



**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.

**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**

**REGISTERED OFFICE**

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

**FACTORY**

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

**Unit-II** Mambapur/Gummadidala Village, Jinnaram Mandal  
Distt. Medak-502 313, Andhra Pradesh.

**Unit under construction**

42/4, GIDC, Industrial Estate, Dahej,  
Distt. Bharuch-392 130, Gujarat

**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

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)

<b>CONTENTS</b>	<b>Page No.</b>
<i>Notice</i>	1
<i>Directors' Report</i>	5
<i>Corporate Governance Report</i>	12
<i>Auditors' Report</i>	21
<i>Balance Sheet</i>	24
<i>Profit &amp; Loss Account</i>	25
<i>Schedules</i>	26
<i>Balance Sheet Abstract</i>	39
<i>Cash Flow Statement</i>	40



## NOTICE

The 22nd Annual General Meeting of Bharat Rasayan Limited will be held at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110 087, on Thursday, the 29th September, 2011, 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, 2011 and the Directors' and Auditors' Reports thereon.
2. To consider declaration of dividend for the financial year ended 31.03.2011.
3. To appoint a Director in place of Shri Naresh Agarwal who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri Pankaj Gupta who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Shri Ajay Gupta who retires by rotation and is eligible for reappointment.
6. To appoint a Director in place of Shri Ram Kanwar who retires by rotation and is eligible for reappointment.
7. To appoint Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Section 31 of the Companies Act, 1956 and all other applicable provisions, if any, for the following Article 3 of the Articles of Association of the Company:

3. ***The Authorised Share Capital of the Company is ₹10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000/- (One Crore) Equity Shares of ₹10/- (Rupees Ten) each.***

the following Article:

3. ***The Authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association.***

be and is hereby substituted."

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

"RESOLVED THAT in accordance with provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provision of the Companies Act, 1956 and pursuant to Article No. 116 of the Articles of Association of the Company, approval of the members be and is hereby accorded for revision in the remuneration of Shri Ajay Gupta, Executive Director of the Company with retrospective effect from 01.04.2009 on the following terms and conditions:

1. Salary alongwith HRA and Special Allowance ₹1,03,385-12%-15%-20%-₹2,00,507

#### Perquisites

1. Medical Reimbursement ₹15,000/- per annum
2. Books & Periodicals ₹24,000/- per annum
3. Contribution to EPF upto 12% of the Basic as per Employees' Provident Fund Scheme 1952, Bonus and Gratuity Fund as per Company's Rules in force from time to time.
4. Use of Company Car, Mobile and Telephone at his residence for official purpose.



RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Shri Ajay Gupta will be entitled to receive minimum remuneration permissible under Section-II of Part-II of Schedule-XIII to the Companies Act, 1956, as amended or as may be amended from time to time."

10. 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 upto ₹80,00,000/- (Rupees Eighty Lacs only) to Charitable and Other Funds."

**Regd. Office**  
**1501, Vikram Tower**  
**Rajendra Place**  
**NEW DELHI-110 008.**  
**AUGUST 26, 2011**

BY ORDER OF THE BOARD

**(ITTI BHARGAVA)**  
*COMPANY SECRETARY*

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### **EXPLANATORY STATEMENT**

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**The explanatory statement as required under Section 173(2) of the Companies Act, 1956, in respect of Special Business**

**ITEM NO. 8**

Hon'ble High Court of Delhi has sanctioned the Scheme of Amlagamtion of M/s Siris Crop Sciences Limited with the Company, M/s Bharat Rasayan Limited, which has resulted into increase in the Authorised Share Capital of the Company, hence the Capital Clause of the Memorandum of Association stands amended subsequent to the abovementioned sanctioned Scheme.

To give effect to the amended Capital Clause, the existing Article 3 of Articles of Association is proposed to be amended by way of substitution of Article 3 with new Article 3 in its place as given in the resolution at Item No. 8.

The Board of Directors commends this resolution for adoption by the members.

None of the Director is interested or concerned in this resolution.

**ITEM NO. 9**

Considering the dedicated and significant services rendered by Shri Ajay Gupta (who was appointed on 12.05.2008 on a monthly remuneration of ₹1,03,385/- p.m alongwith perquisites as approved by the shareholders in their meeting) to the Company and having regard to his knowledge and experience, the Board considered and permitted the revision in the remuneration of Shri Ajay Gupta, with effect from 01.04.2009, according to the grading system as per the Company's Rule in force time to time, subject to the approval of shareholders. The revision in the remuneration shall however be limited to the provisions of Sections 198, 269 and 309 read with Schedule-XIII and all other applicable provisions of the Companies Act, 1956.

The Board of Directors commends this resolution for adoption by the members.

None of the Director is interested or concerned in this resolution.

**ITEM NO. 10**

The Company is often called upon to fulfill certain obligations for social welfare and to further charity work of charitable organizations. To fulfill the social responsibilities it is necessary to make certain contributions to charitable and other funds. Your Company has planned to make contribution up to ₹80,00,000/- (Rupees Eighty Lacs only) to Charitable and Other Funds.

The Board of Directors commends this resolution for adoption by the members.

None of the Director is interested or concerned in this resolution.



**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/herself, 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. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
3. 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.
4. 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.
5. 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.
6. As per the Green Initiative taken by the Government to ensure paperless compliance by the Companies, the government has issued a **Circular bearing No. 18/2011 dated 29.04.2011 of Ministry of Corporate Affairs (MCA), all members are requested to provide/update their E-mail address(es) with the Company and with the concerned depository(ies) for sending of Notices and Annual Report(s)** to save the natural resources of the nation.
7. 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) viz. [www.mca.gov.in](http://www.mca.gov.in). Members holding shares in dematerialised mode may approach their Depository Participant (DP) in this regard.
8. 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.
9. The share transfer books and register of members of the Company will remain close from 24.09.2011 to 29.09.2011 (both days inclusive).
10. The Unclaimed Dividend for the financial years ended on 31.03.2008, 31.03.2009 and 31.03.2010 lying in the Unpaid Dividend Account will be transferred to the Investors Education and Protection Fund (IEPF) Account of the Central Government after completion of seven years from the date of their respective transfer to Unpaid Dividend Account. Members who have not encashed their dividend may lodge their claim with the Company immediately.
11. The Dividend, if approved by the members in the ensuing Annual General Meeting, will be paid on or before 28th October, 2011 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 24th September, 2011; 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 24th September, 2011.Members are requested to notify immediately any change of address(es) 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.
12. 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.



13. 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 account(s). 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. Limited.
14. 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	
	Shri Naresh Agarwal	Shri Pankaj Gupta
Age	29 Years	27 Years
Qualification	Post Graduate	BBA, LL.B
Experience	6 Years	5 Years
Directorship	since 30.09.2005	since 24.11.2007
Work exposure	Business Development	Legal matters
Directorship in other companies	No	No
Partnership/Proprietorship	No	No
Member of any Committee in the Company	- Audit Committee - Remuneration Committee - Shareholders' & Investors' Grievance Committee	- Audit Committee - Remuneration Committee - Shareholders' & Investors' Grievance Committee

Particulars	Name of the Directors	
	Shri Ajay Gupta	Shri Ram Kanwar
Age	50 Years	67 Years
Qualification	B.Tech. (Chemical Engineering), Diploma in Management	M.A. (Economics)
Experience	28 Years	36 years
Directorship	since 12.05.2008	since 10.07.2008
Work exposure	Looking after the Production and General Administration of the factory	Overall Business Strategies
Directorship in other Companies	No	No
Partnership/Proprietorship	No	No
Member of any Committee in the Company	No	No

**Regd. Office**  
1501, Vikram Tower  
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NEW DELHI-110 008.  
AUGUST 26, 2011

BY ORDER OF THE BOARD

(ITTI BHARGAVA)  
COMPANY SECRETARY



**DIRECTORS' REPORT**

**TO THE MEMBERS OF BHARAT RASAYAN LIMITED**

Your Directors have pleasure in presenting their 22nd Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2011:

**FINANCIAL RESULTS**

(₹ In Lacs)

Particulars	For the year ended 31.03.2011	For the year ended 31.03.2010
Sales & Other Income	<b>9807.72</b>	10287.03
Profit before interest & depreciation	<b>990.00</b>	971.62
Less : Interest	<b>5.68</b>	15.25
: Depreciation	<b>181.40</b>	87.59
Profit before income tax	<b>802.92</b>	868.78
Less: Provision for Taxation - Current Year	<b>166.04</b>	295.98
- Previous Year	<b>Nil</b>	0.34
Add: MAT Credit c/f	<b>(86.21)</b>	Nil
	<b>723.09</b>	572.46
Add: Deferred Tax Assets / (Liabilities)	<b>(134.19)</b>	8.35
<b>Profit after tax</b>	<b>588.90</b>	580.81
Provision for dividend distribution tax	<b>8.27</b>	12.70
Provision for Dividend	<b>50.98</b>	76.48
	<b>529.65</b>	491.63
Surplus brought forward from previous year	<b>23.79</b>	32.16
Profit available for appropriation	<b>553.44</b>	523.79
<b>Appropriations</b>		
Transferred to General Reserve	<b>70.00</b>	500.00
Balance being surplus carried over to the Balance Sheet	<b>483.44</b>	23.79

**FINANCIAL HIGHLIGHTS**

The gross receipts for the financial year 2010-11 of the Company were ₹98.07 Crores as compared to ₹102.87 Crores in the previous year, registering a marginal decline of 4.66%. Exports during the year were ₹28.01 Crores as compared to ₹31.34 Crores in the previous year, leading a decline of 10.62%. Downfall in gross receipts was due to obstacles created by some local miscreants which effected the production for approx. four months.

Further, Company's Profit after tax has increased to ₹5.89 Crores as compared to ₹5.81 Crores in the previous year, and Company has maintained a growth trend and registered a growth of 1.39%, on account of Amalgamation of your Company with M/s Siris Crop Sciences Limited.

**EXPANSION OF MANUFACTURING FACILITIES**

**New Manufacturing Plant at Dahej (Gujarat)** - The Company's new manufacturing Plant at Dahej (Gujarat) is under construction at fast pace. The plant was set up under a wholly owned subsidiary of the Company, M/s. Siris Crop Sciences Limited, which was amalgamated with your Company as per the Scheme of Amalgamation sanctioned by Hon'ble High Court of Delhi on July 19, 2011.

The project is being set up on an industrial plot developed by Gujarat Industrial Development Corporation (GIDC), admeasuring approx. 26 acres in the Chemical Approved Industrial Zone situated at Dahej, Gujarat, 40 Km from Bharuch.

The new project which being in chemical approved industrial zone would result in easy accessibility of resources and fast statutory approvals of manufacturing pesticides. With inherent strong advantages of this project, expanded capacity, regular involvement of management and concerted efforts of the employees of the Company, it is highly expected that new project will enhance economic value addition and shareholder value.



## **SCHEME OF ARRANGEMENT**

### **Scheme of Arrangement between M/s. Bharat Rasayan Limited and M/s. Siris Crop Sciences Limited**

In terms of the Scheme of Arrangement between M/s. Bharat Rasayan Limited (BRL) and M/s. Siris Crop Sciences Limited (SIRIS) for Amalgamation of M/s. Siris Crop Sciences Limited with M/s. Bharat Rasayan Limited ("Scheme") as sanctioned by the Hon'ble High Court of Delhi on July 19, 2011, the business undertakings of SIRIS consisting of two units situated at Mambapur/Gummadidala Village, Jinnaram Mandal, Distt. Medak-502 313, Andhra Pradesh, and at 42/4, GIDC, Industrial Estate, Dahej, Distt. Bharuch-392 130, Gujarat (which is under construction) stands transferred and vested into your Company with effect from the appointed date of the Scheme, i.e. April 1, 2010.

As per the above mentioned Scheme, Siris Cop Sciences Limited was amalgamated into the Company.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

## **DIVIDEND**

Your Directors are pleased to recommend dividend of 12%, i.e. ₹1.20 per share. The Company's net outgoing on account of dividend (excluding tax on distributed profits) will be ₹50.98 Lacs.

## **FIXED DEPOSITS**

The Company has accepted Fixed Deposits of ₹5.60 Lacs during the year under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975, there was no overdue deposits with the Company.

## **INSURANCE**

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.

## **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.

## **COST AUDITORS**

M/s. M.K.Singhal & Co., Cost Accountants have been appointed as Cost Auditors of the Company for the financial year 2011-12, for an audit of Cost Accounts maintained by the Company.

## **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 commends 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, 2011 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 Auditors' Certificate on it is given in **Annexure-III**.

**DIRECTORATE**

Shri Naresh Agarwal, Shri Pankaj Gupta, Shri Ajay Gupta and Shri Ram Kanwar 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**  
**AUGUST 26, 2011.**

**(S. N. GUPTA)**  
**CHAIRMAN & MANAGING DIRECTOR**





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**ANNEXURE - I TO THE DIRECTORS' REPORT**

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**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 2010-11 of the Company were ₹98.07 Crores as compared to ₹102.87 Crores in the previous year, registering a marginal decline of 4.66%. Exports during the year were ₹28.01 Crores as compared to ₹31.34 Crores in the previous year, leading a decline of 10.62%. Downfall in gross receipts was due to obstacles created by some local miscreants which effected the production for approx. four months.

**Outlook**

The demand in agrochemical sector is continuously increasing with supporting factors like thrust given by the Central Government to the agriculture sector, overall good monsoon.

Moreover, considering upcoming new expanded project of the Company and Amalgamation synergies the outlook for the current year 2011-12 appears to be a good year.

**Risk, Concern and Threats**

The overall pesticides business is highly dependent on Agro-Chemical Conditions like monsoon 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.

Some other factors like falling prices of pesticides due to economic slowdown, foreign players venturing into Indian pesticides segment, unforeseen Regulatory Changes also affects the Company.

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 and this leads to manufacturing quality products at competitive prices.



2. The Company's products have been widely accepted in foreign markets also and it has excellent track record of sales of Products.
3. The Company is led by highly qualified & dedicated team of professionals.
4. The Company has well equipped laboratory with latest analytical equipments.
5. 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. Growth in Pesticides market in India.
2. 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.
3. Enhanced awareness among the farming community regarding usage of pesticides for better yields.
4. 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 31.03.2011 was 236. 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 laws 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) Energy conservation has been an important thrust area of the management and is being continuously monitor and efforts to conserve and optimize the use of energy through improved operational methods and other means are being continued on an ongoing basis. Wherever possible, energy conservation measures have already been implemented.
- (c) The energy consumption and the cost of production is being kept under control.
- (d) Total energy consumption and energy consumption per unit of production as per **Form-A** given herewith:

**FORM A**

**Form for disclosure of particulars with respect to conservation of energy**

Particulars	For the year ended 31.03.2011	For the year ended 31.03.2010
<b>A. POWER AND FUEL CONSUMPTION</b>		
<b>1. Electricity</b>		
<b>(a) Purchased</b>		
(i) Unit (KWH)	3043382.00	3241636.00
(ii) Total amount (₹)	17229871.00	15656394.00
(iii) Rate/unit	5.66	4.83
<b>(b) Own generation</b>		
(i) Through diesel generator/ Furnace Oil (FO)		
Unit (KWH)	1187449.00	2701421.00
Units per ltr. of diesel oil/Furnace Oil (FO)	3.18	3.31
Cost/unit	12.83	10.16
(ii) Through Steam turbine/generator	N.A.	N.A.
<b>2. Coal</b>		
Quantity (tones) (Pet Coke/Wood)	1763.43	5398.60
Total cost (₹)	13530625.00	20344140.00
Average rate (In Kgs)	7.67	3.77
<b>3. Furnace oil</b>		
Quantity (Kgs/Ltrs)	420107.00	675660.00
Total amount (₹)	12193333.00	17093556.00
Average rate	29.02	25.30
<b>4. Others / Internal generations</b>	N.A.	N.A.
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>		
Electricity	0.81	0.72
Coal	1.21	2.14
Furnace Oil	0.28	0.27



**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.
- (4) Expenditure on R&D by Company's In-house R&D Unit:
  - (a) Capital : ₹6.56 lacs
  - (b) Recurring : ₹41.20 lacs
  - (c) Total : ₹47.76 lacs
  - (d) Total R&D expenditure (as % of total expenditure) : 0.53%

**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 ₹1678.99 lacs (previous year ₹1923.60 lacs)
- (3) Total foreign exchange earned ₹2801.60 lacs (previous year ₹3134.08 lacs)

ON BEHALF OF THE BOARD

**NEW DELHI**  
**AUGUST 26, 2011.**

**(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 Eight (8) Directors, of which 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 31.03.2011, 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	5	None
2.	Mr. M.P.Gupta	Executive Director	5	None
3.	Mr. R.P.Gupta	Executive Director	4	None
4.	Mr. Ajay Gupta	Executive Director	None	None
5.	Mr. Sandesh Jain	Independent / Non-Executive Director	3	3
6.	Mr. Naresh Agarwal	Independent / Non-Executive Director	1	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 2010-11, Eighteen (18) Board Meetings were held. The dates on which the said meetings were held are as follows:

15.04.2010	30.04.2010	08.06.2010	15.07.2010	23.07.2010	26.07.2010
29.07.2010	14.08.2010	26.08.2010	18.09.2010	25.09.2010	22.10.2010
28.10.2010	15.11.2010	30.11.2010	24.01.2011	15.02.2011	31.03.2011

The Annual General Meeting was held on 20.08.2010.

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 20.08.2010
1.	Mr. S.N.Gupta	Chairman & Managing Director	18	Yes
2.	Mr. M.P.Gupta	Executive Director	18	Yes
3.	Mr. R.P.Gupta	Executive Director	17	Yes
4.	Mr. Ajay Gupta	Executive Director	13	No
5.	Mr. Sandesh Jain	Independent / Non-Executive Director	17	Yes
6.	Mr. Naresh Agarwal	Independent / Non-Executive Director	09	No
7.	Mr. Pankaj Gupta	Independent / Non-Executive Director	17	No
8.	Mr. Ram Kanwar	Independent / Non-Executive Director	05	Yes



### 3. AUDIT COMMITTEE

#### i) Composition and Category of Members

Presently the Audit Committee comprises of three members all of which are Independent/ Non-Executive Directors. As on 31.03.2011, the composition of the Audit Committee was as under:

Sr. No.	Name of the Member	Category of Member
1.	Mr. Sandesh Jain, Chairman	Independent / Non-Executive Director
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director
3.	Mr. Pankaj Gupta	Independent / Non-Executive Director

Mr. Sandesh Jain is a Chairman of the Committee and the Company Secretary acts as the Secretary of the Audit Committee.

#### ii) Meetings and Attendance

During the financial year 2010-11, Five (5) meetings were held. The dates on which the said meetings were held are as follows:

30.04.2010	26.07.2010	14.08.2010	15.11.2010	15.02.2011
------------	------------	------------	------------	------------

The attendance of the members in the meetings was:

Sr. No.	Name of the Member	Category of Member	Numbers of Meetings Attended
1.	Mr. Sandesh Jain	Independent / Non-Executive Director	05
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director	05
3.	Mr. Pankaj Gupta	Independent / Non-Executive Director	05

#### iii) Brief description of terms of reference

The terms of reference to the Audit Committee are as per guidelines given in the Code of Corporate Governance and Clause 49 of the Listing Agreement.

### 4. REMUNERATION COMMITTEE

#### i) Composition and Category of Members

Presently the Remuneration Committee comprises of three (3) members all of which are Independent/Non-Executive Directors. As on 31.03.2011, the composition of the Remuneration Committee was as under:

Sr. No.	Name of the Member	Category of Member
1.	Mr. Sandesh Jain, Chairman	Independent / Non-Executive Director
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director
3.	Mr. Pankaj Gupta	Independent / Non-Executive Director

Mr. Sandesh Jain is a Chairman of the Committee and the Company Secretary acts as the Secretary of the Remuneration Committee.

#### ii) Meetings and Attendance

During the financial year 2010-11, One (1) meeting was held. The date on which the said meeting was held is 25.09.2010.



The attendance of the members in the meetings was:

Sr. No.	Name of the Member	Category of Member	Numbers of Meetings Attended
1.	Mr. Sandesh Jain	Independent / Non-Executive Director	01
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director	01
3.	Mr. Pankaj Gupta	Independent / Non-Executive Director	01

**iii) Brief description of terms of reference**

The terms of reference to the Remuneration Committee are as per guidelines given in the Code of Corporate Governance and Clause 49 of the Listing Agreement.

**iv)** The Remuneration Committee has power to determine the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and such other terms of reference as may be assigned to it by the Board of Directors from time to time.

**v) Details of remuneration to the whole time directors during the year 2010-11:**

(Amount in ₹)

Particulars	Mr. S.N.Gupta	Mr. M.P.Gupta	Mr. R.P.Gupta	Mr. Ajay Gupta
Salary	3,954,874	1,793,088	1,432,791	1,672,743
Employer contribution to P/F	Nil	9,360	9360	9,360
Bonus	Nil	Nil	Nil	8,400
<b>Total</b>	<b>3,954,874</b>	<b>1,802,448</b>	<b>1,442,151</b>	<b>1,690,503</b>

All the whole-time directors have been provided the Company's telephone at their residences for official use.

No sitting fee has been given to any director during the year under review.

**5. SHAREHOLDERS' COMMITTEE**

**A) Shareholders and Investors' Grievance Committee**

**i) Composition and Category of Members**

The Shareholders and Investors' Grievance Committee of the Board of Directors comprised of three (3) members. As on 31.03.2011, the composition of the Committee was as under:

Sr.No.	Name of the Member	Category of Member
1.	Mr. Pankaj Gupta, Chairman	Independent / Non-Executive Director
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director
3.	Mr. M.P.Gupta	Executive Director

Mr. Pankaj Gupta is the Chairman of the Committee. The Compliance Officer acts as a Secretary of the Shareholders and Investors' Grievance Committee.

**ii) Meetings and Attendance**

During the financial year 2010-11, Four (4) meetings were held. The dates on which the said meetings were held are as follows:

01.04.2010	01.07.2010	01.10.2010	03.01.2011
------------	------------	------------	------------



The attendance of the Members in the meetings was:

Sr. No.	Name of the Member	Category of Member	Numbers of Meetings Attended
1.	Mr. Pankaj Gupta	Independent / Non-Executive Director	4
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director	3
3.	Mr. M.P.Gupta	Executive Director	4

**iii) Brief description of terms of reference**

The terms of reference of the Investors' Grievance Committee are as per the guidelines given in the Listing Agreement with the Stock Exchanges and includes looking into Investors' Complaints/Grievances, approval and registration of transfers and/or transmission of securities and allotment of further securities and all incidental head thereto.

- iv) During the financial year 2010-11, the Shareholders & Investors' Grievance Committee Meeting of the Company took on record the status of Eight (8) complaints/requests received from the shareholders. The average time taken to resolve the complaints was 7 days.
- v) There was no complaint, which was not resolved to the satisfaction of the shareholder.
- vi) The Company had no pending share transfers and transmission of shares at the close of the financial year.

**B) Shares Transfer Committee**

The Company has also formed the Shares Transfer Committee and the Board has delegated the power of shares transfer to this committee. As on date Mr. M.P.Gupta, Mr. R.P.Gupta, Whole Time Directors and Mr. Sandesh Jain, Director of the Company are its members. The Committee is meeting on an average basis three (3) times in a month to transact the cases related with shares transfers and dematerialisation of shares.

**6. GENERAL BODY MEETINGS**

No. of AGM	Year ended	Venue	Date and Time	Whether Special Resolution passed?
21st	31.03.2010	Satyam Banquets 6, Bhera Enclave, Outer Ring Road, Paschim Vihar, New Delhi-110087	20.08.2010 10:30A.M.	No
20th	31.03.2009	Satyam Banquets 6, Bhera Enclave, Outer Ring Road, Paschim Vihar, New Delhi-110087	25.09.2009 10:30A.M.	Yes
19th	31.03.2008	Satyam Banquets 6, Bhera Enclave, Outer Ring Road, Paschim Vihar, New Delhi-110087	29.09.2008 10:30A.M.	No

**7. DISCLOSURES**

**i) Details of materially significant related party transactions**

None of the transactions with any of the related parties mentioned in the Notes to the Accounts were in conflict with the interest of the Company. The transactions entered into are based on consideration of various business exigencies such as synergy in operations sectoral specialization etc. and are negotiated on arms length basis and are only intended to further the interest of the Company.



**ii) Compliance by the Company**

The Company has complied with the requirements of Stock Exchanges, SEBI and other Statutory Authority(ies) during the preceding three financial years on all matters related to Capital Markets and no penalties/strictures were imposed on the Company.

**8. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

The Board at its meeting held on December 1, 2005 has adopted the Code of Conduct. This Code is a comprehensive code applicable to all Directors, Executives as well as Non-Executives, as well as members of Senior Management.

A copy of the Code of Conduct has been put on the Company's Website, viz. [www.bharatgroup.co.in](http://www.bharatgroup.co.in).

The Code has been circulated to all the members of the Board and Senior Management and they have affirmed the Compliance of the same. A declaration signed by the Chairman & Managing Director is given below:

**"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of financial year 2010-11."**

**(S.N.GUPTA)**

*Chairman & Managing Director*

**9. WHISTLER BLOWER MECHANISM**

The Company promotes ethical behavior in all its business activities and has put in places mechanism of reporting illegal or unethical behavior. Employees are free to report violation of laws, rules and regulations or unethical conduct to their immediate Supervisors/notified Persons/Audit Committee. The report received from any employee will be reviewed by the Directors/Senior Management/Audit Committee and are obligated to maintain confidentiality of such reporting and ensure that the Whistler Blower are not subjected to any discriminatory practice.

**10. MEANS OF COMMUNICATION**

- i) The quarterly, half-yearly and annual financial results are generally published in the widely circulating national and local newspapers such as "**The Financial Express**" - English Edition and "**Jansatta**" - Hindi Edition. These are not sent to the shareholders.
- ii) **Website** : The Company's financial results/official news releases and other important investor related information are periodically displayed and updated on the Company's website, viz. [www.bharatgroup.co.in](http://www.bharatgroup.co.in).
- iii) Presentation made to institutional investors or to the analysts: Not Applicable.
- iv) Management Discussion and Analysis Report forms part of Directors' Report.

**11. GENERAL SHAREHOLDERS' INFORMATION****i) Annual General Meeting**

The next annual general meeting is scheduled to be held at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110 087, on Thursday, the 29th September, 2011, at 10:30 A.M.

**ii) Financial Calender for the year 2011-12****a) Financial Reporting for -**

- Quarter ending 30.06.2011	:	Till 14th August, 2011
- Quarter ending 30.09.2011	:	Till 14th November, 2011
- Quarter ending 31.12.2011	:	Till 14th February, 2012
- Quarter ending 31.03.2012	:	Till 15th May, 2012

**b) Annual General Meeting for the year ended 31.03.2011**

: End of September, 2011



**iii) Book Closure Date**

The register of members and share transfer books of the Company will remain closed from 24.09.2011 to 29.09.2011 (both days inclusive).

**iv) Dividend**

**i) Dividend Payment Date**

The Dividend, if approved by the members in the ensuing Annual General Meeting, will be paid on or before 28th October, 2011 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 24th September, 2011; 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 24th September, 2011.

**ii) Unclaimed Dividend**

The Unclaimed Dividend for the financial years ended on 31.03.2008, 31.03.2009 and 31.03.2010 lying in the Unpaid Dividend Account will be transferred to the Investors Education and Protection Fund (IEPF) Account of the Central Government after completion of seven years from the date of their respective transfer to Unpaid Dividend Account. Members who have not encashed their dividend may lodge their claim with the Company immediately. Thereafter no claim shall lie either with the Central Government or with the Company in respect of such dividend.

**v) Listing on Stock Exchange**

Company's shares are listed at **National Stock Exchange of India Limited (NSE)** and upto date annual listing fees has been paid to them.

**vi) Stock Code**

National Stock Exchange of India Limited : **BHARATRAS**

**vii) Market Price Data and Sensex Comparison (High/Low)**

Monthly High and Low quotations of shares traded and Sensex on NSE during the financial year 2010-11 are as follows:

Month and Year	NSE Market Price Data		NSE[S&P Nifty] Indices	
	High (in ₹)	Low (in ₹)	High	Low
April, 2010	88.95	75.00	5399.65	5160.90
May, 2010	124.00	65.05	5278.70	4786.45
June, 2010	124.00	91.55	5366.75	4961.05
July, 2010	113.20	90.10	5477.50	5225.60
August, 2010	112.35	90.00	5549.80	5348.90
September, 2010	98.05	87.25	6073.50	5403.05
October, 2010	100.30	88.00	6284.10	5937.10
November, 2010	99.75	72.75	6338.50	5690.35
December, 2010	92.50	73.30	6147.30	5721.15
January, 2011	102.00	72.50	6181.05	5416.65
February, 2011	89.75	72.05	5599.25	5177.70
March, 2011	94.00	75.30	5872.00	5348.20



viii) As per the Green Initiative taken by the Government to ensure paperless compliance by the Companies, the government has issued a **Circular bearing No. 18/2011 dated 29.04.2011 of Ministry of Corporate Affairs (MCA), all members are requested to provide/update their E-mail address(es) with the Company and with the concerned depository(ies) for sending of Notices and Annual Report(s)** to save the natural resources of the nation.

ix) **Registrar and Share Transfer Agent and Share Transfer System of the Company**

The shares are accepted for registration and transfer at the registered office and also at the office of Registrar and Share Transfer Agent (RTA) - **M/s. Link Intime India Pvt. Limited (LIPL)**. LIPL has a separate department headed by the Deputy Head - Share Registry, and assisted by dealing assistants to attend the investors' queries on issue of share certificates, share transfers and related matters. LIPL is fully equipped with the latest computers and professional manpower to undertake the activities of share transfers and redressal of shareholders' grievances. LIPL processes the shares for transfer and forwards the same to the Company for approval of the Shares Transfer Committee of the Board set up for the purpose. The Committee meets periodically for approving shares transfer and other related activities.

This Committee is working under the Chairmanship of Mr. M.P.Gupta, Executive Director. The shareholders who donot get prompt response from the R&T Agent may write to Mr. Pankaj Gupta, Non-Executive Director and Chairman of Shareholders and Investors' Grievance Committee at the Registered Office of the Company.

The address and other details of our Registrar and Share Transfer Agent (RTA) is as follows:

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



x) Distribution of Shareholding as on 31.03.2011

Category Code	Category of Shareholder	No. of shareholders	Total No. of shares	No. of shares held in Demat Mode	Total shareholding as a % of total number of shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B) (VI)	As a % of (A+B+C) (VII)	No. of Shares (VIII)	As a % (IX) = [(VIII)/IV]*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>							
(1)	<b>Indian</b>							
(a)	Individuals / Hindu Undivided Family	15	2804546	2804546	66.0089%	66.0089%	-	-
(b)	Bodies Corporate	3	372221	372221	8.7607%	8.7607%	-	-
	<b>Sub-Total (A)(1)</b>	<b>18</b>	<b>3176767</b>	<b>3176767</b>	<b>74.7696%</b>	<b>74.7696%</b>	-	-
(2)	<b>Foreign</b>							
	<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-
	<b>Total shareholding of Promoter &amp; Promoter Group [(A)+(A)(1)+(A)(2)]</b>	<b>18</b>	<b>3176767</b>	<b>3176767</b>	<b>74.7696%</b>	<b>74.7696%</b>	-	-
(B)	<b>PUBLIC SHAREHOLDING</b>							
(1)	<b>Institutions</b>							
	<b>Sub-Total (B)(1)</b>	-	-	-	-	-	N.A.	N.A.
(2)	<b>Non-Institutions</b>							
(a)	<b>Bodies Corporate</b>	62	475108	472608	11.1823%	11.1823%	N.A.	N.A.
(b)	<b>Individuals</b>							
i)	Individual shareholders holding nominal share capital upto ₹1 lakh	4023	582049	272595	13.6993%	13.6993%	-	-
ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh	1	13893	13893	0.3270%	0.3270%	-	-
(c)	<b>Any Other - NRIs &amp; Clearing Members</b>	15	923	923	0.0217%	0.0217%	-	-
	<b>Sub-Total (B)(2)</b>	<b>4101</b>	<b>1071973</b>	<b>760019</b>	<b>25.2304%</b>	<b>25.2304%</b>	-	-
	<b>Total Public Shareholding [(B)-(B)(1)+(B)(2)]</b>	<b>4101</b>	<b>1071973</b>	<b>760019</b>	<b>25.2304%</b>	<b>25.2304%</b>	<b>N.A.</b>	<b>N.A.</b>
	<b>TOTAL (A) + (B)</b>	<b>4119</b>	<b>4248740</b>	<b>3936786</b>	<b>100.0000%</b>	<b>100.0000%</b>	-	-
(C)	<b>SHARES HELD BY CUSTODIAN AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED</b>							
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>4119</b>	<b>4248740</b>	<b>3936786</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>N.A.</b>	<b>N.A.</b>



**xi) Dematerialisation of shares and liquidity**

The ISIN of the Company's shares is INE838B01013. After dematerialisation of shares the shareholders must contact their DPs for any information/ instructions in respect of their shareholdings.

As on 31.03.2011, the status of dematerialisation of equity shares of the Company was as under:

Sr. No.	Particulars	Shareholders		Shareholding	
		(In Nos.)	(In %)	(In Nos.)	(In %)
1.	N.S.D.L.	1,409	34.21%	36,01,928	84.78%
2.	C.D.S.L.	487	11.82%	3,34,858	7.88%
3.	Physical	2,223	53.97%	3,11,954	7.34%
	Total	4,119	100.00%	42,48,740	100.00%

**xii) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity**

The Company has not issued any GDR or ADR Warrants or any convertible instruments.

**xiii) Plant Location**

- 2 KM Stone, Madina-Mokhra Road, Village Mokhra, Tehsil Meham, Distt. Rohtak (Haryana).
- 42/4, GIDC Industrial Estate, Dahej, Distt. Bharuch- 392 130, Gujarat.
- Mambapur/Gummadidala Village, Jinnaram Mandal, Distt. Medak-502 313, Andhra Pradesh.

**xiv) Address for Correspondence**

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

ON BEHALF OF THE BOARD

NEW DELHI  
AUGUST 26, 2011

(S.N.GUPTA)  
CHAIRMAN & MANAGING DIRECTOR

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of  
BHARAT RASAYAN LIMITED**

We have examined the compliance of conditions of Corporate Governance by Bharat Rasayan Limited for the year ended on 31st March, 2011, as stipulated in Clause-49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

The Share Transfer Agent of the Company has certified the number of complaints received from the investors and the number of complaints resolved during the financial year and that there are no complaints pending as at the year end as stated in the Company's report on Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **B.K.GOEL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

NEW DELHI,  
AUGUST 26, 2011

(B.K.GOEL)  
Proprietor  
Membership No.082081  
[Firm Regn. No. 016642N]



## AUDITORS' REPORT

### TO THE MEMBERS OF BHARAT RASAYAN LIMITED

#### Friends,

We have audited the attached Balance Sheet of Bharat Rasayan Limited (as an amalgamated company after amalgamation of Siris Crop Sciences Limited as an amalgamating company) as at 31st March, 2011, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and report that:

1. As required by the Companies (Auditors' Report) Order 2003, as amended by the Companies (Auditor's Report) order (Amendment) 2004 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such examination of the books and records of the Company as we considered appropriate and according to information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. We have not audited the financial statements of the erstwhile amalgamating company Siris Crop Sciences Limited for the year ended 31.03.2011 because the Scheme of Amalgamation was subject to sanction by Hon'ble High Court of Delhi. These financial statements as a stand alone unit have been audited by the other auditors whose report have been furnished to us and our opinion in so far as it relates to the respective amounts merged with the amalgamated company after giving effect to the changes in accounting policies discussed in notes and the effect of amalgamation on "pooling of interest method" is based solely on the report

of the other auditors.

3. Further to our comments in the Annexure referred to in paragraph 1 above, we state that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
  - c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit & Loss Account and Cash Flow Statement read together with significant accounting policies & notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:-
    - 1) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
    - 2) in so far as it relates to the Profit & Loss account, of the Profit for the year ended on 31st March, 2011.
    - 3) in so far as it relates to the Cash Flow Statement, of the cash flows for the year ended on that date:
4. On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **B.K.GOEL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

NEW DELHI,  
AUGUST 26, 2011.

(**B.K.GOEL**)  
Proprietor  
Membership No.082081  
[Firm Regn. No. 016642N]



**ANNEXURE TO THE AUDITORS' REPORT**

- i. (a) According to the information and explanations given to us and as certified by the management, the Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) According to the information and explanations given to us, the management has conducted physical verification of major fixed assets during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were said to have noticed on such verification.
- (c) According to the information and explanations given to us the Company has not disposed off substantial part of fixed assets.
- ii. (a) Physical verification of inventories has been conducted at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventories, and based on the information and explanation given to us discrepancies noticed on physical verification were not material in relation to the operation of the Company and the same have been properly dealt with in the book of accounts.
- iii. According to the information and explanations given to us the Company had granted loans by way of Inter Corporate Deposit to one Company named Siris Crop Sciences Limited which by virtue of Scheme of Amalgamation sanctioned by Hon'ble High Court of Delhi on 19.07.2011 w.e.f 01.04.2010 amalgamated with your Company. Hence the provisions of this clause are no more applicable.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- v. a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, and exceeding the value of ₹5.00 Lacs in respect of any such party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA and other relevant provisions of the Companies Act, 1956 and the Companies ( Acceptance of Deposits) Rules, 1975, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the said deposits.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of its products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under Section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate or complete.



- ix. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. Some disputed issues on deductions U/s 80IA and 80HHC for Asstt Year 1997-98 to 2001-02 has been decided against the Company by Hon'ble High Court of Delhi. Quantum for tax liability giving effect to the orders has not yet decided and paid.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable.
- x. The Company is a profit making company and having Nil accumulated losses up to 31.03.2011. Further the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- xii. We are of the opinion that the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of special Statute applicable to Chit Fund/Nidhi/Mutual benefit fund/Societies are not applicable to the Company.
- xiv. The Company has dealt with trading in marketable bonds/securities in its own name for which proper records have been maintained. Trading in the said bonds/securities was executed by the Company with intend to invest its surplus funds with a view to earn income from investment.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from Banks or other financial institutions.
- xvi. The Company has neither taken any term loans during the year nor outstanding such term loan carried over from earlier years.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- xviii. The Company has not made any preferential allotment of shares during the year.
- xix. The Company has not issued any debentures during its lifetime.
- xx. The Company has not raised any money by way of any public issue during the year. .
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For **B.K.GOEL & ASSOCIATES**  
*CHARTERED ACCOUNTANTS*

**NEW DELHI,**  
**AUGUST 26, 2011.**

**(B.K.GOEL)**  
*Proprietor*  
*Membership No.082081*  
*[Firm Regn. No. 016642N]*





**BALANCE SHEET AS AT 31st MARCH, 2011**

Particulars	Schedule No.	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	42,487,400	42,487,400
Reserves & Surplus	2	394,860,295	437,347,695
			387,378,733
			429,866,133
<b>Loan Funds</b>			
Secured Loans	3	84,001,471	37,771,121
Unsecured Loans	4	610,000	84,611,471
			50,000
			37,821,121
Deferred Tax Liability (See Note No. 28)	21	18,609,587	5,949,078
		<u>540,568,753</u>	<u>473,636,332</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	449,058,457	200,111,516
Less : Depreciation		216,769,855	144,254,531
NET BLOCK		232,288,602	55,856,985
Investment (At Cost)	6	11,115,400	114,153,545
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	7	118,223,486	126,402,576
Machinery Spare Parts & Others (WIP) -		10,574,072	9,375,755
Sundry Debtors	8	159,305,773	169,231,114
Cash & Bank Balances	9	4,403,610	20,723,206
Other Current Assets	10	6,534,497	5,110,526
Loans & Advances	11	106,016,677	102,268,679
<b>TOTAL - [A]</b>		<u>405,058,115</u>	<u>433,111,856</u>
<b>Current Liabilities &amp; Provisions</b>			
Liabilities	12	96,706,057	119,622,260
Provisions	13	11,862,235	9,863,794
<b>TOTAL - [B]</b>		<u>108,568,292</u>	<u>129,486,054</u>
<b>NET CURRENT ASSETS [ A - B ]</b>		<b>296,489,823</b>	303,625,802
<b>MISC. EXPENDITURE</b> (To the extent not written off)		674,928	
		<u>540,568,753</u>	<u>473,636,332</u>
<b>Significant accounting policies and notes to accounts</b>	21		

Annexure to our report of even date  
for **B.K. GOEL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

FOR & ON BEHALF OF THE BOARD

**B. K. GOEL**  
Proprietor  
Membership No. 082081  
[Firm Regn. No. 016642N]  
**NEW DELHI**  
**AUGUST 26, 2011**

**ITTI BHARGAVA**  
Company  
Secretary

**S. N. GUPTA** Chairman & Managing Director  
**M. P. GUPTA**  
**R. P. GUPTA**  
Directors



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011**

	Schedule No.	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
<b>INCOME</b>			
Income from operation	20	<b>939,249,843</b>	1,014,644,583
Other Income	19	<b>41,522,219</b>	14,058,803
		<b>980,772,062</b>	1,028,703,386
<b>EXPENDITURE</b>			
Cost of goods consumed/sold	14	<b>633,843,368</b>	704,387,356
Manufacturing Expenses	15	<b>95,117,920</b>	103,869,749
Personnel Expenses	16	<b>69,623,834</b>	49,295,028
Administrative & Selling Expenses	17	<b>83,187,361</b>	73,988,639
Interest	18	<b>567,820</b>	1,525,326
Depreciation	5	<b>18,139,713</b>	8,758,654
		<b>900,480,016</b>	941,824,752
<b>Profit before tax</b>		<b>80,292,046</b>	86,878,634
Less: Provision for Taxation - Current Year		<b>16,603,619</b>	29,598,351
Less: Provision for Taxation - Previous Year		—	33,518
Add: MAT Credit c/f		<b>(8,620,775)</b>	—
Add/(Less): Deferred Tax Assets/(Liability)		<b>(13,418,627)</b>	834,459
<b>Profit after tax</b>		<b>58,890,575</b>	58,081,224
Adjustments after tax			
Provision for Dividend Distribution Tax		<b>827,102</b>	1,270,193
Provision for Dividend		<b>5,098,488</b>	7,647,732
		<b>52,964,985</b>	49,163,299
Add : Balance brought forward from previous year		<b>2,378,733</b>	3,215,434
Balance available for appropriation		<b>55,343,718</b>	52,378,733
<b>Appropriations</b>			
Transferred to General Reserve		<b>7,000,000</b>	50,000,000
Balance being surplus carried to Balance Sheet		<b>48,343,718</b>	2,378,733
		<b>55,343,718</b>	52,378,733
Earning Per Share - Basic & Diluted		<b>13.86</b>	13.67
Face Value Per Share		<b>10.00</b>	10.00

**Significant accounting policies and notes to accounts** 21

Annexure to our report of even date  
for **B.K. GOEL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

FOR & ON BEHALF OF THE BOARD

**B. K. GOEL**  
Proprietor  
Membership No. 082081  
[Firm Regn. No. 016642N]

**ITTI BHARGAVA**  
Company  
Secretary

**S. N. GUPTA** Chairman & Managing Director  
**M. P. GUPTA**  
**R. P. GUPTA**  
Directors

**NEW DELHI**  
**AUGUST 26, 2011**



**Bharat RASAYAN LIMITED**  
22nd Annual Report 2010-2011

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
20,000,000 Equity Shares of ₹10/- each Increased due to Amalgamation with Siris Crop Sciences Ltd. as per Order of Hon'ble Delhi High Court	<u>200,000,000</u>	<u>100,000,000</u>
<b>Issued, Subscribed &amp; Paid-Up</b>		
4,248,740 Equity Shares of ₹10/- each	<u>42,487,400</u>	<u>42,487,400</u>
<b>SCHEDULE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>General Reserve</b>		
— At the commencement of the year	385,000,000	335,000,000
— Adjustments as per AS 14 for Amalgamation with Siris Crop Sciences Ltd.	(45,483,423)	—
— Transferred from the Profit & Loss Account	7,000,000	50,000,000
	<u>346,516,577</u>	<u>385,000,000</u>
<b>Surplus being balance in Profit &amp; Loss Account</b>	<b>48,343,718</b>	<b>2,378,733</b>
	<u>394,860,295</u>	<u>387,378,733</u>
<b>SCHEDULE - 3</b>		
<b>SECURED LOANS</b>		
<b>Working Capital Borrowings</b>		
State Bank of India* ( incl. Buyer's Credit & L/C Discount)	84,001,471	32,758,147
HDFC BANK	—	5,012,974
	<u>84,001,471</u>	<u>37,771,121</u>
*The borrowings are secured by way of :		
1) Hypothecation of raw materials, finished goods, semi-finished goods, stores, spares and book debts, both present and future, of the Company.		
2) Equitable mortgage of the land & factory building, plant & machinery and other assets of the Company at Village Mokhra, Distt. Rohtak, Haryana.		
<b>SCHEDULE - 4</b>		
<b>UNSECURED LOANS</b>		
Security Deposits from Customers	50,000	50,000
Fixed Deposit accepted from others	560,000	—
	<u>610,000</u>	<u>50,000</u>



**SCHEDULE - 5  
FIXED ASSETS**

(Amount in ₹)

Particulars	Gross Block (At Cost)					Depreciation					Net Block	
	As at 01.04.10 (Merged)	Additions during the year	Sales during the year	Adjustment	As at 31.03.11	Up to 01.04.10 (Merged)	For the Year	Adjustment	Profit/Loss on Assets	Upto 31.03.11	As at 31.03.11	As at 01.04.10 (Merged)
1. Land	86,584,679	-	-	-	86,584,679	-	-	-	-	-	86,584,679	86,584,679
2. Building	34,250,118	403,589	-	-	34,653,707	18,010,362	1,499,524	-	-	19,509,886	15,143,821	16,239,756
4. Plant & Machinery	265,274,528	13,505,110	2,007,586	1,904,176	274,867,876	171,138,235	15,401,078	1,904,176	720,077	183,915,060	90,952,816	94,136,293
5. Furniture & Fixture	2,827,697	16,544	-	-	2,844,241	2,091,805	133,736	-	-	2,225,541	618,700	735,892
6. Office Equipments	10,039,936	1,016,030	36,232	184,933	10,834,801	7,514,145	929,258	184,933	8,553	8,249,917	2,584,884	2,525,791
7. Vehicles	3,337,112	308,613	81,000	708,399	2,856,326	2,194,455	299,932	708,399	7,365	1,778,623	1,077,703	1,142,657
8. R&D Equipments	2,972,904	655,602	-	-	3,628,506	661,076	429,752	-	-	1,090,828	2,537,678	2,311,828
7. Capital-WIP	20,348,914	12,439,407	-	-	32,788,321	-	-	-	-	-	32,788,321	20,348,914
<b>Total</b>	<b>425,635,888</b>	<b>28,344,895</b>	<b>2,124,818</b>	<b>2,797,508</b>	<b>449,058,457</b>	<b>201,610,078</b>	<b>18,693,280</b>	<b>2,797,508</b>	<b>735,995</b>	<b>216,769,855</b>	<b>232,288,602</b>	<b>224,025,810</b>
Corresponding figures for the previous year	191,391,394	11,209,889	725,000	1,764,767	200,111,516	137,196,603	8,758,654	1,700,726	-	144,254,531	55,856,985	54,194,791

- Notes:**
1. Depreciation on Dahej Project Assets amounting to ₹1,23,815/- (Computers: ₹6,858/- and Vehicles: ₹1,16,958/-) being capitalized and shown in Capital WIP.
  2. Depreciation pertain to R&D Units charged amounting to ₹4,29,752/- under the head "R&D Expenses".

**As at 31.03.2011**  
(₹)

**As at 31.03.2010**  
(₹)

**SCHEDULE - 6**

**INVESTMENTS (AT COST)**

**Unquoted - other than Trade Investment**

2993850 Equity Shares of ₹10/- each (Fully Paid Up) in Siris Crop Sciences Limited- Eliminated due to Amalgamation with Siris Crop Sciences Limited	—	63,718,000
69930 Equity Shares of ₹10/- each Fully paid up of Pattancheru Enviro-Tech Limited	<b>699,300</b>	—
1761 Equity Shares of ₹100/- each Fully Paid up of Jeedimetla Effluent Treatment Limited	<b>176,100</b>	—

**Unquoted - Tradeable Investment**

100 6.85% Perpetual IIFCL Tax Free Bonds cum Interest	<b>10,240,000</b>	—
20 9.25% Perpetual IDBI Bonds cum Interest	—	20,214,389
20 9.65% Perpetual Yes Bank Bonds cum Interest	—	<b>11,115,400</b>
		<b>20,221,156</b>

**Quoted - Tradeable Investment**

999400.360 Units SBI Liquid Plus (Market Value ₹1.00 Crore)	—	10,000,000
<b>Total</b>	<b>11,115,400</b>	<b>114,153,545</b>

**SCHEDULE - 7**

**INVENTORIES**

(As taken, valued & certified by the management)

**A) Raw Materials & Other Consumable Goods**

i) Raw Materials, Consumable & Utilities	<b>64,819,187</b>	52,222,768
ii) Consumable Stores and Packing Materials	<b>1,244,548</b>	1,794,680
iii) Fuels	<b>3,276,590</b>	<b>69,340,325</b>
		<b>2,960,833</b>

**B) Stock-in-process**

**C) Finished Goods**

	<b>37,522,196</b>	46,071,524
	<b>11,360,965</b>	23,352,771
	<b>118,223,486</b>	<b>126,402,576</b>



## Bharat RASAYAN LIMITED

22nd Annual Report 2010-2011

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SCHEDULE - 8</b>		
<b>SUNDRY DEBTORS</b>		
<i>(Unsecured, Considered Good)</i>		
- Outstanding for more than 6 months	634,570	311,537
- Others	<u>158,671,203</u>	<u>168,919,577</u>
	<u>159,305,773</u>	<u>169,231,114</u>
<b>SCHEDULE - 9</b>		
<b>CASH &amp; BANK BALANCES</b>		
a. Cash in hand	1,066,489	273,555
b. Balances with Scheduled Banks & Other Banks		
i) in Current Accounts	2,752,498	20,123,004
ii) in Unpaid Dividend Accounts	<u>584,623</u>	<u>326,647</u>
	<u>4,403,610</u>	<u>20,723,206</u>
<b>SCHEDULE - 10</b>		
<b>OTHER CURRENT ASSETS</b>		
Fixed Deposits with State Bank of India (Margin Money for LC / BG)	<u>6,534,497</u>	<u>5,110,526</u>
<b>SCHEDULE - 11</b>		
<b>LOANS &amp; ADVANCES</b>		
<i>(Unsecured - Considered Good)</i>		
a) Loans		
Inter Corporate Deposits	141,044	49,463,947
b) Advances recoverable in cash or in kind or for value to be received		
i) Central Excise Duty, Service Tax, Vat & Income Tax	20,370,027	22,094,705
ii) Export Incentives Receivables	26,968,128	14,545,986
iii) Commissioner of Central Excise and Custom	8,959,650	3,832,083
iv) Suppliers, Staff and Others	<u>41,746,073</u>	<u>10,315,921</u>
	<u>98,043,878</u>	<u>50,788,695</u>
c) Security Deposits		
i) For Electricity and Power	1,707,707	1,707,707
ii) For Telephones & Telex	21,500	16,000
iii) with Suppliers and Others	<u>6,102,548</u>	<u>292,330</u>
	<u>7,831,755</u>	<u>2,016,037</u>
	<u>106,016,677</u>	<u>102,268,679</u>
<b>SCHEDULE - 12</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	50,650,596	97,431,232
Expenses Payable	22,972,453	21,764,372
Advance from Customers	22,498,385	100,009
Unclaimed Dividend	<u>584,623</u>	<u>326,647</u>
	<u>96,706,057</u>	<u>119,622,260</u>
<b>SCHEDULE - 13</b>		
<b>PROVISIONS</b>		
For income tax (Net of taxes paid)	5,936,645	945,869
For Dividend Distribution Tax	827,102	1,270,193
For Dividend	<u>5,098,488</u>	<u>7,647,732</u>
	<u>11,862,235</u>	<u>9,863,794</u>



**Bharat RASAYAN LIMITED**  
22nd Annual Report 2010-2011

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
<b>SCHEDULE - 14</b>		
<b>COST OF GOODS CONSUMED / SOLD</b>		
<b>Opening Stock</b>		
- Finished Goods	47,090,003	34,769,289
- Stock-in-process	55,208,275	28,728,448
- Raw Materials, Consumables & Others	<u>75,294,375</u>	<u>43,689,794</u>
	<b>177,592,653</b>	<b>107,187,531</b>
<b>Add : Purchases</b>		
- Raw Materials, Consumables & Others	<u>574,474,201</u>	<u>723,602,401</u>
	<b>752,066,854</b>	<b>830,789,932</b>
<b>Less : Closing Stock</b>		
- Finished Goods	11,360,965	23,352,771
- Stock-in-process	37,522,196	46,071,524
- Raw Materials, Consumables & Others	<u>69,340,325</u>	<u>56,978,281</u>
(As taken, valued & certified by the management)	<u><b>633,843,368</b></u>	<u><b>704,387,356</b></u>

<b>SCHEDULE - 15</b>		
<b>MANUFACTURING EXPENSES</b>		
Freight & Cartage Inward	11,991,629	17,062,201
Power & Electricity	28,005,554	15,696,772
Testing Expenses	6,329,400	8,399
Machinery Repairs & Maintenance	16,277,509	42,929,152
Factory Maintenance	7,151,713	9,663,328
Laboratory Expenses	1,334,991	905,357
Job Work Expenses	4,360,591	1,155,074
R & D Expenses	4,119,909	4,150,952
ETP Expenses	<u>15,546,624</u>	<u>12,298,514</u>
	<b>95,117,920</b>	<b>103,869,749</b>

<b>SCHEDULE - 16</b>		
<b>PERSONNEL EXPENSES</b>		
Salaries, Wages, Bonus and Staff Accomodation	61,203,706	42,838,939
Staff and Labour Welfare Expenses	1,764,447	1,012,990
Employer's contribution to Provident Fund & ESI	2,715,082	1,903,298
Diwali Expenses	303,507	253,612
Staff Bus Expenses	2,563,062	1,647,720
Premium for Employees' Gratuity Policy	750,639	1,142,744
Workers Safety Expenses	<u>323,391</u>	<u>495,725</u>
	<b>69,623,834</b>	<b>49,295,028</b>



**Bharat RASAYAN LIMITED**  
22nd Annual Report 2010-2011

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
<b>SCHEDULE - 17</b>		
<b>ADMINISTRATIVE &amp; SELLING EXPENSES</b>		
Advertisement Expenses	15,708,119	10,853,320
Amalgamation Expenses W/o	168,732	—
AGM Expenses	14,175	9,125
<u>Audit Fee</u>		
- to Statutory Auditors - as Audit Fees	150,000	135,000
- to Statutory Auditors- as Advisors - Management Services	121,000	107,000
- to Other Auditors	195,000	466,000
Bad Debts	—	—
Bank Charges	2,166,564	3,061,064
Books, Periodicals and Subscriptions	634,661	525,213
Building Repairs & Maintenance	1,611,419	878,337
Business Promotion Expenses	4,085,404	2,398,933
Car Repairs & Maintenance	380,022	175,463
Commission Paid	5,714,925	20,316,875
Computer Expenses	255,175	597,149
Conveyance Expenses	972,956	832,568
Directors' Remuneration	8,889,976	9,653,181
Donations	5,250,700	2,515,200
Electricity Charges	313,097	238,188
Freight & Cartage Outward	11,422,585	6,675,847
Hire Charges	1,062,628	880,832
Insurance Charges	2,864,903	1,578,105
Legal & Professional Expenses	10,072,851	7,200,482
Listing Fee	15,000	15,000
Loss on Investments	453,732	—
Miscellaneous and General Expenses	204,012	194,815
Office Expenses	790,774	451,400
Postage, Telegram & Telephone Expenses	1,219,473	866,190
Printing & Stationery	354,424	420,060
Rates & Taxes	1,233,495	481,143
Rebates	1,896,498	119,274
Rent Paid	164,130	41,640
Sales Tax Paid	—	205
Security Services	2,696,706	906,016
Service Tax Paid	16,434	134,209
Tour & Travelling Expenses	2,087,791	1,726,805
	<u>83,187,361</u>	<u>73,988,639</u>
<b>SCHEDULE - 18</b>		
<b>INTEREST PAID</b>		
To Bank & others	<u>567,820</u>	<u>1,887,810</u>



## Bharat RASAYAN LIMITED

22nd Annual Report 2010-2011

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
<b>SCHEDULE - 19</b>		
<b>OTHER INCOME</b>		
Rental Charges of Cylinders	54,000	109,000
Interest Received on Investments	1,993,165	12,613,923
Income from Dividend / Mutual Fund	276,394	640,186
Profit/(Loss) on Sale of Fixed Assets	735,995	(64,041)
Bad debts Recovered	783,292	100,000
Exchange Difference	719	597,833
Other Income	22,923	61,902
Insurance Claim on fixed assets	37,007,998	—
<u>Interest received</u>		
- from Bank on FDR	632,353	362,484
- from Trade Debtors & Others	15,380	—
	<b>647,733</b>	<b>362,484</b>
	<u><b>41,522,219</b></u>	<u><b>14,421,287</b></u>

<b>SCHEDULE - 20</b>		
<b>INCOME FROM OPERATION</b>		
Sales	911,136,102	992,420,183
Export Incentives	18,833,897	21,760,744
Insurance Claim on sale of goods	45,744	463,656
Job Work Income	9,234,100	—
	<u><b>939,249,843</b></u>	<u><b>1,014,644,583</b></u>

### SCHEDULE - 21 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

- The Company follows the Accrual System of Accounting and on assumptions of an ongoing concern.
- The applicable Accounting standards have been followed in preparation of final Accounts.
- Depreciation has been provided for on written down value method as per Schedule XIV of the Companies Act, 1956.
- As per practice consistently followed, the consumption of raw materials is net of Cenvat Credit availed.
- Corresponding figures of the previous year have been regrouped and/or re-arranged wherever necessary.
- Cost of goods consumed/sold includes cost of raw materials, consumable stores, fuels/oils, packing materials & utilities.
- Details of managerial remuneration are as under:

	Year Ended 31.03.2011 (₹)	Year Ended 31.03.2010 (₹)
i) Salaries	8,853,496	9,625,101
ii) Monetary value of perquisites	36,480	28,080
	<u><b>8,889,976</b></u>	<u><b>9,653,181</b></u>





**Bharat RASAYAN LIMITED**  
22nd Annual Report 2010-2011

	Year Ended 31.03.2011 (₹)	Year Ended 31.03.2010 (₹)
<b>8. Computation of net profit in accordance with Section 198 of the Companies Act, 1956</b>		
Profit before income tax	80,292,046	86,878,634
Add : Directors' remuneration	8,889,976	9,653,181
Eligible Profit	<u>89,182,022</u>	<u>96,531,815</u>
Maximum remuneration allowable as per Section 309(3) of the Companies Act,1956 read with Schedule-XIII	<u>8,918,202</u>	9,653,181
Remuneration paid	<u>8,889,976</u>	<u>9,653,181</u>

9 Inventory have been valued at lower of cost or net realisable value. Raw Materials are valued on the basis of FIFO. In the case of finished goods cost comprises material, labour and factory overheads. Goods in process have been valued at raw material cost incurred upto the stage of production + conversion cost apportioned. Other Inventories are valued at cost. All the stocks have been certified by the management.

10 Sales have been accounted for exclusive of sales tax and excise duty wherever applicable and are net of returns and discounts. Exports benefits under DEPB Scheme have been accounted for separately. The Export benefits are accrued on the date of export. Sales do not include captive consumption.

11 Contingent Liabilities not provided for in respect of :

	As at 31.03.2011 (₹ in Lacs)	As at 31.03.2010 (₹ in Lacs)
i) Guarantees given to Addl. Excise & Taxation Commissioner, Panchkula	5.70	5.70
ii) Surety given to Dy. Excise & Taxation Commissioner (S.T. Rohtak)	8.16	8.16

- iii) 1. In respect of certain disallowances confirmed by Hon'ble Delhi High Court in the case of the Company for Asstt. Year 1997-98 to 2001-02, the demand has not yet ascertained and hence not taken into account.
2. In respect of the erstwhile Amalgamating Company Siris Crop Sciences Limited, following are the disputed / contingent liabilities:

Asstt Year	Amount of Tax involved	Remarks
2006-07	₹9,704,998/-	The assessee after getting relief from CIT (A) has received the refund but as the department has gone in appeal before ITAT, the tax involved is taken as a contingent liability.
2008-09	₹2,013,768/-	As the loss was assessed at ₹49,248,581/- against loss of ₹55,173,170/- as per return, demand for the year is nil. The disallowances are under appeal before CIT (A). Penalty proceedings have been initiated by AO which may result in contingent liability. The decrease in assessed loss may result in decrease eligible for set off brought forward losses and result in ultimate liability.



**12 Disclosures of Amalgamation (AS 14)**

(i) Objects of the scheme

Siris Crop Sciences Limited (SCSL) became wholly owned subsidiary of Bharat Rasayan Limited (BRL) on 27.09.2010 and was being managed by the same group. Therefore the Board of Directors of both the Companies considered it appropriate to amalgamate SCSL as Amalgamating Company with BRL as Amalgamated Company subject to the scheme to be approved by Hon'ble Delhi High Court to ensure:-

- (a) consolidation of business expansion and operations of both the group companies;
  - (b) reduction of overheads administrative, managerial and other expenditure, and bring about operational rationalization, efficiency and optimal utilization of various resources;
  - (c) better management, focus on growing the businesses, enhancement of economic value addition and shareholders' value;
  - (d) more efficient and economical control over the business and financial conduct of the companies;
  - (e) enhanced financial and growth prospects for the organisation and the people connected therewith.
- (ii) As per the scheme sanctioned by Hon'ble Delhi High Court on 19.07.2011, the scheme has become effective w.e.f the appointed date i.e 01.04.2010 however, became operative from 25.08.2011 after filing the certified copy of the sanctioned scheme with Registrar of Companies, NCT of Delhi & Haryana, New Delhi.
- (iii) With effect from the Appointed Date, i.e. 01.04.2010 and upon the Scheme becoming effective i.e. on 25.08.2011 the entire business and the whole of the undertaking(s) including all assets, liabilities, properties, rights, benefits etc. of SCSL became the integral part of BRL on pooling of interest method as contained in Accounting Standard 14- "Accounting for Amalgamations" as prescribed in the Companies (Accounting Standards) Rules, 2006, issued by the Ministry of Corporate Affairs.
- (iv) All the assets & liabilities of Amalgamating Company have been recorded in the books of the Amalgamated Company at their respective book values in the Amalgamating Company.
- (v) **Change in Accounting Policies of the Amalgamating Company (SCSL) to have uniformity with the Accounting Policies of Amalgamated Company (BRL).**

The impact on the profitability and/ or state of affairs on the BRL up to the appointed date due to difference in Accounting Policies has been quantified as under and adjusted in the Profit & Loss Account of the Amalgamated Company enabling the continuity of the financial results/ position of the Amalgamated Company on the basis of consistent Accounting Policies:-

- (a) Sales were booked inclusive of excise and sales tax in the books of SCSL whereas in the books of BRL sales were booked net of excise and sales tax. Figures of sales of SCSL has been booked accordingly as consistent accounting policy of BRL.
- (b) Provision for Leave Encashments was made in the books of SCSL based on actuarial valuation whereas BRL is recording it on payment basis. Balance of such provision ₹2,20,327/- in the books of SCSL has been reversed accordingly.
- (c) Valuation of stocks of finished goods was being made by SCSL including excise duty leviable there on because they were adopting inclusive method where as stocks were being valued excluding excise duty by BRL. Effect there of ₹23,94,642/- and ₹3,44,614/- in opening & closing stocks respectively has been accounted for accordingly.
- (d) Valuation of closing stocks in SCSL out of stock purchased from BRL has been reduced by ₹49,238/- to nullify the effect of inter-se unrealized profit. Accordingly Valuation of closing stocks in BRL out of purchases from SCSL has been reduced by ₹22,357/- to nullify the effect of Inter-se unrealized Profit.



(vi) Amalgamation of the two companies resulted in the following effects in the final accounts of the Amalgamated Company:-

- (a) The investment in the equity share capital of the Amalgamating Company as appearing in the books of the Amalgamated Company has been cancelled. Excess of amount invested by the Amalgamated Company over and above net book value of Amalgamating Company which works out to ₹4,54,83,423/- has been reduced from the general reserve of the Amalgamated Company.
- (b) The following inter-se transactions after 01.04.2010 have been cancelled to arrive at a true and fair view of the results:-

	(Amount in ₹)	
- Interest Received by BRL	9,35,809	Paid by SCSL
- Sales by SCSL	75,84,441	Purchase by BRL
- Purchase by SCSL	8,92,284	Sale by BRL
- Job Work income by SCSL	1,45,22,050	Paid by BRL
- Sale of other materials by SCSL	46,35,681	Purchase as Engg Stores by BRL
- Sale of Capital assets	9,38,000	Purchase By BRL

(vii) The Amalgamated Company has incurred a sum of ₹8,43,660/- towards amalgamation expenses up to 31.03.2011 and 1/5th of such expenses has been written off during the year under Section 35DD of the Income Tax Act, 1961.

(viii) As the Scheme of Amalgamation with Appointed Date as on 01.04.2010, became operative with effect from 25.08.2011 after filing the certified copy of the Order passed by the Hon'ble Delhi High Court, the audited results are being published as a amalgamated entity after taking effect of inter-se transactions and nullifying the effect of unrealised profits to the merged/ amalgamated entity. The Un-Audited Annual and Quarterly Results were published standalone without taking effect of accounting entries on account of amalgamation.

13 Previous year figures are the stand alone figures of BRL whereas the current year figures are of amalgamated entity as stated above in the Scheme of Amalgamation with SCSL, hence not comparable. However Cash Flow Statement of the amalgamated entity has been prepared comparing State of affairs of amalgamated entity as at the beginning and the close of the year.

**14 Borrowing Cost (AS 16)**

The manufacturing unit at Dahej (Gujarat) of the erstwhile amalgamating Company SCSL is under construction, plant & machinery and equipments are under procurement and installation. The Borrowing cost relating to acquisition/construction of qualifying assets are capitalised during the year. All other borrowing costs are charged to revenue.

**15 Impairment of Assets (AS 28)**

Specified assets are reviewed for impairment where ever events or changes in circumstances indicate that the carrying amount may not be recoverable. The company forsee no such impairment indication as on date.

**16 Prior period Items (AS 5)**

Provision for Leave Encashments was being made in the books of SCSL based on actuarial valuation whereas it is accounted for on payment basis in the books of BRL. Balance of such provision ₹1,99,888/- in the books of SCSL has been reversed accordingly during the year.

**17 Insurance Claim on Loss of fire**

The Amalgamating Company SCSL received a sum of ₹3,70,07,998/- during the year towards insurance claim against loss of fire in its factory at Hyderabad during financial year 2007-08. As the loss was booked as an expenditure in Profit & Loss Account in the financial year 2007-08, claim against is credited to the Profit & Loss A/c of the year under the head "Other Income".



**18 Segment Reporting**

Based on the guiding principles given in Accounting Standard AS-17 "Segment Reporting" notified in companies (Accounting Standards) Rules 2006, the Company's business segments includes only manufacturing of pesticides-technicals, formulations and its Intermediates in both Amalgamating as well as Amalgamated Company, hence constitutes one single segment.

19 The Management have followed appropriate accounting policies consistently. Judgements and estimates are prudently and reasonably used so as to give a true and fair view of the state of affairs of the Company as at 31.03.2011 and of the profit of the Company for the year ended on that date.

20 As the Hon'ble Punjab & Haryana High Court strucked down the constitutional validity of Haryana Local Area Development Tax imposed by the Haryana Govt., the Company has applied for refund of LADT deposited in the earlier years. However, matter is subjudice before Hon'ble Supreme Court.

21 The Company's manufacturing unit is a continuous processing unit and is located at a remote area. It needs uninterrupted 24 hours operation of its plant and hence all major spare parts, accessories, components for its huge plant has to be kept in reserve/stock to ensure the uninterrupted 24 hours operation of the plant. With the passage of time and due to fast changing technology, some very old/obsolete CWIP out of it has rare possibility of its use and has a market price at almost scrap value. Keeping in view the above, CWIP is valued at cost or market price whichever is less. This practice is consistently being followed from the financial year 2008-09.

**22 Retirement Benefits**

Contributions are made to Approved Employees' Provident Fund. In respect of Gratuity, the Company has opted for Group Gratuity Life Insurance Scheme of the **Life Insurance Corporation of India** and **Reliance Life Insurance Company Limited**. The Company has not provided for any accrued liability towards Leave with Wages. Expenses have been claimed under this head on payment basis only.

23 Balances of Sundry Debtors, Advances to Suppliers and Creditors and Advances from Customers are subject to confirmation.

24 Export/Import Invoices in foreign currencies are recorded at the rate of exchange in force at the time of transactions. Provisions as per Accounting Standard AS-11 issued by the Institute of Chartered Accountants of India for overseas debtors/creditors for exchange rate difference at the end of the year are made. Final Exchange Rate difference is accounted for at the time of realisation of book debts/payment to creditors.

25 The Company is registered as Research & Development Unit (R&D) with Ministry of Science & Technology, Govt. of India, Department of Scientific & Industrial Research, New Delhi, hence eligible for weighted deduction U/s 35 (2AB) of the Income Tax Act on expenditure incurred for the purpose. Total expenditure of ₹47,75,511/- (Revenue Expense of ₹41,19,909/- and Capital Expenditure of ₹6,55,602/-) are eligible for weighted deduction under Section 35(2AB) of the Income Tax Act, 1961.

**26 Related Party Transactions**

As per Accounting Standard AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below :

a) Key Management Personnel & Other Relatives

i) Shri S.N.Gupta	Chairman & Managing Director
ii) Shri M.P.Gupta	Director
iii) Shri R.P.Gupta	Director
iv) Shri Ajay Gupta	Director

and their Relatives

b) Associated Companies

i) Bharat Insecticides Limited	ii) B R Agrotech Limited
iii) BRL Finlease Limited	iv) Centum Finance Limited



c) Transactions with Related Parties

Name of Related Party	Nature of Transactions	Amount Credited/Paid* (in ₹)
Shri S.N.Gupta	Managerial Remuneration	3,954,874
Shri M.P.Gupta	Managerial Remuneration	1,802,448
Shri R.P.Gupta	Managerial Remuneration	1,442,151
Shri Ajay Gupta	Managerial Remuneration	1,690,503
Bharat Insecticides Limited	Material purchased	18,120,912
	Rent Paid	131,580
	Sales	92,009,708
	Purchase of SIRIS shares	60,588,000
	Machinery sold	1,898,808
	Inter Corporate Deposit received	115,000,000
	Inter Corporate Deposit repaid	150,690,849
B R Agrotech Limited	Interest paid on ICD	2,767,488
	Sales	95,730,294
	Machinery Purchase	299,456
	Purchase of SIRIS shares	60,588,000
	Inter Corporate Deposit received	66,500,000
Centum Finance Limited	Inter Corporate Deposit repaid	115,340,000
	Interest paid on ICD	3,603,038
	Inter Corporate Deposit received	2,725,000
BRL Finlease Limited	Inter Corporate Deposit repaid	2,725,000
	Interest paid on ICD	341,878
BRL Finlease Limited	Inter Corporate Deposit received	175,000
	Inter Corporate Deposit repaid	175,000
	Interest paid on ICD	9,062

\*Reimbursements not taken into account and figures are inclusive of Excise duty & Sales Tax.

- 27 As per Accounting Standard AS-20 on earning per share, issued by the Institute of Chartered Accountants of India, the earning per share of the Company is ₹13.86 (Last Year ₹13.67).
- 28 As per Accounting Standard AS-22 on Accounting for Taxes on income, the Company has recorded the cumulative net deferred tax liability upto 31.03.2011 of ₹1,86,09,587/-. For the current year the Company has recorded the deferred tax liability of ₹1,34,18,627/-, carrying forward cumulative deferred tax liability of ₹1,86,09,587/-.

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>Computation of Deferred Tax Liability/Assets</b>		
Difference in Tax and Book Depreciation-WDV	<b>59,250,776</b>	19,712,200
Less: Short Term Capital Loss eligible for set off in next years	—	82,005
Bonus Payable Disallowed U/s 43 B	<b>1,802,377</b>	1,720,623
Gratuity Payable Disallowed U/s 43 B	<b>91,066</b>	—
	<b><u>57,357,333</u></b>	<b><u>17,909,572</u></b>
Tax on above Difference	<b>18,609,587</b>	5,949,078
Deferred Tax Liability 31.03.2010	<b>5,190,960</b>	6,783,537
Deferred Tax (Assets)/Liability for the Year	<b><u>13,418,627</u></b>	<b><u>(834,459)</u></b>



29. Additional information pursuant to Part-II of Schedule VI to the Companies Act, 1956.

I. CAPACITY & PRODUCTION

(Rounded off in metric tonnes)

	Installed Capacity		Production*	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Technical Grade Pesticides	2440.00	1070.00	971.00	1146.66
Pesticides Formulations	50.00	30.00	10.00	34.40
Intermediates	950.00	900.00	715.00	917.70
	<b>3440.00</b>	<b>2000.00</b>	<b>1696.00</b>	<b>2098.76</b>

- Notes :**
1. Installed capacities are both of units BRL and SIRIS interchangeable between different products.
  2. \*Net of captive consumption and as certified by the management and relied on by the auditors being a technical matter.
  3. Actual production reduced due to factory did not run during the period 07.07.2010 to 27.10.2010

II. QUANTITATIVE DETAILS IN RESPECT OF STOCKS, SALES AND CONSUMPTION OF RAW MATERIALS

	2010-11		2009-10	
	Qty. (Kgs.)	Value (₹ in Lacs)	Qty. (Kgs.)	Value (₹ in Lacs)
<b>A) OPENING STOCK</b>				
<b>I) Finished Goods</b>				
Technical Grade Pesticides	158770	415.84	62798	329.57
Intermediates	11700	54.36	6075	17.33
Others	36470	0.70	36046	0.79
		<b>470.90</b>		<b>347.69</b>
<b>II) Stock-In-Process</b>				
Technical Grade Pesticides	77866	263.80	40607	141.90
Intermediates	219799	221.68	138623	94.86
Others	648400	66.60	432558	50.52
		<b>552.08</b>		<b>287.28</b>
<b>B) CLOSING STOCK</b>				
<b>I) Finished Goods</b>				
Technical Grade Pesticides	26110	111.12	59900	178.46
Intermediates	1350	2.16	11700	54.36
Others	41630	0.33	36470	0.70
		<b>113.61</b>		<b>233.52</b>
<b>II) Stock-In-Process</b>				
Technical Grade Pesticides	7766	27.72	51700	175.44
Intermediates	20554	53.34	219799	221.68
Formulations	52	0.06		
Others	574746	294.10	618848	63.60
		<b>375.22</b>		<b>460.72</b>
<b>C) SALES*</b>				
Technical Grade Pesticides (Self manufactured)	1046897	5666.72	1109294	6288.69
Pesticides Formulations	9600	26.19	34400	77.66
Intermediates	692229	2697.38	870057	2677.94
Delhi Trading of Pesticides	140757	433.00	221860	736.45
Others	4884515	288.07	7041947	143.46
		<b>9111.36</b>		<b>9924.20</b>

\*Net of Captive Consumption





**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

CIN/Registration No. L24119DL1989PLC036264	State Code	55
Balance Sheet Date	31.03.2011	

**II. Capital Raised during the Year (Amount in ₹ Thousands)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Issue	NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)**

Total Liabilities	649137	Total Assets	649137
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**Sources of Funds**

Paid-up Capital	42487	Reserves & Surplus	394860
Secured Loans	84001	Unsecured Loans	610
Deferred Tax Liability	18610		

**Application of Funds**

Net Fixed Assets	232288	Investments	11115
Net Current Assets	296490	Misc. Expenditure	675

**IV. Performance of Company (Amount in ₹ Thousands)**

Turnover (Sales & Other Income)	980772	Total Expenditure	900480
Profit before tax	80292	Profit after tax	58891
Earning per share (in ₹)	13.86	Dividend rate (in %)	12%

**V. Generic Names of three Principal Products of the Company**

Item Code No.	291221.00
Product Description	METAPHENOXY BENZALDEHYDE
Item Code No.	380810.29
Product Description	FENVALERATE TECHNICAL & FORMULATIONS
Item Code No.	380810.24
Product Description	CYPERMETHRIN TECHNICAL & FORMULATIONS





## Bharat RASAYAN LIMITED

22nd Annual Report 2010-2011

### CASH FLOW STATEMENT PURSUANT TO LISTING AGREEMENTS

	Year ended 31.03.2011 (₹ in lacs)	Year ended 31.03.2010 (₹ in Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before income tax & extraordinary items	802.92	868.78
<b>Adjustments for</b>		
Depreciation	186.93	87.59
Profit/Loss on sale on fixed assets	(7.36)	0.64
Insurance Claim on fixed assets	(370.08)	—
Interest received on investments	(26.41)	(3.62)
Dividend received	(2.76)	—
Interest paid	5.68	18.88
Profit/Loss on sale on Investments	(4.54)	—
Amalgamation expenses - Written off	1.69	—
	<u>(216.85)</u>	<u>103.49</u>
<b>Operating profit before working capital changes</b>	<b>586.07</b>	<b>972.27</b>
<b>Adjustments for</b>		
Increase/Decrease in Sundry Debtors	595.05	533.90
Increase/Decrease in Inventories	617.65	(195.57)
Increase/Decrease in Machinery Spare Parts	74.42	(38.81)
Increase/Decrease in Loans and Advances	(248.06)	910.42
Increase/Decrease in Current Liabilities	(588.64)	53.01
	<u>450.42</u>	<u>1262.95</u>
<b>Cash generated from operations</b>	<b>1036.49</b>	<b>2235.22</b>
Direct taxes paid	(29.93)	(359.60)
<b>Net cash from operating activities</b>	<b>1006.56</b>	<b>1875.62</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net Investment in Shares & Units	(817.53)	(703.95)
Additions to fixed assets	(284.41)	(112.10)
Amalgamation expenses	(8.44)	—
Insurance Claim on fixed assets	370.08	—
Proceeds from sale of fixed assets	18.12	7.25
Interest received on investments	26.41	3.62
Dividend received	2.76	—
	<u>(693.00)</u>	<u>(805.18)</u>
<b>Net Cash used in Investing Activities</b>	<b>(693.00)</b>	<b>(805.18)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from new borrowings	462.30	—
Repayment of borrowings	(889.24)	(893.00)
Dividend Paid	(76.48)	(42.49)
Dividend Distribution Tax paid	(12.70)	(7.22)
Interest paid	(5.68)	(18.88)
	<u>(521.80)</u>	<u>(961.59)</u>
<b>Net cash used in financing activities</b>	<b>(521.80)</b>	<b>(961.59)</b>
<b>Net increase in cash &amp; cash equivalents (A+B+C)</b>	<b>(208.24)</b>	<b>108.85</b>
<b>Cash and cash equivalents as at 01.04.2010</b>	<b>317.62</b>	<b>149.48</b>
<b>Cash and cash equivalents as at 31.03.2011</b>	<b>109.38</b>	<b>258.33</b>
Notes: 1) Previous year's figure have been regrouped to conform with those of current year.		
2) <u>Cash and Cash Equivalents</u>	- Cash and Bank Balances	44.04
	- Margin Deposits	65.34
	<u>109.38</u>	<u>207.22</u>
		51.11
		<u>258.33</u>

Annexure to our report of even date

FOR & ON BEHALF OF THE BOARD

**for B.K. GOEL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**B. K. GOEL**  
Proprietor  
Membership No. 082081  
[Firm Regn. No. 016642N]

**ITTI BHARGAVA**  
Company  
Secretary

**S. N. GUPTA** Chairman & Managing Director  
**M. P. GUPTA**  
**R. P. GUPTA**  
Directors

**NEW DELHI**  
**AUGUST 26, 2011**

# **Bharat**RASAYAN LIMITED

1501, Vikram Tower, Rajendra Place, New Delhi-110008.

## **PROXY FORM**

I/We.....of.....in the district of.....being a member(s) of the above named company, hereby appoint Mr./Miss/Mrs..... of.....in the district of..... or failing him/her, Mr./Miss/Mrs..... of.....in the district of..... as my/our proxy to vote, for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Thursday, the 29th September, 2011, or at any adjournment thereof.

No. of shares held..... Registered Folio No.....

D.P.ID No.#..... Client ID No.#.....

Signed this.....day of .....2011.



Signature(s)

**Note:** The proxy form must be deposited at the Registered Office of the company at 1501, Vikram Tower, Rajendra Place, New Delhi-110008, not less than 48 hours before the time for holding the meeting. Proxy need not be a member.

# For members holding shares in dematerialised mode.

----- TEAR HERE -----

# **Bharat**RASAYAN LIMITED

1501, Vikram Tower, Rajendra Place, New Delhi-110008.

## **ATTENDANCE SLIP**

Name of the shareholder(s) : .....  
(IN BLOCK LETTERS)

Registered Folio No. : .....

D.P.ID No.#..... Client ID No.#.....

I/We hereby record my/our presence at the 22nd Annual General Meeting on Thursday, the 29th September, 2011, at 10:30 A.M. at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110087. I/We certify that I/we am/are registered shareholder/proxy\* for the registered shareholder of the company.

.....  
(Name of the Proxy)

.....  
(Signature of the member/proxy\* to be signed at the attendance counter)

\*Delete whichever is not applicable

#For members holding shares in dematerialised mode.

### **Notes:**

1. For their own convenience, the members are requested to deliver their attendance slips at the attendance counter in a queue.
2. Incomplete attendance slips will not be accepted at the attendance counter. For any problem or information, please contact the enquiry counter, before proceeding to attendance counter.
3. Please bring your copy of annual report at the Annual General Meeting.
4. **No gifts/coupons shall be distributed at the meeting.**