



Bharat RASAYAN LIMITED

(ISO 9001 : 2008, 14001 : 2004 & OHSAS 18001 : 2007 CERTIFIED COMPANY)



27th Annual Report
2015-2016



Bharat RASAYAN LIMITED
27th Annual Report 2015-2016

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

V. K. SHARMA	Director (Executive)
PANKAJ GUPTA	Director (Independent & Non-Executive)
RAM KANWAR	Director (Independent & Non-Executive)
SUJATA AGARWAL	Director (Independent & Non-Executive)
SURESH KUMAR GARG	Director (Independent & Non-Executive)

COMPANY SECRETARY & COMPLIANCE OFFICER

NIKITA BAHL

CHIEF FINANCIAL OFFICER

RAKESH VERMA

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** - **YES BANK LIMITED**

REGISTERED OFFICE

Address : 1501, Vikram Tower, Rajendra Place, New Delhi - 110 008.
CIN : L24119DL1989PLC036264
Email-Id : investors.brl@bharatgroup.co.in

FACTORY

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 & 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

Contents	Page No.
<i>Notice</i>	01
<i>Board's Report</i>	12
<i>Secretarial Audit Report</i>	31
<i>Management Discussion & Analysis Report</i>	37
<i>Corporate Governance Report</i>	40
<i>Independent Auditor's Report</i>	56
<i>Balance Sheet</i>	62
<i>Statement of Profit & Loss</i>	63
<i>Cash Flow Statement</i>	64
<i>Significant Accounting Policies</i>	65
<i>Notes to Accounts</i>	67



NOTICE

Notice is hereby given that **Twenty Seventh Annual General Meeting** of the Company will be held on Wednesday, the 28th day of September, 2016 at 10:30 A.M. at Apsara Grand Banquets, A-1/20B, Paschim Vihar, Rohtak Road, New Delhi-110063, to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Accounts

To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.

Item No. 2: Declaration of Dividend

To declare a final dividend of ₹1.20 per equity share for the year ended on 31st March, 2016.

Item No. 3: Rotation of Director

To appoint a Director in place of Shri S.N.Gupta (DIN:00024660), who retires by rotation and being eligible, seeks re-appointment.

Item No. 4: Rotation of Director

To appoint a Director in place of Shri V.K.Sharma (DIN:05106079), who retires by rotation and being eligible, seeks re-appointment.

Item No. 5: Ratification of Appointment of Auditors

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 139 and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s B.K. Goel & Associates, Chartered Accountants (Firm Registration No. 016642N), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM of the Company at such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS

Item No. 6: Appointment of Shri Suresh Kumar Garg as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, Shri Suresh Kumar Garg (DIN 02254899), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 30, 2016 in terms of Section 161(1) of the Act and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto May 29, 2021.

RESOLVED FURTHER THAT Shri S.N.Gupta, Chairman & Managing Director, Shri M.P.Gupta and Shri R.P.Gupta, Directors of the Company be and are hereby severally authorised to take all the necessary steps in this regard."



Item No. 7: Approval to make changes in remuneration of Shri V.K.Sharma, Whole Time Director of the Company

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 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and upon the recommendation and approval of Nomination and Remuneration Committee, the approval of shareholders of the Company be and is hereby accorded to the Board of Directors to increase the monthly remuneration of Shri V.K.Sharma (DIN:05106079), designated as "Executive Director" and "Key Managerial Personnel" and he shall be eligible to draw remuneration inclusive of Basic Salary, House Rent Allowance, Transport Allowance, Special Allowance aggregating to ₹2,09,985/- per month (Rupees Two Lakh Nine Thousand Nine Hundred Eighty Five only) w.e.f. 1st June, 2016.

RESOLVED FURTHER THAT in addition to above mentioned remuneration, Shri V.K.Sharma will also be entitled to various perquisites, allowances and incentives which are within the permissible limits of the Companies Act, 2013, which are governed by following norms w.e.f. 1st June, 2016:

- i. Perquisites in the nature of Reimbursement of Medical Expenses, Books & Periodicals, Petrol and Driver's Salary/Helper Allowance subject to the maximum of ₹12,250/- per month (Rupees Twelve Thousand Two Hundred Fifty only).
- ii. The aggregate amount of Performance Incentives & others, if any, provided by the Company shall be valued as per Income Tax Act, 1961 and Rules framed thereunder and shall be restricted to ₹13,000/- per month (Rupees Thirteen Thousand only).
- iii. Encashment of unavailed leaves 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 purpose 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 V.K.Sharma. However, personal long distance calls, if any, shall be billed by the Company and paid by him.
- vi. The Premium for a Floater Family Mediclaim Policy and Group Accident Policy shall not exceed ₹10,000/- per annum (Rupees Ten Thousand only).

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as the Whole Time Director of the Company, as approved by the resolution passed at the Annual General Meeting of the Company held on 28.09.2015 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri V.K.Sharma, Whole time Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT Shri S.N.Gupta, Chairman & Managing Director, Shri M.P.Gupta and Shri R.P.Gupta, Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things which are necessary to give effect to the above resolution."



Item No. 8: Ratification of remuneration payable to M/s. M.K.Singhal & Co., Cost Accountants, appointed as Cost Auditors of the Company for financial year 2016-17

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 148(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, the remuneration payable to M/s. M.K.Singhal & Co., Cost Accountants (Firm Registration No. 00074), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017, amounting to ₹1,45,000/- (Rupees One Lakh Forty-five Thousand only) as also the payment of service tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT Shri S.N.Gupta, Chairman & Managing Director, Shri M.P.Gupta and Shri R.P.Gupta, Directors of the Company be and are hereby severally authorized to take all the necessary steps in this regard."

Item No. 9: Approval to make changes in payment of Profit based Commission to the Directors of the Company

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

"RESOLVED THAT, in supersession of the earlier resolutions passed in this regard and pursuant to the provisions of Sections 197, 198, Schedule-V of the Companies Act, 2013, or any other applicable provision of the Companies Act, 2013, and the Rules framed thereunder the approval of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to pay the Commission based on Profit of the Company for a particular financial year in addition to the monthly remunerations payable to Shri M.P.Gupta and Shri R.P.Gupta, Whole Time Directors of the Company in the manner 25:75 respectively.

RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be required to give effect to this resolution."

Regd. Office:
1501, Vikram Tower,
Rajendra Place,
New Delhi – 110008
CIN: L24119DL1989PLC036264
Place : New Delhi
Date : August 11, 2016

By Order of the Board of Directors
For **BHARAT RASAYAN LIMITED**

Sd/-
(Nikita Bahl)
Company Secretary



NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of matters covered pursuant "Special Business" is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director, are also annexed.
2. **A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend the meeting and vote on a poll, if any, instead of himself/herself and the proxy need not be a member of the Company. Proxy form duly filled must reach the registered office of the Company not less than forty-eight hours before the meeting. A blank proxy form is annexed to this notice.** A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed on the Book Closure Dates, i.e., from 22nd September, 2016 to 28th September, 2016 (both days inclusive) in terms of the provisions of the Companies Act, 2013, and the Listing Agreement entered with the Stock Exchange, where the equity shares of the Company are listed, for the purpose of Annual General Meeting. The dividend as recommended by the Board of Directors, if approved at the meeting, will be paid to those members whose names appear in the Register of Members or in the records of the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners of the shares as at the end of business hours on 21st September, 2016.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. While members holding shares in physical form may write to the Company's Registrar and Transfer Agent i.e. M/s Link Intime India Pvt. Limited, for changes, if any, in their address and bank mandates, members having shares in electronic form may inform such changes directly to their depository participant immediately so as to enable the Company to dispatch dividend warrant(s) at their correct address(es).
7. The soft copy of annual report, notice of annual general meeting, notice of e-voting etc. are being sent to the members who have registered their email-ids with their depository participant/Company's Registrar and Transfer Agent (RTA). Members are requested to update their preferred e-mail ids with the Company / Depository Participants / RTA which will be used for the purpose of sending the communications in future.
8. For convenience of Members, an attendance slip is annexed to the Proxy Form. Members/ Proxies are requested to affix their signatures at the space provided therein and thereafter handover the Attendance Slip at the venue of the meeting. The Proxy of a Member should mark on the Attendance Slip as "Proxy".
9. As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NEFT etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update



their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the Company or its Registrars and Transfer Agents (RTA), M/s. Link Intime India Pvt. Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.

10. For the security and safety of the members, no article/baggage including water bottles and tiffin boxes will be allowed at the venue of the meeting. The shareholders/attendees are requested not to bring any article/ baggage etc. at the venue of the Annual General Meeting.
11. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders as on the record date and in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
12. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the Meeting.
13. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificate(s) will be returned to the member(s) after making requisite changes, thereon.
14. The Securities and Exchange Board of India (SEBI) vide Circular Ref No. MRD/DoP/CIR-05/2007 dated April 27, 2007, made Permanent Account Number (PAN) under Income Tax Act as the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar & Transfer Agent for registration of such transfer of shares.
15. The shareholders can opt for only one mode of voting i.e. through e-voting or through physical polling at the meeting. In case of voting by both the modes, vote casted through e-voting will be considered final and voting through physical ballot will be considered invalid.
16. The shareholders are requested to communicate all their correspondence to:

The Compliance Officer,

Bharat Rasayan Limited,
1501, Vikram Tower,
Rajendra Place, New Delhi-110008
Ph. No.: +91-11- 43661111, Fax No.: +91-11- 43661100

17. ***Shareholders who have not encashed/received dividends declared and paid by the Company for different financial years commencing from financial year 2008-09 may please approach the Company for payment of such unpaid dividend/s, failing which their unclaimed dividend/s shall be transferred to Investor Education Protection Fund in accordance with provisions contained in Section 205C of Companies Act, 1956.***
18. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, is annexed to this notice.



EXPLANATORY STATEMENT

(In Compliance of Section 102 of the Companies Act, 2013)

Item No. 6: Appointment of Shri Suresh Kumar Garg as an Independent Director of the Company

The Board of Directors in its meeting held on 30.05.2016 appointed Shri Suresh Kumar Garg (DIN 02254899) as an Additional Director w.e.f. 30.05.2016 pursuant to the provisions of Section 161 of the Companies Act, 2013.

In accordance with the aforesaid applicable provisions of the Companies Act, 2013, Shri Suresh Kumar Garg will hold the office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹1,00,000/- each proposing the candidature of Shri Suresh Kumar Garg for the office of Independent Director to be appointed as such, under the provisions of Section 149 of the Companies Act, 2013.

The Company has received requisite disclosure and consent from Shri Suresh Kumar Garg in compliance of the requirements of Sections 149 and 164 read with Companies (Appointment & Qualifications of Directors) Rules, 2014.

The Board considers that the appointment of Shri Suresh Kumar Garg as a member of the Board would be of immense benefit to the Company. It is proposed to appoint Shri Suresh Kumar Garg as an Independent Director under Section 149 of the Companies Act, 2013, not liable to retire by rotation, for a term of five years up till May 29, 2021.

The Board of Directors recommends the Resolution for shareholders' approval at Item No. 6.

None of the Directors or Key Managerial Personnel and their relatives except Shri Suresh Kumar Garg, are concerned or interested (financially or otherwise) in this Resolution.

Item No. 7: Approval to make changes in remuneration of Shri V.K.Sharma, Whole Time Director of the Company

Due to their vision and guidance, Shri V.K.Sharma, designated as "Executive Director" and "Key Managerial Personnel", the Company is earning well and the Company is able to achieve growth. The Board has proposed to increase their monthly remuneration of Shri V.K.Sharma, Whole Time Director and he shall be eligible to draw remuneration inclusive of Basic Salary, House Rent Allowance, Transport Allowance, and Special Allowance aggregating to ₹2,09,985/- per month (Rupees Two Lakh Nine Thousand Nine Hundred Eighty Five only) w.e.f. 1st June, 2016.

The remuneration payable to them commensurate with responsibilities conferred on them. The remuneration has been approved by the Nomination and Remuneration Committee as per Schedule V of the Companies Act, 2013.

The members are requested to grant their consent and pass the resolution as Ordinary Resolution at Item No. 7.

None of the Directors or Key Managerial Personnel and their relatives except Shri V.K.Sharma, are concerned or interested (financially or otherwise) in this Resolution.

Item No. 8: Ratification of remuneration payable to M/s. M.K.Singhal & Co., Cost Accountants, appointed as Cost Auditors of the Company for financial year 2016-17

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. M.K.Singhal & Co., Cost Accountants (Firm Registration No. 00074), to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2017. In terms of the provisions of Section 148(3) of the Companies Act, 2013, read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to



the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought to ratify the remuneration being payable to the Cost Auditors.

The Board of Directors recommends the Resolution for shareholders' approval at Item No. 8.

None of the Directors or Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in this Resolution.

Item No. 9: Approval to make changes in payment of Profit based Commission to the Directors of the Company

The members of the Company in the Annual General Meeting held on 28th September, 2015 approved the payment of the Commission based on Profits of the Company for a particular year to Shri S.N.Gupta, Chairman & Managing Director, Shri M.P.Gupta and Shri R.P.Gupta, Whole Time Directors of the Company in the ratio 25:25:50 respectively. The Profit based Commission is payable to them in addition to their monthly remuneration approved by the members of the Company. With the increase in responsibilities of Shri R.P.Gupta, Whole Time Director of the Company, the Company with the approval of shareholders of the Company in the upcoming Annual General Meeting of the Company wants to change the ratio of profit sharing commission in the manner 25:75 of Shri M.P.Gupta and Shri R.P.Gupta, Whole Time Directors of the Company respectively. The resolution provides only for re-distribution of Profit based Commission and does not propose any additional financial burden on the Company.

The Board of Directors recommends the Resolution for shareholders' approval at Item No. 9.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution except Shri S.N.Gupta, Chairman & Managing Director, Shri M.P.Gupta and Shri R.P.Gupta, Whole Time Directors of the Company to the extent of the Commission that may be payable to them each year.

Regd. Office:

1501, Vikram Tower,
Rajendra Place,
New Delhi – 110008
CIN: L24119DL1989PLC036264
Place : New Delhi
Date : August 11, 2016

By Order of the Board of Directors
For **BHARAT RASAYAN LIMITED**

Sd/-
(Nikita Bahl)
Company Secretary



Details of Directors seeking Re-appointment at the Annual General Meeting

Particulars	Shri S.N.Gupta	Shri V.K.Sharma	Shri Suresh Kumar Garg
Date of Birth	April 05,1948	November 23, 1951	March 3, 1953
Qualification	M.A. (Economics)	Ph.D. in Chemical Technology	Graduate
Expertise in Functional Area	<p>Shri S.N.Gupta is a Post Graduate in Economics having a rich experience of 40 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>Sh. V.K.Sharma has a rich experience of 31 years (approx.) in Agrochemical and Pharmaceutical Industries. He is actively involved in the areas of Production and General Administration of Company's Unit located at Dahej, Gujarat.</p> <p>Shri V.K.Sharma is associated with the Company as an Executive Director since October 24, 2011.</p>	<p>Shri Suresh Kumar Garg has a rich experience in the field of Insurance sector.</p> <p>Shri Suresh Kumar Garg has joined the Board of Directors as an Independent Director of the Company w.e.f. 30.05.2016.</p>
Directorship in Other Companies	<ul style="list-style-type: none"> -Bharat Insecticides Ltd. -Crop Care Federation of India -Centum Finance Ltd. -Samhlo Farms Pvt. Ltd. -BRL Finlease Ltd. 	Nil	<ul style="list-style-type: none"> - SLR Enterprises Pvt. Ltd. - Janki Transporters Pvt. Ltd.
Membership/ Chairmanship of Committees across all other Companies	<p>Bharat Rasayan Limited</p> <ul style="list-style-type: none"> -Committee of Directors* <p>Bharat Insecticides Limited</p> <ul style="list-style-type: none"> -Corporate Social Responsibility Committee* 	Nil	<p>Bharat Rasayan Ltd.</p> <ul style="list-style-type: none"> - Nomination & Remuneration Committee#

*Chairman #Member