to time for and on behalf of the Company."

**Item No. 9 - Approval under Section 293(1)(a) of the Companies Act, 1956**

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)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks, financial institutions, other investing agencies and trustees for the holders of securities to secure rupee/foreign currency loans (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed ₹200 Crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

**Item No. 10 - Approval under Section 293(1)(e) of the Companies Act, 1956**

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

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(e) and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company (hereinafter referred to as "the Board") be and is hereby authorized to make contribution of sum for projects undertaken by Association or Institution approved by the National Committee for Promotion of Social and Economic Welfare and for donating/promoting/sponsoring activities of charitable, social, benevolent and other Non-Profit making Organisation, Society, Trust and to other Funds up to an amount not exceeding ₹3,00,00,000/- (Rupees Three Crores Only) out of profit of the Company for the financial year 2013-14.



**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary and/or expedient for implementing and giving effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard on behalf of the Company."

**Regd. Office**

**1501, Vikram Tower  
Rajendra Place  
New Delhi-110008  
August 12, 2013**

By order of the Board of Directors  
**For Bharat Rasayan Limited**

**Deepika Bhardwaj  
Company Secretary**

**Notes:**

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business under item nos. 7, 8, 9 & 10 of the Notice is annexed herewith.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company.**  
**The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of AGM.**
3. Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the Meeting.
4. In terms of Article 86 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri S. N. Gupta, Shri Ram Kanwar, Shri Pankaj Gupta and Shri Naresh Agarwal, Directors of the Company, retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their respective re-appointments.
5. Members holding shares in the dematerialized form are requested to mention their Client ID/DP ID Nos. and those holding shares in physical form are requested to mention their Folio Nos. on the Attendance Slip and hand over the same at the entrance of the Meeting Hall for attending the Meeting.
6. Members are requested to bring their copy of Annual Report to the AGM. As a measure of economy, copies of Annual Report will not be distributed at the Meeting.
7. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders and in possession of valid attendance slips duly filled and signed will be permitted to attend the AGM. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the Meeting.
8. In case of joint holders attending the AGM, only such holder who is higher in the order of names will be entitled to vote.
9. The Register of Directors' shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's Registrar and Share Transfer Agent (RTA) at the address provided in this report, the detail of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon.



11. The Company's shares are admitted in both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for custody and dematerialization of securities. Members can avail the depository facilities by approaching any of the Depository Participants (DPs) of NSDL or CDSL or by approaching the RTA of the Company.
12. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.**
13. Members desirous of seeking any information from the Company are requested to send their queries to the Company at its registered office at 1501, Vikram Tower, Rajendra Place, New Delhi- 110 008 well in advance so that the same may reach at least ten days before the date of AGM to enable the Company to keep the information readily available at the Meeting.
14. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday the 18th day of September, 2013 to Thursday the 26th day of September, 2013 (both days inclusive).
15. Pursuant to the provisions of Sections 205A(5) and 205C of the Companies Act, 1956, unclaimed dividends for the financial years 2007-08, 2008-09, 2009-10, 2010-11 & 2011-12 shall be transferred by the Company to the **Investor Education and Protection Fund (the IEPF)** established by the Central Government after completion of seven years from the date they became due for payment.  
*The Company has also uploaded details of members whose amount of dividend is lying unpaid with the Company alongwith the proposed date of their transfer to the IEPF Account on the IEPF portal, [www.iepf.gov.in](http://www.iepf.gov.in) and the same is also available at the Company's website [www.bharatgroup.co.in](http://www.bharatgroup.co.in), in compliance with the Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012, as notified by the Ministry of Corporate Affairs w.e.f. May 20, 2012.*
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd.
17. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company or can also be downloaded from the website of Ministry of Corporate Affairs (MCA) [www.mca.gov.in](http://www.mca.gov.in).
18. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, is separately annexed hereto.

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### **Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**

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#### **Item No. 7**

The Board of Directors of the Company, at its meeting held on February 14, 2013, have re-appointed Shri Ajay Gupta as a Whole-time Director designated as Executive Director for a period of 3 years commencing from May 12, 2013, on the remuneration determined by the Remuneration Committee and approved by the Board of Directors.

Broad particulars of the terms of appointment of and remuneration payable to Shri Ajay Gupta are as under:

- (a) **Terms of Appointment:** Three years w.e.f. May 12, 2013 to May 11, 2016





- (b) **Remuneration:** During the first year of appointment, Shri Ajay Gupta shall be eligible to remuneration including Basic Salary, House Rent Allowance (HRA), Special Allowance and other allowances aggregating to, but not exceeding ₹1,76,398/- (Rupees One Lac Seventy Six Thousand Three Hundred Ninety Eight Only) per month.

For subsequent years, Shri Ajay Gupta shall be entitled to increment as per the Company's policy, provided the total remuneration payable to him shall not exceed at any time amount permissible under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

- (c) **Perquisites in addition to the above:** In addition to aforesaid remuneration, Shri Ajay Gupta will be entitled to:

- (i) Reimbursement of Driver Allowance of ₹8,000/- on monthly basis.
- (ii) Contribution to Employees Provident Fund (EPF) and Gratuity or Superannuation Fund shall be as per Company's Rules. The same 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 salary for each completed year of service.
- (iii) Encashment of unavailed leave as per the rules of the Company, at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- (iv) The Company may provide Car for business of the Company. Provision of car for use on Company's business will not be considered as perquisites. Use of Car for private purpose shall be billed by the Company and paid by him.
- (v) The Company may provide Mobile and Telephone facility at residence of Shri Ajay Gupta. However, personal long distance calls, if any, shall be billed by the Company and paid by him.

In the event of no profits or inadequacy of profits in any financial year, remuneration payable to Shri Ajay Gupta, shall be regulated in accordance with applicable parts/ sections to the Schedule XIII and/or other applicable provisions of the Companies Act, 1956, as existing from time to time.

Shri Ajay Gupta satisfies all the conditions set out in Part-I of Schedule XIII to the Act for being eligible for the re-appointment. He is not disqualified from being appointed as a Director in terms of Section 274(1)(g) of the Act. Shri Ajay Gupta upon appointment shall be subject to retirement by rotation during his tenure of appointment in the Company.

The resolution seeks the approval of the members in terms of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956. The above may be treated as an abstract of the terms of appointment of Shri Ajay Gupta under Section 302 of the Act.

No director, except Shri Ajay Gupta to whom the resolution relates is interested or concerned in the resolution.

The Board commends the resolutions as set out at Item No. 7 of the Notice for your approval.

#### **Item Nos. 8 & 9**

Pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 ("Act"), the Board of Directors of a Company cannot, except with the consent of the Company in General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers/financial institutions in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Taking into consideration Company's business operations and the requirements of additional funds to meet the cost of future growth plans, investments in raw materials and additional long term working capital requirements of the Company, the Board of Directors in its meeting held on August 12, 2013, decided to take approval of the shareholders to increase the borrowing limit to ₹200 Crores.



The consent of the Shareholders is therefore, sought in accordance with the provisions of Section 293(1)(d) of the Act, to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed ₹200 Crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

The proposed borrowings of the Company may, if necessary, be secured by way of charge/mortgage/hypothecation on the Company's assets in favour of the lenders/holders of securities/trustees for the holders of the said securities. As the documents to be executed between the lenders/security holders/trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a resolution under Section 293(1)(a) of the Act, for creation of charges/mortgages/hypothecations for an amount not exceeding ₹200 Crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

The above proposals are in the interest of the Company and the Directors commend the Resolutions in Item Nos. 8 and 9 of the Notice for approval by the Members.

None of the Directors is interested in the Resolutions at Item Nos. 8 and 9 of the accompanying Notice.

#### **Item No. 10**

In order to undertake activities relating to upliftment of public/people at large and for their welfare by rendering corporate social responsibility, the Company is considering various proposals for contribution of sum for projects undertaken by Association or Institution approved by the National Committee for Promotion of Social and Economic Welfare and for donating/promoting/ sponsoring activities of charitable, social, benevolent and other Non-Profit making Organization, Society, Trust and other Funds.

Pursuant to the provisions of Section 293(1)(e) of the Companies Act, 1956, approval of the Members is required for contribution to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, where the proposed contribution in aggregates exceeds ₹50,000 or 5% of average net profit of three financial years immediately preceding the current financial year, whichever is greater.

It is, therefore, proposed to obtain approval of the members for authorizing the Board of Directors to contribute a sum not exceeding ₹3,00,00,000/- (Rupees Three Crores only) out of profit of the Company to any charitable, social, benevolent, public or general fund and to any Non-Profit making Organization, Society, Trust, an Association of Institution and other funds not directly relating to the business of the Company in one or more installments as may be considered fit and proper by the Board of Directors, notwithstanding the fact that the said amount may exceed 5% of the Company's average net profits, as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, during the immediately three preceding financial years.

No director is interested or concerned directly or indirectly in the resolution. The Board commends the resolutions as set out at Item No. 10 of the Notice for your approval.

#### **Regd. Office**

**1501, Vikram Tower  
Rajendra Place  
New Delhi-110008  
August 12, 2013**

**By order of the Board of Directors  
For Bharat Rasayan Limited**

**Deepika Bhardwaj  
Company Secretary**





**Details of Directors Seeking Reappointment at the Annual General Meeting**

Particulars	Shri S. N. Gupta	Shri Ram Kanwar	Shri Pankaj Gupta
<b>Date of Birth</b>	April 05, 1948	May 23, 1944	September 07, 1984
<b>Qualification</b>	MA (Economics)	MA (Economics)	Bachelor of Business Administration (BBA) and LL.B
<b>Expertise in Specific Functional Area</b>	<p>Shri S. N. Gupta is a Post Graduate in Economics having a rich experience of 37 years (approx.).</p> <p>He specializes in the field of International Business, Overall Marketing Strategy and Corporate Planning.</p> <p>Under the esteemed guidance of Shri S. N. Gupta, the Company has earned the reputation of manufacturing pesticides of world class quality and commitment to fair dealings in our industry.</p> <p>Shri S. N. Gupta is a Director in the Company since its inception i.e. May 15, 1989.</p>	<p>Shri Ram Kanwar is a Post Graduate in Economics and has vast experience of 38 years (approx.) in the field of Business Strategies.</p> <p>Shri Ram Kanwar is associated with the Company since July 10, 2008.</p>	<p>Shri Pankaj Gupta has an experience of 7 years in the Legal field and Business Administration.</p> <p>Shri Pankaj Gupta is a Director in the Company since November 24, 2007.</p>
<b>Directorship in other Companies</b>	<ul style="list-style-type: none"> <li>- Bharat Insecticides Ltd.</li> <li>- Crop Care Federation of India</li> <li>- Centum Finance Ltd.</li> <li>- Samhlo Farms Pvt. Ltd.</li> <li>- BRL Finlease Ltd.</li> </ul>	Nil	Nil
<b>Membership/ Chairmanship of committees across all Public Companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)</b>	Nil	Nil	<p><b>Audit Committee:</b></p> <ul style="list-style-type: none"> <li>- Bharat Rasayan Ltd.®</li> </ul> <p><b>Shareholders'/Investors' Grievance Committee</b></p> <ul style="list-style-type: none"> <li>- Bharat Rasayan Ltd.*</li> </ul>

\*Chairman @Member



<b>Particulars</b>	<b>Shri Naresh Agarwal</b>	<b>Shri Ajay Gupta</b>
<b>Date of Birth</b>	March 26, 1982	August 26, 1961
<b>Qualification</b>	MBA	B. Tech (Chemical Engineering), Diploma in Management
<b>Expertise in Specific Functional Area</b>	<p>Shri Naresh Agarwal is a Post Graduate and has experience of 8 years (approx.) in the field of Business Development.</p> <p>Shri Naresh Agarwal is a Director in the Company since September 30, 2005.</p>	<p>Shri Ajay Gupta has rich experience of 30 years (approx.). He looks after entire Production and General Administration of the Company's factory located at Mokhra.</p> <p>Shri Ajay Gupta is a Director in the Company since May 12, 2008.</p>
<b>Directorship in other Companies</b>	Nil	Nil
<b>Membership/ Chairmanship of committees across all Public Companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)</b>	Nil	Nil