



Report  Junction.com

Bagadia Colourchem Ltd.

20th Annual Report

2004-2005

BOARD OF DIRECTORS :

Mr. Natwarlal R. Bagadia
Chairman & Managing Director

Mr. Sushil N. Bagadia
Joint Managing Director

Mr. Sandeep N. Bagadia
Director (upto 25.6.2004)

Prof. Vilas V. Ekbote
Director

Mr. Raghunath R. Gune
Director

Mr. Vilas B. Jagtap
Director

Auditors :

S.G. Shende & Co.
Chartered Accountants

Bankers :

Bank of Baroda
Camp Branch
Pune 411 001

Registered Office :

'Bagadia House'
23/B, Kasba Peth,
Pune 411 011

Factory :

Plot No. B-35,
MIDC Industrial Area,
Mahad, Dist. Raigad,
Maharashtra

20th Annual General Meeting
on Saturday, 17th September, 2005
at 9.00 a.m. at the Registered Office

BAGADIA COLOURCHEM LIMITED

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Shareholders of Bagadia Colourchem Limited will be held on Saturday, 17th September, 2005 at 9.00 A.M. at the Registered Office of the Company at 'Bagadia House', 23/B, Kasba Peth, Pune 411 011 to transact the following business:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the Profit and Loss Account for the year ended on that date together with the Director's Report and Auditor's Report thereon.
- 2) To appoint a Director in place of Mr. R. R. Gune who retires by rotation, and being eligible offers himself for reappointment.
- 3) To appoint the Auditors to hold the office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors

Place :- Pune

Date :- 29th July, 2005

N.R. Bagadia

Chairman & Managing Director

NOTES :-

- 1) A MEMBER ENTITLED TO ATTEND & VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) Notice is also given that the Register of Members and the Share Transfer Books of the Company will remain close from Friday, 16th September, 2005 to Saturday, 17th September, 2005 (both days inclusive).

DIRECTORS' REPORT

To

The Members,

The Board of Directors have pleasure in presenting before you the 20th Annual Report and Audited Statements of Accounts for the year ended as on 31st March, 2005.

1. FINANCIAL RESULTS

The Financial Results for the year ended on 31st March, 2005 are briefly given below :-

	2004-2005	2003-2004
	(Rs.)	(Rs.)
Sales and Other Income	8,63,68,748	9,84,54,799
Profit before Interest, Depreciation & Taxation	37,87,926	42,32,672
Less :-		
Finance Cost	1,41,404	1,42,250
Depreciation	28,11,634	28,00,332
Profit before tax	8,34,888	12,90,090
Add :- Prior Period Adjournment	-	2,620
Less :- Provision For Tax		
Current	63,000	83,000
Deferred	(9,54,118)	(5,18,336)
Earlier Year	13,710	(3,259)
Profit after Taxation	17,12,296	17,31,305
Add / Less : Unusual / Extraordinary Charge	(7,445)	-
Add :- Balance brought forward from previous year	24,14,018	6,82,713
Balance Transferred to Balance Sheet	41,18,869	24,14,018

2. MANAGEMENT DISCUSSION & ANALYSIS REPORT

During the year under review the Sales and other income of the Company was Rs.863.69 Lacs as compared to Rs. 984.55 Lacs of the previous year. The Export turnover of the Company during the year under report stood at Rs. 487.70 Lacs as against Rs. 466.86 Lacs of the previous year.

However, the profitability of the Company during the year was badly affected and the Profit Before Tax was Rs. 8.35 Lacs as against Rs. 12.90 Lacs of the previous year.

The cost of the basic raw material used by the Company like Cuprous Chloride (Copper based), Ammonium molybdate, and the consumables including fuel like furnace oil etc. increased abnormally and reached the record high, thereby increasing the cost of production. However, due to acute competition in the market by Indian as well as foreign players, the Company could not recover the same by increased price realization.

This scenario has continued in the first quarter of the current year i.e. for the quarter ended 30th June, 2005 and is likely to continue for the near future. The Export turnover of the Company has also affected substantially, which may further affect the overall performance and profitability of the Company for the current year.

3. DIVIDEND

The Directors regret their inability to recommend any Dividend on the Equity Shares of the Company, due to inadequate profits and the necessity of plough back of earnings of the Company.

4. FIXED DEPOSITS

The Company has not accepted any Fixed deposits.

5. DIRECTORS

Mr. R. R. Gune Director of the Company retires by rotation and being eligible offers himself for reappointment.

6. AUDITORS

The present Auditors M/s S.G. Shende & Co., Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting. They have informed their willingness to continue for the Current Year.

As required per proviso to Section 224(1) of the Companies Act, 1956, a written Certificate has been obtained by the Company from the Auditors certifying that if they are appointed as the Auditors

BAGADIA COLOURCHEM LIMITED

of your Company, such appointment would be within the limits specified in Section 224 (1)(B) of the Companies Act, 1956.

7. ADDITIONAL INFORMATION:-**A) Under Section 217 (2A) of the Companies Act, 1956.**

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 has not been furnished since no employee received the remuneration beyond the limits specified therein.

B) Under Section 217 (1) (e) of the Companies Act, 1956.

Wherever possible energy conservation measures have been implemented. The efforts to conserve and optimize the use of energy through improved operational methods and other means will continue. The statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is given in the Annexure forming part of this Report.

The Company has not imported any technology and there is no technical collaboration, with any party, for the present activities of the Company.

C) Information about Foreign Exchange

Foreign Exchange Earnings :- Rs. 4,87,69,551/-

Foreign Exchange Outgo :- Rs. 1,54,647/-

D) Disclosure under Stock Exchange Requirements

(i) Disclosure under SEBI Circular dated 29th April, 1998

The Equity Shares of the Company are listed on Mumbai Stock Exchange.

The Company has already paid the necessary Listing Fees for Mumbai Stock Exchange till the financial year 2005-2006.

8. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) as amended by the Companies (Amendment) Act, 2000 the Directors hereby state :

- a) that while preparing the annual accounts for the period ended 31st March, 2005, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) that the Directors had 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 at the end of the financial year and of the Profit of the Company for that period.
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors had prepared the annual accounts on a going concern basis.

9. ACKNOWLEDGMENT

The Directors place on record their appreciation for the cooperation and support extended by the Bankers of the Company viz. Bank of Baroda and Employees of the Company all the times. The Directors are also thankful to the officials of Government of India, Government of Maharashtra, local authorities, MIDC for their continued help and timely assistance extended to the Company.

By Order of the Board of Directors

Place :- Pune

Date :- 29th July, 2005

N.R. Bagadia

Chairman & Managing Director

Annual Report 2004-2005

ANNEXURE TO DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2005.

FORM - A

A. POWER AND FUEL CONSUMPTION

	Year ended 31/03/2005	Year ended 31/03/2004
1. Electricity		
a) Purchased units	11,54,579	11,05,208
Total Amount (Rs.)	42,50,480	41,71,690
Rate/Unit (Rs.)	3.68	3.77
b) Own Generation		
Through Diesel Generators	1,93,848	2,72,190
Units	42,640	1,79,200
Units per liter of diesel oil	6	16
Cost/Unit (Rs.)	4.55	1.52
2. Coal	—	—
3. Oil		
Quantity (Ltrs.)	5,92,500	5,35,100
Total amount (Rs.)	75,03,866	64,16,067
Average rate (Rs.)	12.68	11.99
4. Other/Internal Generation	—	—

B. CONSUMPTION PER UNIT OF PRODUCTION (KG)

Electricity (Units)	1.73	1.86
Diesel/Oil (Ltrs)	1.73	1.82

By Order of the Board of Directors,

Place :- Pune

Date :- 29th July, 2005

N.R. Bagadia

Chairman & Managing Director

BAGADIA COLOURCHEM LIMITED**ANNEXURE TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2005
REPORT ON CORPORATE GOVERNANCE**

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchange)

1. The Company's philosophy on code of Corporate Governance

The Company strongly believes that the system of Corporate Governance protects the interest of all the shareholders by inculcating transparent business operations and accountability from management and monitor and ensure compliance with Laws and Regulations.

2. Board of Directors

The present strength of the Board as of date is five Directors. The Board comprises of Two Executive Directors and Three Non Executive Directors. During the Financial Year under review i.e. 2004-2005 Five Board Meetings were held on 25th June, 2004, 29th July 2004, 27th September, 2004, 30th October, 2004 and 27th January, 2005.

Details of Attendance of each Director at the Board Meetings, the Last AGM and other Indian Companies Directorships and Committee Memberships held by them are as follows :

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM	No. of other Directorships held	No. of Committees of which Member
Mr. Natwarlal R. Bagadia	Chairman & Managing Director (Executive Director)	5	Yes	1	Nil
Mr. Sushil N. Bagadia	Joint Managing Director (Executive Director)	5	Yes	1	Nil
Prof. Vilas V. Ekbote	Director (Non Executive)	4	Yes	1	1
Mr. Raghunath R. Gune	Director (Non Executive)	5	Yes	Nil	Nil
Mr. Vilas Bajirao Jagtap	Director (Non Executive)	5	Yes	Nil	Nil

3. Audit Committee

The Audit Committee was constituted in June 2002. At present it comprises Three Directors viz. Prof. V.V.Ekbote and Mr. R.R. Gune. and Mr. Vikas Jagtap. Prof. Vilas Ekbote is the Chairman of the Audit Committee. Audit Committee held total Four Meetings during the Financial Year under review on 25th June, 2004, 29th July, 2004, 30th October, 2004 and 27th January, 2005 and all the Members were present to all the Meetings. The terms of reference of the Audit Committee include the matters specified in Clause 49 (II) of the Listing Agreement with Stock Exchanges.

4. Remuneration Committee

The Remuneration Committee was constituted in June 2002. At present it comprises Three Directors viz. Prof. V.V.Ekbote, Mr. R.R. Gune, and Mr. Vilas Jagtap. Prof. Vilas Ekbote is the Chairman of the Remuneration Committee. No meeting of the Remuneration Committee was held during the year 2004-2005.