

# 31st ANNUAL REPORT 2019-2020



**Bharat RASAYAN LIMITED**

( ISO 9001 : 2015, 14001 : 2015 & OHSAS 45001 : 2018 CERTIFIED COMPANY )



## **BOARD OF DIRECTORS**

### **Promoter Directors**

<b>Shri Sat Narain Gupta</b>	Chairman & Managing Director
<b>Shri Mahabir Prasad Gupta</b>	Whole Time Director
<b>Shri Rajender Prasad Gupta</b>	Whole Time Director

### **Other Directors**

<b>Shri Ajay Gupta</b>	Director (Executive)
<b>Shri Kamleshwar Prasad Uniyal</b>	Director (Executive)
<b>Shri Pankaj Gupta</b>	Director (Independent & Non-Executive)
<b>Shri Ram Kanwar</b>	Director (Independent & Non-Executive)
<b>Smt. Sujata Agarwal</b>	Director (Independent & Non-Executive)
<b>Shri Suresh Kumar Garg</b>	Director (Independent & Non-Executive)
<b>Shri Rajesh Gupta</b>	Director (Independent & Non-Executive)

## **SENIOR MANAGEMENT**

<b>Mr. Rakesh Verma</b>	Chief Financial Officer
<b>Ms. Nikita Chadha</b>	Company Secretary

## **STATUTORY AUDITORS**

**M/S. R. D. GARG & CO.**  
Chartered Accountants  
20, Ansari Road, Darya Ganj, New Delhi - 110 002.

## **COST AUDITORS**

**M/S. M. K. SINGHAL & CO.**  
Cost Accountants  
C-91, Sector-71, Noida-201301 (U.P.)

## **BANKERS**

**- STATE BANK OF INDIA**                      **- YES BANK LIMITED**  
**- HDFC BANK LIMITED**                      **- ICICI BANK LIMITED**

## **REGISTERED OFFICE**

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

## **FACTORIES**

**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**  
Noble Heights, 1st Floor, Plot NH 2,  
C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058.  
Tel. Nos. : 91-11-41410592-94, Fax No : 91-11-41410591  
E-mail ID : delhi@linkintime.co.in



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**FROM THE DESK OF CHAIRMAN**

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**Dear Shareholders,**

It gives me pleasure to present to you the Bharat Rasayan Limited Annual Report 2019-20. While this was a year of extreme economic challenges for the world, a situation aggravated almost beyond measure by the unprecedented Covid-19 pandemic, your Company continued to play on its strengths and posted a stable financial performance. It's a pleasure to share with you the highlights of the progress being made by the Company since we met approximately twelve months back.

**Business Performance**

I am pleased to share with you an update on your Company's performance for the financial year 2019-20. The year saw a challenging business environment with lower GDP growth and slowdown in consumption. The novel coronavirus has affected not just human health but severely impacted businesses and the society at large. The macro-economic factors that caused a slowdown in FY 2019-20 will continue in FY 2020-21, with the first half of Calendar Year (CY) 2020 completely dominated by the pandemic and the consequent lockdowns. During the last few weeks in March we started to see the impact of COVID-19. The Covid-19 outbreak from China was declared a pandemic by World Health Organisation in the last quarter of the financial year, causing a social and economic turbulence.

Amidst a challenging scenario, our strong portfolio, distribution network and brand equity enabled us to deliver a steady performance. It gives me great pleasure to share with you an update on the overall performance of your Company which performed well and delivered another year of profit. I am glad to inform you that your Company continues to perform well on a sustained basis. Your Company achieved a turnover of ₹ 1231.87 crores registering an increase of about 23.84% over previous year turnover of ₹ 994.69 crores and earned a Profit before Tax (PBT) of ₹ 205.19 crores and Profit after Tax (PAT) of ₹ 157.64 crores.

The Company i.e. Bharat Rasayan Limited (BRL) has executed a Joint Venture ("JV") Agreement on 18.02.2020, with Nissan Chemical Corporation (NCC), a company incorporated in Japan, and with Nissan Bharat Rasayan Pvt. Limited, a company incorporated in India ("JV" Company). The joint venture will operate through a company named 'Nissan Bharat Rasayan Private Limited', a company incorporated in India in which BRL has 30% share and NCC has 70% share. The Joint Venture Company i.e. Nissan Bharat Rasayan Private Limited has decided to construct new manufacturing factory in India for various technical products. Nissan Chemical Corporation is a research based Company and is one of the largest manufacturers of agrochemicals in Japan having global operations. Nissan Chemical Corporation has developed good relationship of mutual trust with Bharat Rasayan Limited and thus Nissan Chemical Corporation wants to enter into joint venture with Bharat Rasayan Limited.

We are making the right investments to scale this business higher. We have already made investments towards expanding our manufacturing capacities, setting up new capacities for critical inputs as part of backward integration, acquiring more product registrations and thrust on R&D for developing relevant products for key markets.

**Agro Economy Overview**

India has come a long way in achieving self-sufficiency in food and is emerging as an important player in global trade of agricultural commodities. This is in spite of our relatively low productivity, compared to the global benchmark. One of the major reasons for this low productivity is the gap in adopting appropriate agriculture technologies, compared to leading agricultural economies. Seeds and Crop Protection are important elements driving agricultural productivity.

During the year, delayed and unseasonal rainfall led to a flood-like situation across the country, adversely impacting the Kharif season but favourably impacting the Rabi season with good groundwater levels.



The latest advance estimates for FY 2019-20 for total foodgrain production in India is estimated at record 295 million tonnes, higher by 10 million tonnes over the previous year.

Indian agriculture is on a growth path, with an increase in investments and private funding in the past few years. The sector is expected to grow with better momentum in the next few years, owing to an increase in investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Factors such as reduced transaction costs, time, better port gate management and fiscal incentives will also contribute to this upward trend. Furthermore, the increased use of genetically modified crops is also expected to better the yield of the Indian farmers.

### **Dividend**

Considering the consistent profits being made by the Company, your Directors have recommended a dividend of ₹1.50 (i.e. 15%) per equity share for the financial year 2019-20.

### **Health, Safety and Environment**

Your Company continues to conduct business with a strong commitment for environment preservation, sustainable development, safe workplaces and enrichment of the quality of life of its stakeholders and the community at large by maintaining the required ISO standards Certification.

### **Acknowledgement**

The Covid-19 pandemic may have an extended impact, but as I mentioned earlier, this means opportunities as well as challenges. The Board, through its engagement with the management, will guide the Company in recalibrating its growth strategy to address these challenges and to make use of the new opportunities. On behalf of the Board, we seek support from each and every stakeholder to bring prosperity to one and all.

Before I conclude, I would like to place on record my appreciation to all my colleagues on the Board, past and present, for their valuable contribution in the growth of the Company. Finally, I would like to thank you, our valued shareholders, for your unwavering support in our journey to deliver value to all our stakeholders.

Thank you, ladies and gentlemen.

**SAT NARAIN GUPTA**

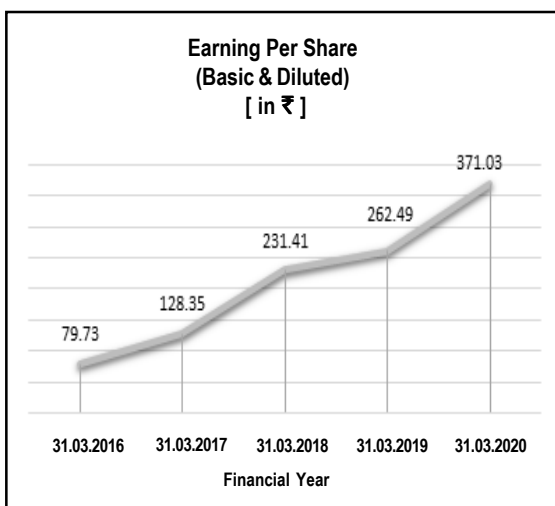
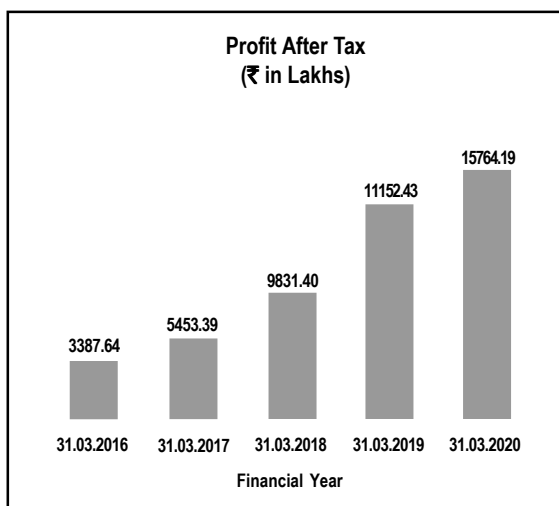
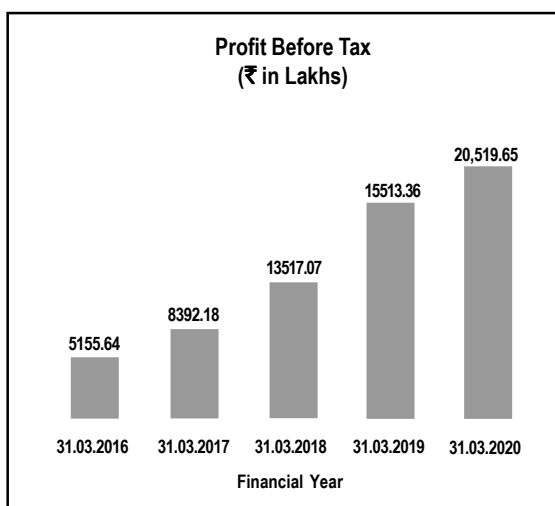
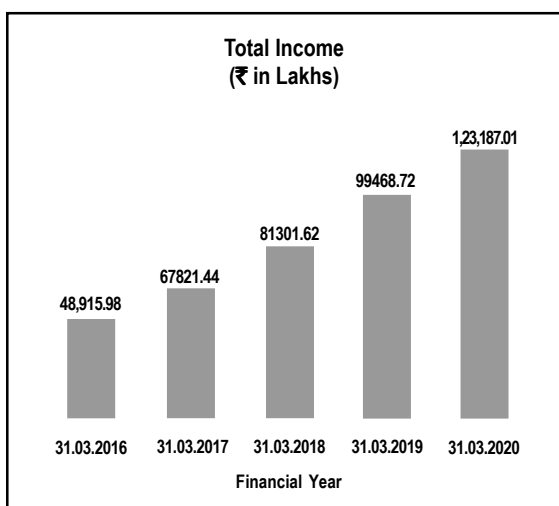
**Chairman & Managing Director**



## FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Financial Year ended				
	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020
Total Income	48,915.98	67,821.44	81,301.62	99,468.72	1,23,187.01
Profit Before Tax	5,155.64	8,392.18	13,517.07	15,513.36	20,519.65
Profit After Tax	3,387.64	5,453.39	9,831.40	11,152.43	15,764.19
EPS (Basic & Diluted) [Face Value ₹10] (in ₹)	79.73	128.35	231.41	262.49	371.03





## **NOTICE**

Notice is hereby given that **Thirty-First Annual General Meeting** of the Company will be held on Thursday, the 24th day of September, 2020 at 10:30 A.M. at Hotel Regent Grand, 2/6, East Patel Nagar, New Delhi-110008, 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, 2020, the reports of the Board of Directors and Auditors thereon.

#### **Item No. 2: Declaration of Dividend**

To declare a final dividend of ₹1.50 per equity share for the year ended on 31st March, 2020.

#### **Item No. 3: Rotation of Director**

To appoint a Director in place of Shri Rajender Prasad Gupta (DIN:00048888), who retires by rotation and being eligible, seeks re-appointment.

#### **Item No. 4: Rotation of Director**

To appoint a Director in place of Shri Ajay Gupta (DIN:02187741), 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 R.D.Garg & Co., Chartered Accountants (Firm Registration No. 001776N), 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: Revision in the Remuneration of Shri Ajay Gupta (DIN:02187741), Whole Time Director/ Executive Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 198, 203 read with Schedule-V and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon the recommendation of Nomination and Remuneration Committee, the approval of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to increase the monthly remuneration of Shri Ajay Gupta (DIN:02187741), Whole Time Director / Executive Director designated as "Director (Operations)" and "Key Managerial Personnel" of the Company for its Unit located at Dahej (Gujarat) w.e.f. 1st January, 2020.

**RESOLVED FURTHER THAT** Shri Ajay Gupta, Whole Time Director / Executive Director of the Company shall be eligible to draw remuneration inclusive of Basic Salary, House Rent Allowance, Conveyance Allowance/Washing Allowance and Special Allowance aggregating to ₹4,69,061/- per month (Rupees Four Lakh Sixty Nine Thousand and Sixty One only) w.e.f. 1st January, 2020.

**RESOLVED FURTHER THAT** in addition to above mentioned remuneration, Shri Ajay Gupta 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 January, 2020:



- i) Contribution to Employees Provident Fund (EPF) and Gratuity 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.
- ii) The aggregate amount of Performance Incentives and/or Variable Incentives, if any, provided by the Company shall be valued as per Income Tax Act, 1961 and Rules framed thereunder.
- iii) Ex-Gratia and/or Bonus and encashment of unavailed leaves as per the rules of the Company.
- iv) The Company may provide mobile/telephone at the residence of Shri Ajay Gupta. However, personal long distance calls, if any, shall be billed by the Company and paid by him.
- v) The Premium for a Floater Family Mediciam Policy and Group Accident Policy shall not to exceed ₹10,000/- per annum (Rupees Ten Thousands only).

**RESOLVED FURTHER THAT** except for the aforesaid revision in salary, all other terms and conditions of his appointment as a Whole Time Director / Executive Director of the Company, as approved by the resolution passed at the Annual General Meeting of the Company held on 25.09.2019 shall remain unchanged.

**RESOLVED FURTHER THAT** upon recommendation of Nomination and Remuneration Committee, the approval of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to provide increment as and when required subject to the provisions of the Companies Act, 2013 and the corresponding rules read with Schedule-V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Shri Sat Narain Gupta, Chairman & Managing Director, Shri Mahabir Prasad Gupta and Shri Rajender Prasad Gupta, Whole Time 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. 7: Ratification of remuneration payable to M/s. M.K.Singhal & Co., Cost Accountants, appointed as Cost Auditors of the Company for financial year 2020-21**

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, 2021, amounting to ₹1,55,000/- (Rupees One Lakh Fifty Five Thousands only) as also the payment of 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 Sat Narain Gupta, Chairman & Managing Director, Shri Mahabir Prasad Gupta and Shri Rajender Prasad Gupta, Whole Time Directors of the Company be and are hereby severally authorized to take all the necessary steps in this regard."

**Regd. Office:**  
1501, Vikram Tower,  
Rajendra Place,  
New Delhi - 110008  
CIN: L24119DL1989PLC036264  
**NEW DELHI,**  
**AUGUST 13, 2020**

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

**Sd/-**  
**NIKITA CHADHA**  
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 18th September, 2020 to 24th September, 2020 (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 17th September, 2020.
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 Registrar & Transfer Agent (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 (DPs) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and updates of bank account details by every investors holding securities in physical or electronic mode with the Registrar and Transfer Agent.
11. 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.
12. 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.
13. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the Meeting.
14. 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 Registrar & 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.
15. 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.
16. 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.
17. 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

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