

**BHAGERIA DYE-CHEM
LIMITED**

20TH ANNUAL REPORT 2008-2009

• 20TH ANNUAL REPORT 2008-2009 •

20th Annual Report 2008-09

BOARD OF DIRECTORS

Mr. Suresh Bhageria	-	Chairman
Mr. Shashikant Tulsian	-	Director
Dr. Shyam Agarwal	-	Director
Mr. O.P. Bubna	-	Director
Mr. P.S. Dalvi	-	Director
Mr. Vinod Bhageria	-	Managing Director

AUDITORS

M/s. SARDA & PAREEK

Chartered Accountants
Mahavir Appartment,
3rd Floor, 598 M.G.Road,
Near Suncity Cinema,
Vile Parle (East),
MUMBAI.

SHARE TRANSFER AGENT (PHYSICAL & DEMAT)

SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit No.1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), MUMBAI - 400 072.

REGISTERED OFFICE

A-101, Virwani Ind. Estate.
Western Express Highway,
Goregaon (East)
MUMBAI - 400 063.
Tel no. (022) 40436666/ 28760936.
Web Site: www.bhageriagroup.com

WORKS

Plot No.6310, IV Phase,
G.I.D.C Vapi - 396 195.
GUJARAT
Tel no. (0260) 2452366/2451247

BANKERS

ORIENTAL BANK OF COMMERCE

Overseas Branch,
Nariman Point,
MUMBAI - 400 021.

ANNUAL GENERAL MEETING

Date : 29th August, 2009
Time : 11.00 A.M.
Venue : Lalit Restaurant Hall, Near Rly. Station,
Goregaon(W), Mumbai - 400 062.

BOOK CLOSURE :

25TH AUGUST, 2009
to
29TH AUGUST, 2009
(BOTH DAYS INCLUSIVE)

Mission Statement

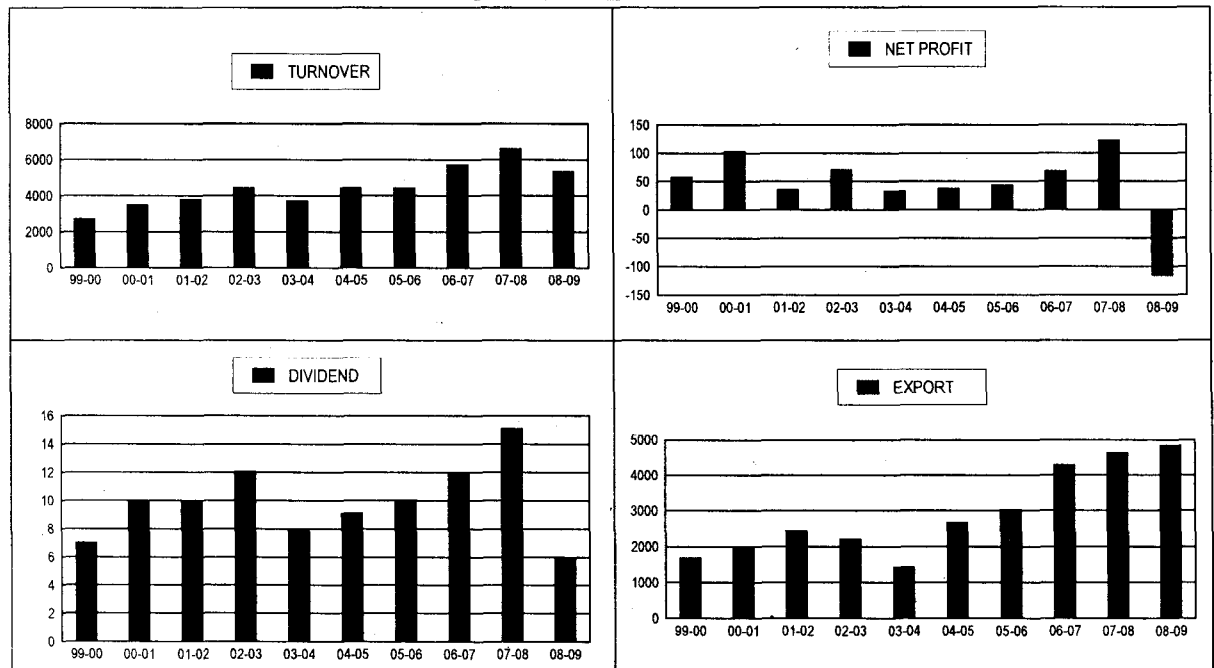
Bhageria, **A CUSTOMER DRIVEN COMPANY**, will continuously improve upon the services rendered to customers, meet customers needs in the shortest lead time, develop new Dyes & intermediate for newer application areas. And will continue to enjoy privileged status as a **PREFERRED SUPPLIER**.

Bhageria, **A SHAREHOLDER DRIVEN COMPANY**, will remain focused only in the areas of its Core Competency, Emphasis on the Quality of Business rather than the size of the business, Maintain Profit Related Growth Policy, Implement Corporate Governance, Regard Shareholder wealth Creation to be the key driver of all actions and policies of the Company and its people.

Bhageria, **A BRAND DRIVEN COMPANY**, will maintain and improve upon **BHAGERIA** Brandname, and will Create BHAGERIA Brand awareness in international Markets through export of Quality Products.

Bhageria, **A PEOPLE DRIVEN COMPANY**, will Train, Empower and create a superior pool of intellect, capable of leading its Innovation Drive.

Bhageria, **AN ENVIRONMENT FRIENDLY COMPANY**, will continue to adhere to environment friendly manufacturing process and set new standards in fighting pollution.



BHAGERIA DYE CHEM LTD
FINALCIAL HIGHLIGHTS

PROFITABILITY	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00
Net Sales & Operating Revenues	5,386.31	6,537.38	5787.63	4,432.85	4,294.59	3,577.45	4,282.34	3,605.48	3,335.68	2,799.92
Operating Profit	(41.51)	357.57	237.53	194.73	167.28	135.11	226.35	168.73	225.58	137.76
Other Income	68.06	13.89	2.81	2.57	1.11	1.23	0.63	1.80	2.32	3.33
Interest Charges	113.83	95.91	71.93	48.18	25.79	25.28	58.34	68.12	63.86	30.55
Depreciation	84.17	84.02	71.93	77.43	86.28	77.52	70.22	63.85	60.04	54.80
PBT & Extraordinary Items	-171.44	191.53	96.48	71.69	56.32	33.54	98.42	38.56	104.00	55.74
Current Tax	0.00	56.57	31.25	33.00	19.50	9.00	23.60	1.18	-	0.25
Deferred Tax	-56.24	11.00	3.17	(7.73)	(0.51)	3.61	6.14	0.62	-	-
Provision for FBT	2.76	2.73	3.42	3.67	-	-	-	-	-	-
Net Profit	-117.95	121.23	62.06	42.75	37.33	32.06	68.68	36.76	104.00	55.49
Dividend	20.78	51.94	41.55	34.63	31.17	27.70	41.56	34.63	34.63	24.24
Tax on Dividend	3.53	8.83	7.06	4.85	4.29	3.55	5.32	-	3.53	5.33
Dividend Payout	24.31	60.77	48.61	39.48	35.46	31.25	46.88	34.63	38.16	29.57
Retained Profit	(147.86)	34.92	13.45	3.27	1.87	0.81	21.80	2.13	65.84	25.92
Forex Earnings on Exports	4789.33	4531.91	4285.89	2,962.67	2,589.96	1,436.46	2,194.89	2,338.47	1,927.06	1,721.01
BALANCE SHEET										
Gross Fixed Assets	1,362.57	1,352.68	1266.93	1,143.02	1,132.53	1,032.92	952.37	811.74	765.01	687.34
Net Fixed Asset	468.15	532.09	502.77	442.46	501.20	483.88	480.80	393.03	408.22	388.69
Investments	4.94	4.94	-	-	-	-	4.82	17.28	40.74	49.26
Net Current Assets	1,298.89	2,012.94	1189.63	1,287.20	889.76	1,034.28	798.22	931.67	812.80	815.56
Capital Employed	1,771.96	2,549.97	1692.4	1,729.67	1,390.96	1,518.16	1,283.84	1,341.98	1,261.76	1,253.52
Loan Fund	854.31	1,452.52	640.86	694.75	351.58	483.44	256.94	346.52	272.55	333.65
Deferred Tax Liability	5.19	61.44	50.44	47.27	55.00	55.51	51.89	45.75	-	-
Net Worth	912.46	1,036.01	1,001.10	987.65	984.38	979.21	975.01	949.71	989.21	919.87

BHAGERIA DYE CHEM LTD
FINALCIAL HIGHLIGHTS

PROFITABILITY		2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00
Net Worth represented by:-											
Share Capital		346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28
Reserve & Surplus		566.18	689.74	654.82	641.37	638.10	632.93	628.73	603.43	642.93	573.59
Book Value per Share		26.35	29.92	28.91	28.52	28.43	28.28	28.16	27.43	28.57	26.56
Market Price of Share(Rs.)		14.50	24.3	13.5	13.49	24.05	12.92	14.85	10.00	7.25	6.75
Capital Expenditure		37.42	117.40	135.04	21.40	104.13	83.21	170.39	49.51	80.22	74.16
Market Capitalisation(at year end share price)		502.10	841.45	467.47	467.12	832.79	447.39	514.22	346.28	251.05	233.74
RATIOS & STATISTICS		2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00
Operating Margin	%	-0.77	5.47	4.10	4.39	3.90	3.78	5.29	4.68	6.76	4.92
Net Margin	%	(2.19)	1.85	1.07	0.96	0.87	0.90	1.60	1.02	3.12	1.98
Interest Cover											
(EBITDA/Interest)	Times	0.23	3.87	3.34	4.10	6.53	5.39	3.89	2.50	3.57	4.62
Pre-tax Interest Cover											
(EBIT/Interest)	Times	(0.51)	3.00	2.34	2.49	3.18	2.33	2.69	1.57	2.63	2.82
ROACE	%	(6.66)	4.75	3.67	2.47	2.68	2.11	5.35	2.74	8.24	4.43
Net Sales / Total Assets	Times	3.04	2.56	3.42	2.56	3.09	2.36	3.34	2.69	2.64	2.23
Debts Equity Ratio	Times	0.94	1.40	0.64	0.70	0.36	0.49	0.26	0.36	0.28	0.36
DPS	Rs	0.60	1.50	1.20	1.00	0.90	0.80	1.20	1.00	1.00	0.70
EPS	Rs	-3.41	3.50	1.79	1.23	1.08	0.93	1.98	1.06	3.00	1.60
CEPS	Rs	-0.98	5.93	3.87	3.47	3.57	3.16	4.01	2.91	4.74	3.18
PRODUCTION											
Vinyl Sulphone	MT	2127.449	3190.927	3187.108	2962.823	3,075.444	2,841.786	2,659.383	2,545.145	2,269.260	1,626.210
Acetanlide	MT	992.150	1394.704	1700.000	1476.600	2,018.505	1,571.250	1,572.905	1,491.600	831.355	1,023.471

Bhageria Dye Chem Ltd.

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 20th Annual General Meeting of the members of BHAGERIA DYE-CHEM LIMITED will be held on Saturday, 29th August, 2009 at 11 A. M. at Lalit Restaurant Hall, Near Railway Station, Goregaon (West), Mumbai 400 062 to transact, with or without modification(s) the following businesses :

ORDINARY BUSINESS.

as on that date together with the Reports of the Directors and Auditors thereon.

2. To sanction the declaration and payment of Dividend on Equity Shares for the year ended March 31, 2009.
3. To appoint a Director in place of Dr. Shyam Agarwal, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. S. Dalvi, who retires from office by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

Registered Office:
A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.

For and on behalf of the Board
For **BHAGERIA DYE-CHEM LIMITED**

Suresh Bhageria
Chairman

June 27, 2009.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 25/08/2009 to 29/08/2009 (both days inclusive).
3. The Dividend on Equity Shares as recommended by the Board of Directors of the Company, when sanctioned at the Annual General Meeting of the Company will be paid on or after September 03, 2009.
4. Pursuant to the provision of Section 205(A) of the Companies Act, 1956, unclaimed Dividend upto the year ended March 31, 2001 has been transferred to the credit of the General Revenue Account of the Central Government.

Members should note that unclaimed dividend for the year ended 31.03.2002 and thereafter may be claimed from the Company and those members who have not yet received or encashed their Dividend Warrants may write to the Company with relevant particulars.

Members are hereby informed that Dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to The Investors Education & Protection Fund, constituted by the Central Government under Sections 205(A) & 205(C) of the Companies Act, 1956.

Members should note that no claim can be made by the shareholders for the unclaimed Dividends which have been transferred to the credit of The Investors Education & Protection Fund of the Central Government under the amended provisions of section 205(B) of the Companies Act, 1956.

Bhageria Dye Chem Ltd.

Details of unclaimed Dividend with it's due date of transfer to Investors education and protection Fund is as below:

<u>Sr. No.</u>	<u>Year ended</u>	<u>Date of Declaration</u>	<u>Amount</u>	<u>Due date of transfer to IEPF</u>
1.	31.03.2002	07.09.2002	91998.00	06.10.2009
2.	31.03.2003	06.09.2003	115351.00	05.10.2010
3.	31.03.2004	25.09.2004	101583.00	24.10.2011
4.	31.03.2005	17.09.2005	98994.00	16.10.2012
5.	31.03.2006	02.09.2006	116780.00	01.10.2013
6.	31.03.2007	01.09.2007	170550.00	30.09.2014
7.	31.03.2008	23.08.2008	341657.00	22.09.2015

5. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
 6. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
 7. The Company has listed its shares on The Bombay Stock Exchange Limited, Mumbai.
 8. a. The Company has appointed M/s. SHAREX DYNAMIC (INDIA) PRIVATE LIMITED as Common Registrar & Transfer Agent of the Company for physical as well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.
b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
- M/S. SHAREX DYNAMIC (INDIA) PVT. LTD.**
Unit : [BHAGERIA DYE CHEM LIMITED]
Unit No.1, Luthra Ind. Premises, Andheri Kurla Road,
Safed Pool, Andheri (East), MUMBAI - 400 072.
Tel: 022 2851 5606 / 2851 5644
9. a. Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole/First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
b. Members desirous of availing the facility of Electronic Credit of Dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
c. Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
 10. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
 11. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
 12. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
 13. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.

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LISTING REQUIREMENTS:

As required under Clause 49 [vi] of the Listing Agreement, given below are the details of the Director(s) who retire by rotation and are eligible for re-appointment (Resolution at Item Nos. 3&4):

A. Name : DR. SHYAM AGARWAL
Age : 54 [12/01/1955].
Qualifications : M S D O M S (Bom)

Dr. Shaym Agarwal is associated with the Company since October 21, 1994. He has an experience of over 25 years in the field of drugs and pharmaceuticals. He is leading Eye Specialist and a well known Social Activist.

Other Directorships: NIL

Committee Memberships: NIL.

B. Name : MR. P. S. DALVI
Age : 57 [26/08/1951].
Qualifications : B.Com

Mr. P. S. Dalvi is associated with the Company since September 01, 2000 and has experience of over 30 years in the various fields. He has traveled abroad extensively and has specialization in Chemical field.

Other Directorships : NIL

Committee Memberships : NIL

Bhageria Dye Chem Ltd.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting 20th Annual Report together with the Audited accounts for the year ended March 31, 2009.

FINANCIAL RESULTS:

	Year ended 31.03.2009 Rs. In Lacs	Year ended 31.03.2008 Rs. In Lacs
Sales & Other Income	5454.37	6551.26
Profit before tax and appropriations	-171.44	191.53
Profit after tax	-117.95	121.23
Add : Balance brought forward from previous year	135.62	170.61
Profit available for disposal	12.07	266.30
Proposed Dividend	24.31	60.77
Transfer to General Reserve	-13.35	69.90
Profit carried forward	1.11	135.63

DIVIDEND:

Though your Company has suffered Losses during the year, but to maintain Track record and keeping in mind Shareholder's Interest, your Board recommend for consideration of the Shareholders at the Annual General Meeting payment of dividend for the year ended March 31, 2009 of Rs. 0.60/- per Share on each Equity Share of Rs.10/- each which after approval shall be paid in accordance with the applicable Law.

This will be the 16th consecutive year of payment of Dividend by your company.

OPERATIONS:

The Company did not performed well during the year. This was mainly due to bad market conditions and world wide recession. Due to the same, your company could achieve a Total Income of Rs. 5454.37 lacs against Rs. 6551.26 lacs during the previous year and suffered net Losses of Rs. 117.95 lacs as against Net Profit of Rs. 121.23 lacs during the previous year.

RESEARCH & DEVELOPMENT:

The R&D department of the company has been arduously working to provide quality and value for money to the customers in keeping with market trends.

FIXED DEPOSITS:

Your Company has not accepted any deposit during the year within the meaning of section 58A of the Companies Act, 1956 from Public and the rules made there under.

BOARD OF DIRECTORS:

As per the Provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Dr. Shyam Agarwal and Mr. P. S. Dalvi, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009.
3. Proper and sufficient care has been taken 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. The annual accounts have been prepared on a going concern basis.

DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL)

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and also the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE354C01019 Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants (DPs) with whom they have their Demat Accounts for getting their holdings in electronic form.

CORPORATE GOVERNANCE:

Your Company continued to practice good governance as set out by the Securities And Exchange Board of India. In addition to the basic governance issues, the Board laid a strong emphasis on transparency, accountability and integrity. The detailed report on compliance of Corporate Governance and Management Discussion Analysis as stipulated in Clause 49 of the Listing Agreement is enclosed and form part of this Report.

CODE OF CONDUCT:

Your Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors have implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity.

AUDITORS:

M/s. Sarda & Pareek, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2010 as set out in the Notice convening the Meeting.

AUDITORS' OBSERVATIONS:

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule "R" which are self explanatory and, therefore, do not call for any further comments.

AUDIT COMMITTEE:

In accordance with the provisions of the Listing Agreement and Corporate Governance the Company has constituted an Audit Committee comprising of the following Directors viz., Mr. S. P. Tulsian, Dr. Shyam Agarwal and Mr. O. P. Bubna as members. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information pursuant to section 217 (l) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure "A" to this report.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company came within the purview of the information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

LISTING:

The Company has listed its Equity Shares on Bombay Stock Exchange Limited, Mumbai.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:

The Company has taken all the necessary steps for safety and environmental control and protection at the plant.

ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

Registered Office:
A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.

For and on behalf of the Board
For BHAGERIA DYE-CHEM LIMITED

Suresh Bhageria
Chairman

June 27, 2009.

Bhageria Dye Chem Ltd.

ANNEXURE 'A' TO DIRECTORS' REPORT 2008-2009

Information as per section 217(1)(e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2008-2009.

I. CONSERVATION OF ENERGY:

a) Energy Conservation Measures taken:

The company has made concrete efforts for enhancement in the capacity utilisation, cost competitiveness and quality through systematic process monitoring and adherence to technological norms. Sophisticated instruments were used for regulation and adjustment of parameters. Efforts were also made for upgradation of the quality of Plant Operation. Utilities are being combined besides waste recovery and for effective energy conservation.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Studies to reduce energy consumption of existing unit is on and suitable investments will continue to be made in these areas.

c) Impact of the measures (a) & (b) above for reduction of Energy Consumption and consequential Impact on the cost of Production of goods:

The company has saved considerably in the cost of power. The company is constantly exploring avenues for cost saving as an on-going process.

II. TECHNOLOGY ABSORPTION:

EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER FORM-B OF THE ANNEXURE TO THE RULES.

1. Research & Development (R&D)

a) Specified areas in which R & D carried out by the Company.)

NONE

b) Benefits derived as result of the above

NOT APPLICABLE

c) Future plan of action

Efforts are aimed at cost reduction, improvement in quality of existing products and development of new process. The benefits of these, will of course, acquire in the years to come.

d) Expenditure on R&D

1. Capital

NIL

2. Recurring

NIL

3. Total

NIL

4. Total R&D expenditure as percentage of total turnover.

NIL

2. Technology Absorption, Adaptation and Innovation

NOT APPLICABLE

III. FOREIGN EXCHANGE EARNING AND OUTGO:

a) Activities relating to exports initiative taken to increase export markets for products and services and export plan.

The company has conducted market survey to boost export during the year. In this context the Chairman of the Company has visited several countries.

b) Foreign Exchange Outgo:

Rs. 799.98 Lacs

c) Foreign Exchange Earned:

Rs. 4789.35 Lacs

For and on behalf of the Board
For **Bhageria Dye-Chem Limited**

Place : Mumbai
Date : 27th June 2009

Suresh Bhageria
Chairman

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Form - A

Form for disclosure of particulars with respect to conservation energy: 2008-09

<u>Particular</u>	<u>2008-09</u>	<u>2007-08</u>
A. Power and Fuel Consumption		
1. Electricity		
a. Purchases		
Units (M.kwh)	1907505	2718210
Total Amount (Rs. In Lakhs)	102.90	126.55
Average Rate per unit (Rs./kwh)	5.39	4.68
b. Own Consumption		
Through Diesel Generator		
Units (M. kwh)	38860	64800
Units Per liters of Diesel	2.99	4.50
Average Cost per unit	12.04	8.44
2. Coal		
Quantity (m.t.)	752.900	752.585
Total cost (in lakhs)	31.25	23.86
Average cost per tone	4147.96	3170.40

Note : The Amount of Electricity and consumption of unit is on average basis.

ANNEXURE - 'B' TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the system by which Companies are directed and controlled by the management in the best interest of the Shareholders and others; ensuring greater transparency and better and timely financial reporting. Corporate Governance therefore generates long term economic value for its Shareholders.

Your Company believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, your Company has initiated significant measures for compliance with Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Bhageria Dye Chem Limited believes in the following the practice beyond the just letter of law. We, in the Bhageria, follow the best Corporate Governance practice aiming at maximizing value for Shareholders while ensuring fairness to all segments of Stakeholders viz. Customers, Employees, Investors, Vendors, State and Central Government and Society at large. We perceive good Corporate Governance as a key driver of sustainable corporate growth and long term shareholder value creation.

We, always believes in principle of Integrity, Fairness, Equity & Transparency. The traditional values of honesty, integrity, ethical business conduct, customer orientation and commitment to service have struck deep routes across the organization. Over the years governance process and system have been strengthened at Bhageria Dye Chem Ltd. The Company recognizes that good Corporate Governance is a continuous exercise and reiterates that it commitment to pursue highest standards of Corporate Governance in the overall interest of all the Stakeholders.

To implement the Corporate Governance practice, Bhageria Dye Chem Ltd., has a well defined policy consisting of the following:

- Ensure that the Quality and frequency of Financial and Managerial Information's, which the Management shares with the Board, fully placed before the Board Members in control of the Company's affairs.
- Ensure that the Board exercises its Fiduciary responsibilities towards Shareowners and Creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committees thereof.
- Ensure that the Board, the Management, the Employees and all the other stakeholders are fully committed to maximizing long-term value to the shareowners and to the Company.
- Ensure that the core values of the Company are protected.
- Ensure that the Company positions itself from time to time to be at par with any other world-class Company in operating practices.

BOARD OF DIRECTORS:

The Company has Six Directors. Two of the Directors are Executive Directors & the remaining Four are Non Executive Directors. The Executive Directors consists Executive Chairman and other one Managing Director. The four Non Executive Directors are Independent Directors and professionals with expertise and experience in general corporate management, finance and other allied fields.

As per clause 49 of the Listing Agreement, if the Chairman is the Executive Chairman at least half of the board should consist of Non Executive Directors & half of the Board shall comprise of Independent Directors. In case of Bhageria Dye Chem Ltd., Three Fourth of the Directors are Non Executive. Four out of the Six Directors are Independent Directors and Non Executive which is very much in Compliance of the Listing Agreement.

Composition of the Board of Directors has a healthy mix of Executive & Non Executive Directors & ensures the desired level of independence and functioning & decision making.

The details of composition of the Board, category, number of other Directorships and other Committee Memberships are as follows:

During the financial year ended March 31, 2009, 6 [SIX] Board meetings were held on 26/04/2008, 18/06/2008, 30/06/2008, 30/07/2008, 25/10/2008 and 31/01/2009.

The maximum time gap between any two meetings is much less compared to the requirement of not more than four month in clause 49. The dates and timings of the meetings were decided well in advance.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last

Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Director	Category	No.Of Board Meeting attended	Attendance at last AGM	No. Of Other Directorships Held As on 31/3/09		Outside Committee Position Held As on 31/3/09	
				Public	Private	Mem.	Chmn.
Mr. Suresh Bhageria	Chairman	5	YES	--	3	--	--
Mr. Vinod Bhageria	MD	6	YES	--	3	--	--
Mr. S. P. Tusian	NED	3	YES	--	7	--	--
Mr. O. P. Bubna	NED	4	YES	--	--	--	--
Dr. Shyam Agarwal	NED	3	YES	--	--	--	--
Mr. P. S. Dalvi	NED	3	YES	--	--	--	--

MD stands for Managing Director.

NED stands for Non Executive Director.

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information with the Company & to any of the employee of the Company. The Board is provided with all the relevant information on the important matters affecting the working of the Company as well as the related details required deliberations by the members of the board.

Among others, this includes:

- annual operating plans, capital budgets and updates.
- quarterly results of the Company and its operating divisions.
- minutes of meeting of audit committee and other committees.
- information on recruitment and remuneration of senior officers just below the board level.
- general notices of interests.
- materially important show cause, demand, prosecution and penalty notices.
- fatal or serious accidents or dangerous occurrences.
- details of any joint venture of collaboration agreement.
- sale of material nature of investments, subsidiaries, assets which is not in the normal course of business.
- foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement.
- any materially significant effluent or pollution problem.
- any issue which involves possible public or product liability claims of a substantial nature.
- significant development in the human resource and industrial relations fronts.
- legal compliances reporting system.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant. As mandated by the revised Clause 49, the independent Directors on the board of the Company.

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates that may affect independence of the director.
- Are not related to promoters or persons occupying management positions at the board level or at one level below the board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners of the firm or executives of the company or were not partners of the firm or executives of the company during the preceding three years.
- Statutory audit firm or the internal audit firm that is associated with the Company.
- Legal firm(s) and consulting firm(s) that have a material association with the Company.
- Are not material suppliers, services providers or customers or lessors or lessees of the company, which may affect independence of the Director.

Bhageria Dye Chem Ltd.

- Are not substantial Shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

COMMITTEES OF DIRECTORS:

Details of the committee of the board and other related information are as follows:

a) Audit Committee:

The Company has a qualified and independent Audit Committee comprising of 3 Non-Executive Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Brief description of terms of reference of the Audit Committee:

- Review of the financial reporting process and disclosure of its financial information.
- Review with the Management, the Annual/Quarterly financial statements before submission to the Board for approval.
- Review with the Management, the performance of Statutory Auditors, Internal Auditors and the adequacy of internal control systems.
- Review the Company's Accounting Policies.
- Look into reasons for substantial defaults, if any.
- Recommend the appointment, re-appointment and replacement or removal of Statutory Auditors/Internal Auditors and fixation of their Fee.
- Approval of payment to Statutory Auditors for any other services rendered by them.
- Other functions as required by applicable Regulations.

All the members have financial and accounting knowledge.

Head of the Finance and Accounts Department, representative of the Statutory Auditors and other executives as are considered necessary, attend meetings of the Audit Committee.

The Committee met 5 times during the year on 26/04/2008, 18/06/2008, 30/07/2008, 25/10/2008 and 31/01/2009.

Attendance record at the meetings of the Audit Committee of Directors during financial year 2008 - 09:

The names of members of committee and their attendance are as follows:

Name of the Members	Status	No. of Meetings Attended
MR. S. P. TULSIAN	CHAIRMAN	5
MR. O. P. BUBNA	MEMBER	5
DR. SHYAM AGARWAL	MEMBER	5

The Chairman of the Committee was present at the Annual General Meeting held on 23/08/2008 to attend the shareholder's queries.

SHAREHOLDERS' COMMITTEE:

The Company has constituted a Shareholders' Committee at board level to strengthen the investor relations and to inter-alia look into issues relating to Shareholder Grievances pertaining to transfer of shares, non receipt of declared dividends, non receipt of Annual Report, issues concerning de-materialization etc.

Brief description of terms of reference:

1. Look into the redressal of Shareholders' and Investors' complaints/grievances like transfer of shares, non receipt of Balance Sheet, non receipt of declared dividends, etc;
2. Review the certificates issued by the Practicing Company Secretary regarding timely action on transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment money;
3. Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services;
4. Ascertain whether the Registrars & Share Transfer Agents (RTA) are sufficiently equipped with infrastructure facilities such as adequate manpower, computer hardware and software, office space, documents handling facility etc. to serve the shareholders/investors;

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5. Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and fixation of their fees; and
6. To carry out any other function as required by the Listing Agreement of the Stock Exchanges, Companies Act and other Regulations.

The Shareholders' Committee met 5 times during the year ended March 31, 2009.

The composition of the Shareholders' Committee and details of the meetings attended by the Directors are given below:

Name of Members	Category	No. Of Meetings attended during the year 2008-2009
Mr. S. P. Tulsian	CHAIRMAN	5
Mr. O. P. Bubna	MEMBER	5
Mr. Shyam Agrawal	MEMBER	5

Mrs. Bharti Agrawal, is the Compliance Officer.

REMUNERATION:

The Company has not constituted Remuneration Committee (being a non-mandatory requirements). All matters relating to review and approval of compensation payable to the Executive and Non-Executive Directors are considered by the Board within the overall limits approved by the Members.

The Company pays remuneration to its Managing Director, Executive Director and Wholetime Directors by way of salary, perquisites and allowances. The remuneration has been paid as approved by the Board, in accordance with the approval of the Shareholders and within the overall ceiling prescribed by Section 198 and 309 of the Companies Act.

Given below are the details of remuneration paid to Directors during the financial year 2008-09:

Director	Sitting Fees Rs.	Salary & allowances Rs.	Perquisites Rs.
Mr. Suresh Bhageria	---	1053000	---
Mr. Vinod Bhageria	---	1053000	---
Mr. S. P. Tulsian	7500	---	---
Mr. O. P. Bubna	10000	---	---
Dr. Shyam Agarwal	7500	---	---
Mr. P. S. Dalvi	7500	---	---

Company do not have any stock option plans and hence such instrument does not fall part of the remuneration package payable to any Executive Director and / or Non Executive Director.

During the period under review, none of the directors were paid any performance linked incentive.

Shareholding of Non Executive Directors

The shareholding in the Company by the Non Executive Directors in their own name is NIL

CODE OF CONDUCT

The Company has adopted a Code of Conduct for the Directors and senior management of the Company. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the code for the effective period. The Declaration by the Chairman and Managing Director to that effect forms part of this Report.

MANAGEMENT DISCUSSIONS & ANALYSIS

Management discussion and analysis report is given in a separate section forming part of the Directors' Report in this annual report.

STEPS FOR PREVENTION OF INSIDE TRADING

In compliance of the SEBI (Prevention of inside Trading) Regulations as amended in 2002, the Company has issued a comprehensive guidelines advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in Equity Shares of Bhageria Dye Chem Ltd., and disclosure requirements in this regard. Company believes that "The Code of Internal Procedure and Conduct" and "The Code of Corporate Disclosures Policies" framed by it in this regard will help in ensuring compliance of the amended SEBI regulations.

Bhageria Dye Chem Ltd.

DISCLOSURES

The necessary disclosures regarding the transactions entered into with the related parties are given in the notes to the accounts. There were no transactions of the material value with related parties Viz., Promoters, Directors, or the Management or Relatives having any potential conflict with the interest of the company.

NON-COMPLIANCES

There were no instances of non compliance on any matter related to the capital market during the last three years. No penalties or strictures were imposed on the company by any Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during last three years.

Details of compliance with mandatory requirement and adoption of non mandatory requirement.

The Company has complied with all mandatory requirement of Clause 49 of the Listing Agreement with the Stock Exchange and has implemented the following non mandatory requirements:

1. REMUNERATION COMMITTEE:

The Company has no Remuneration Committee, All the matters related to Remuneration are fixed by the Board and approved by the Shareholders in compliance with the provisions of the Companies Act, 1956.

2. AUDIT QUALIFICATION:

It is always the companies endeavour to present unqualified financial statements. There are no audit qualifications in the company's financial statement for the year under review.

3. TRAINING OF BOARD MEMBERS:

Directors are fully briefed about all business related matters risks assessment market conditions of the product manufactured by the company, competition and new initiative proposed by the company.

CEO / CFO CERTIFICATION:

As required under Clause 49 of the Listing Agreement a Certificate duly signed by Mr. Suresh Bhageria, Chairman has been obtained. The certificate is annexed to this report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a certificate from Auditors of the company regarding compliance with the provisions relating to the corporate governance laid down in clause 49 of the listing agreement with the Stock Exchanges. This certificate is annexed to the report.

DECLARATION:

I, Suresh Bhageria, Chairman of Bhageria Dye Chem Limited hereby affirm and declare, to the best of my knowledge and belief, and on behalf of the Board of Directors of the Company and senior management personnel, that:

The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company [the code of conduct];

The code of conduct has been complied with;

GENERAL SHAREHOLDERS INFORMATION :

ANNUAL GENERAL MEETING	: 20th Annual General Meeting.
DAY & DATE	: Saturday, August 29, 2009.
TIME	: 11 A. M.
VENUE	: Lalit Restaurant Hall, Near Rly. Station, Goregaon (West), Mumbai 400 062.

FINANCIAL CALENDAR:

* Financial reporting for the quarter ended June 30, 2009	: End of July, 2009.
* Financial reporting for the quarter ended Sept.30, 2009	: End of Oct., 2009.
* Financial reporting for the quarter ended Dec. 31, 2009	: End of Jan., 2010
* Financial reporting for the Year ended March 31, 2010	: Audited
Results by end of June, 2010 tentatively.	

DATE OF BOOK CLOSURE

: 25/08/2009 TO 29/08/2009 [Both days inclusive].

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SHARE TRANSFER SYSTEM:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTAs office. RTA does the verification and processing of documents. In order to comply with the requirement of SEBI circular Nos. SMD/POLICY/CIR-10/02 dated May 7, 2002 to effect transfer of shares within one month, the RTA has been authorised to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within stipulated time of 30 days.

TRANSFER UNDER PHYSICAL AND DEMAT MODE:

M/s. SHAREX DYNAMIC [INDIA] PRIVATE LIMITED
[Unit : BHAGERIA DYE CHEM LIMITED]
Unit No.1, Luthra Ind. Premises, Andheri Kurla Road,
Safed Pool, Andheri (East), MUMBAI - 400 072.
Tel: 022 2851 5606 / 2851 5644

COMPLIANCE OFFICER:

Mrs. Bharti Agrawal

ADDRESS FOR CORRESPONDENCE :

BHAGERIA DYE-CHEM LIMITED
A-101, Virwani Ind. Estate, Western Express Highway,
Goregaon [East], Mumbai - 400 063.
E-mail : info@bhageriagroup.com
Telephone No. 40436666

LISTING:

The Bombay Stock Exchange Limited, Mumbai.

STOCK CODE OF THE COMPANY:

The Bombay Stock Exchange Limited, Mumbai
Scrip Name : BHAGERIA DYE-CHEM LIMITED
Scrip Code : 530803.
Electronic Mode : INE354C01019.

DEPOSITORY CONNECTIVITY: NSDL and CDSL.

ISIN NO. FOR THE COMPANY'S SECURITY : INE354C01019.

DEMATERIALISATION OF SHARES:

As on March 31, 2009, 30,78,769 Shares representing 88.91% of total Equity Shares were held in dematerialised form with NSDL and CDSL.

Member can hold shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.

DETAILS OF INVESTORS COMPLAINTS RECEIVED DURING THE YEAR:

Sr. No.	Nature of Complaints	Received	Disposed	Pending
1.	Non receipt of Dividend Warrants.	4	4	NIL
2.	Non receipt of Share Cert. After Transfer	5	5	NIL
3.	Non receipt of Share Cert. Against duly executed ind. Bond and sent to the co.	4	4	NIL
4.	Non receipt of Refund Order/Allotment advice	4	4	NIL
TOTAL		17	17	NIL

Bhageria Dye Chem Ltd.

GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2006	02.09.2006	11 A.M.	Lalit Restaurant Hall, Goregaon [W], Mumbai - 400 062.
31.03.2007	01.09.2007	11 A.M.	-- As above --
31.03.2008	23.08.2008	11 A.M.	D. G. Khetan International School, Krishna Realities, Behind Sunder Nagar, Off. S. V. Road & Link Road, Malad [West], Mumbai 400 064.

All the matters as set out in the respective notices were passed by the Shareholders. No special resolution was required to be put through postal ballot last year.

DISCLOSURES:

1. There were no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the company with the promoters, directors, their relatives and the management and in any company in which they are interested, that may have potential conflict with the interest of the company.
2. Details on the use of proceeds from public issues, right issues, preferential issues etc. No funds have been raised through issue of equity or debt in the form of public or rights or preferential issues during the year under review.
3. Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other statutory authority on any matter related to capital market, during the last three years:

The Company has complied with the requirements of the Stock Exchange, SEBI, and other Statutory Authorities on all matters relating to Capital Markets during the last three years.

MEANS OF COMMUNICATION:

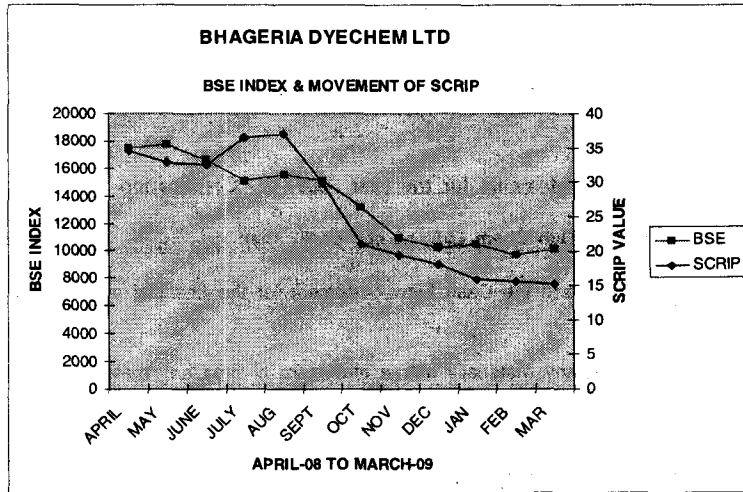
1. Quarterly results are published in prominent daily newspapers viz., Business Standard & Lakshadep.
2. All items required to be covered in the Management Discussion and Analysis have been included in the Management Discussion and Analysis as attached to this Report.
3. The Company has its own website and all the vital information relating to the Company and its products are displayed on the web site. Address of the website is www.bhageriagroup.com.

STOCK PRICE DATA : [TAKEN FROM BSE SITE].

Stock Market price data for the year

Month	Company's Share	
	High (Rs.)	Low (Rs.)
April, 2008	34.50	23.50
May, 2008	32.90	25.00
June, 2008	32.50	22.40
July, 2008	36.50	23.50
August, 2008	37.00	27.10
Sept., 2008	29.80	18.75
October, 2008	21.00	14.05
Nov., 2008	19.35	15.45
Dec., 2008	18.00	15.00
January, 2009	15.95	13.85
Feb., 2009	15.50	12.95
March, 2009	15.20	11.88

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SHAREHOLDING PATTERN AS ON MARCH 31, 2009:

Category	No. Of shares held	% of shareholding
Promoters	1793368	51.79
Private Bodies Corporate	122224	3.53
Indian Public	1367969	39.51
NRI/OCBs	179189	5.17
Total	34,62,750	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2009:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	2955	440265	12.71
500-1000	229	200969	5.08
1001-2000	93	153406	4.43
2001-3000	39	104616	3.02
3001-4000	24	85222	2.46
4001-5000	22	102911	2.97
5001-10000	16	117838	3.40
10001 & above	34	2257523	65.19
Total	3412	34,62,750	100.00

PLANT LOCATIONS:

Plot No. 6310, IV Phase, GIDC Industrial Estate, Vapi - 396 195.

COMPLIANCE:

A certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

Registered Office :
A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],

For and on behalf of the Board
For BHAGERIA DYE-CHEM LIMITED

Mumbai - 400 063.
June 27, 2009.

Suresh Bhageria
Chairman

Bhageria Dye Chem Ltd.

CEO CERTIFICATION:

The Board of Directors
Bhageria Dye Chem Limited,
Mumbai

Re: Financial Statements for the year 2008- 09- Certification by CEO:

I, Suresh Bhageria, Chairman of Bhageria Dye Chem Ltd., hereby certify that:

- (a) I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2009 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**SURESH BHAGERIA
CHAIRMAN**

**Place: Mumbai
Date: 27/06/2009**

AUDITORS' CERTIFICATE

To
The Members,
BHAGERIA DYE-CHEM LIMITED,

We have examined the compliance of conditions of Corporate Governance by BHAGERIA DYE-CHEM LIMITED, for the year ended on March 31, 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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 SARDA & PAREEK
Chartered Accountants

Sitaram Pareek
Partner
M. No. 16617

Mumbai.
June 27, 2009

Bhageria Dye Chem Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW:

The main business of the Company is manufacturing and sale of Chemicals, Dyes, Dyes Intermediates required for Dye manufacturers. The company is also engaged in merchant export of related items.

OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:

The year under review experienced a global slow down in economic growth, which had its impact in India too. The sale of Chemicals is decreased by 16.74%.

The general outlook with respect to this Industry in India is of caution under immense competitive pressure. However the intrinsic strength of your company has helped us to effectively overcome such pressure and the sales therefore should register a modest but definite growth in the years to come.

EXPORTS:

The main thrust of the Company is on export, which constitute around 69.49% of total sales of the Company. The Company is "Recognized Export House".

The Company is fast consolidating its resources to build a market presence in the international arena. The results are reflected in an exponential growth rate in the last two years as also continuing in the current year.

PERFORMANCE OF THE COMPANY:

The challenges described above did restrict the sales growth to a modest rate, resulting in net loss of Rs. 11795534/- During the current financial year. The Company is working towards improvement in its working and profitability.

HUMAN RESOURCES:

Development of skills and updating of knowledge are essential for continues growth of any organization. Your Company considers human resources as a key asset. Therefore, your Company not only implemented many in house training programs but also sent selected employees to suitable outside programs to keep them abreast of the latest developments in the industry and economy. To establish direct link between performance and reward, your Company has been steadily increasing the weight age of actual performance in remuneration packages. The Company has, under its employment 25 officers and workmen.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Control Systems are designed to ensure the reliability of financial and other record and accountability of executive action to the management's authorisation. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

The internal control systems are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action is ensured wherever required.

FINANCIAL PERFORMANCE:

The highlights of the financial performance of the Company for the year under review are as under:

- a. The Net Profit has declined from Rs. 121.23 lacs to net Loss of Rs. 117.95 lacs.
- b. The Company spent Rs.37,41,834/= on Capital Expenditure during the year.
- c. The Investment in Working Capital was Rs. 12,74,57,222/-
- d. The Term Borrowings increased by Rs. Nil.
- e. Your company is paying dividend continuously since 1993-94.

CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

Registered Office :

A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.
June 27, 2009.

For and on behalf of the Board

For **BHAGERIA DYE-CHEM LIMITED**

Suresh Bhageria
Chairman

AUDITORS' REPORT

To the Members of
BHAGERIA DYE CHEM LIMITED

1. We have audited the attached Balance Sheet of BHAGERIA DYE-CHEM LIMITED, (the "Company") as at 31st March 2009, Profit & Loss Account and the Cash Flow statement for the year ended on that date annexed thereto, (hereinafter collectively referred as "Financial Statements") 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.
2. We have 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.
3. As required by the Companies (Auditor's Report) Order 2003 (the 'Order') as amended issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (The 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books as required by law have been kept by the company so far as appears from our examination of those books of account
 - (iii) The Financial Statements dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, and to the best of our information and according to the explanations given to us Financial Statements dealt with by this report, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements read together with the notes thereon, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (b) In the case of the Profit and Loss Account, of the Loss of the company for the year ended on that date; and
 - (c) In the case of cash flow statement, of the cash flows for the year ended on that date

For SARDA & PAREEK.
CHARTERED ACCOUNTANTS

SITARAM PAREEK
Partner
Membership No. 16617

PLACE : MUMBAI
DATE : June 27, 2009.

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in Para 3 of our Report of even date on the financial statements for the year ended 31st March 2009 of BHAGERIA DYE-CHEM LIMITED.

Based on the audit procedures performed for the purpose of reporting a true and fair view of the financial statements of the Company and taking into consideration the information and explanations given to us and the books and other records examined by us in the normal course of our audit. We report that,

- (i) (a) The Company has maintained computerized records showing full particulars including quantitative details & situation of fixed assets, except in respect of furniture and fixtures; office equipment and data processing equipment record in terms of values are only kept.
- (b) Some of the fixed assets were physically verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The company has not disposed off substantial part of fixed assets during the year, which has bearing on the going concern assumption.
- (ii) (a) The management, during the year under review, has conducted physical verification of inventory at reasonable intervals except materials lying with third parties, where confirmations are obtained. The frequency of such verification is reasonable in relation to the size of the company, nature of its business and nature of inventory.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of company and nature of its business.
- (c) The Company is maintaining proper records of inventory as required in the normal course of business. The discrepancies noticed on verification between physical stocks and book records were not material.
- (iii) (a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Act; and hence clause (b) , (c) and (d) are not applicable.
- (b) The Company has not taken any loans secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(III)(f) to (g) of the said order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and for sale of goods and services. We have not noted any continuing failure to correct major weaknesses in the internal controls during the course of audit.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion, according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lacs in respect of any party during the year have been made at price which are reasonable having regards to prevailing market price at the relevant time.
- (vi) In our opinion & according to the information and explanations given to us, the company has not accepted deposits from public under the provision of section 58A and 58AA or any other relevant provision of the Act.
- (vii) In our opinion, the company has in-house internal audit system commensurate with its size and nature of business.
- (viii) The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the nature of industry in which the Company is doing business.
- (ix) (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities and no such undisputed amount is outstanding at the last day of the financial year for a period of more than six months from the date they became payable.

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(b) The company has disputed dues relating to Income Tax, which has not been recognized as liability by the company, however the sum of Rs 53.79 Lacs has been deposited with the appropriate authorities.

Matters Pending Before	Nature	Amount (Rs in Lacs)
Chief Commissioner of Income Tax & Commissioner of Income Tax	Interest on income Tax	18.82
Income Tax Appellate Tribunal	Assessment dues	73.04
	Total	91.86

- (x) There are no accumulated losses of the Company at the end of the 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 financial institutions or banks.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances against security of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, this clause and sub clauses (a) to (d) are not applicable as the Company has not entered into business of Chit Fund, or related activities.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not taken any term loans.
- (xvii) On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanation given to us, there are no funds raised on short term benefits which have been used for long term investments.
- (xviii) In our opinion, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
- (xix) In our opinion and according to the information and explanations given to us, the Company has not issued any debentures during the year under review.
- (xx) The Company did not raise money through public issues during the year under review.
- (xxi) According to the information and explanations given to us & to the best of our knowledge or belief, no material fraud on or by the Company has been noticed or reported during the course of our audit

For **SARDA & PAREEK.**
CHARTERED ACCOUNTANTS

SITARAM PAREEK
Partner
Membership No. 16617

PLACE : MUMBAI
DATE : June 27, 2009.

Bhageria Dye Chem Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULE	AS AT		AS AT	
		31st MARCH, 2009 Rs.	MARCH, 2009 Rs.	31ST MARCH, 2008 Rs.	MARCH, 2008 Rs.
I. SOURCES OF FUNDS					
SHAREHOLDER'S FUNDS					
a) SHARE CAPITAL	A	34,627,500		34,627,500	
b) RESERVES & SURPLUS	B	<u>54,187,713</u>	88,815,213	<u>68,973,636</u>	103,601,136
LOAN FUNDS					
a) SECURED LOANS	C	85,430,994		145,251,781	
b) UNSECURED LOANS		-	85,430,994	-	145,251,781
DEFERRED TAX LIABILITIES			<u>519,371</u>		<u>6,143,930</u>
			<u>174,765,578</u>		<u>254,996,847</u>
II. APPLICATION OF FUNDS					
FIXED ASSETS					
a) GROSS BLOCK	D	136,257,169		135,268,200	
b) LESS : DEPRECIATION		<u>89,442,463</u>		<u>82,059,209</u>	
c) NET BLOCK			46,814,706		53,208,991
INVESTMENTS		E	493,650		493,650
CURRENT ASSETS, LOANS & ADVANCES					
a) INVENTORIES	F	20,595,404		31,799,955	
b) SUNDRY DEBTORS	G	80,186,696		144,589,818	
c) CASH & BANK BALANCE	H	69,634,947		53,352,744	
d) LOANS & ADVANCES	I	<u>46,176,364</u>		<u>73,260,629</u>	
			216,593,411		303,003,146
LESS : CURRENT LIABILITIES & PROVISIONS J					
a) LIABILITIES		86,705,442		95,631,814	
b) PROVISIONS		<u>2,430,747</u>		<u>6,077,126</u>	
			89,136,189		101,708,940
NET CURRENT ASSETS			127,457,222		201,294,206
Misc. Expenditure			-		-
(To the extent not written off or adjusted)					
			<u>174,765,578</u>		<u>254,996,847</u>
Accounting Policies & Notes To The Accounts		R			

As per our report of even date

FOR SARDA & PAREEK
Chartered accountants

Sitaram Pareek
Partner
(Membership No. 16617)

PLACE : Mumbai
DATE : 27th June, 2009

For and on behalf of the board

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

Shashikant Tulsian
Director

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

		FOR THE YEAR ENDED 31.03.2009 Rs.	FOR THE YEAR ENDED 31.03.2008 Rs.
INCOME			
SALES	K	545,437,653	655,126,390
INCREASE / (DECREASE) IN STOCK	L	(10,013,559)	6,813,640
TOTAL		535,424,094	661,940,030
EXPENDITURE			
MATERIAL CONSUMED	M	467,947,135	524,265,404
PAYMENT & BENEFITS TO EMPLOYEES	N	8,213,652	11,426,315
MANUFACTURING & ADMINISTRATIVE EXPENSES	O	34,015,056	40,579,983
SELLING & DISTRIBUTION EXPENSES	P	22,591,787	48,521,427
FINANCE CHARGES	Q	11,383,687	9,591,360
DEPRECIATION		8,417,012	8,402,610
TOTAL		552,568,329	642,787,098
PROFIT /(LOSS) BEFORE TAXATION		(17,144,235)	19,152,933
PROVISION FOR			
- CURRENT TAX		0	5,657,028
- FBT		275,859	273,200
- DEFERRED TAX		(5,624,559)	1,099,769
PROFIT /(LOSS) AFTER TAXATION		(11,795,534)	12,122,935
TAX ADJUSTMENT OF EARLIER YEAR		559,642	2,554,274
PROFIT /(LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR		13,562,612	17,061,251
PROFIT AVAILABLE FOR APPROPRIATION		1,207,436	26,629,912
APPROPRIATION :			
TRANSFER TO GENERAL RESERVE		(1,334,524)	6,990,174
PROPOSED DIVIDEND		2,077,650	5,194,125
CORPORATE TAX ON PROPOSED DIVIDEND		353,097	883,001
BALANCE CARRIED OVER TO BALANCE SHEET		111,213	13,562,612
BASIC & DILUTED EARNING PER SHARE OF Rs. 10/= EACH.		(3.41)	3.50
Accounting Policies & Notes To The Accounts	R		

As per our report of even date

FOR SARDA & PAREEK
Chartered accountants

Sitaram Pareek
Partner
(Membership No. 16617)

PLACE : Mumbai
DATE : 27th June, 2009

For and on behalf of the board

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

Shashikant Tulsian
Director

Bhageria Dye Chem Ltd.

SCHEDULES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE :

	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised :		
80,00,000 (80,00,000) Equity Shares of Rs. 10/- each	<u>80,000,000</u>	<u>80,000,000</u>
Issued, Subscribed & paid up		
34,62,750 (34,62,750) equity shares of Rs. 10/- each fully paid up in cash.	<u>34,627,500</u>	<u>34,627,500</u>
	<u>34,627,500</u>	<u>34,627,500</u>
SCHEDULE 'B'		
RESERVES & SURPLUS		
Capital Reserve	2,415,500	2,415,500
Share Premium Account	19,161,000	19,161,000
General Reserve		
As per last balance sheet	33,834,524	26,844,350
Add: Trasfer from P & L a/c.	<u>(1,334,524)</u>	<u>6,990,174</u>
Profit & Loss Account	<u>111,213</u>	<u>13,562,612</u>
	<u>54,187,713</u>	<u>68,973,636</u>
SCHEDULE 'C'		
SECURED LOANS		
TERM LOAN FROM BANKS	865,942	1,897,182
(payable within 12 months Rs. 7,17,800 /-(P.Y. Rs. 11,93,872/-)		
(fully secured by hypothecation of car)		
WORKING CAPITAL LOAN FROM BANKS		
a) Packing Credit	24,442,374	16,477,147
b) Bill Discounting	60,122,678	126,877,452
Secured by :		
i) Demand Promisary Note by the Company & against agreement of hypothication of goods covered under Bills.		
ii) Demand Promisary Note by the Company, cash credit agreement and against hypothication of stocks of raw material, finished goods, stores & spares, fixed deposit receipts and Book debts.		
iii) First charge on the Fixed Assets of the company Present & Future.		
iv) Overdraft Facilities are secured by Fixed Deposite Receipts.		
v) Personal Gaurantee of some of the Directors of the company.		
	<u>85,430,994</u>	<u>145,251,781</u>

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SCHEDULE 'D' : FIXED ASSETS

(Rupees)

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	Rate Of Dep.	Cost Up To 31.03.2008	Cost Of Addition	Cost Of Deduction	Cost Up To 31.03.2009	Up To 31.03.2008	For The Year	Adjustment During The Year	Up To 31.03.2009	As At 31.03.2009	As At 31.03.2008
Land (Lease hold)	-	1,316,339	0	0	1,316,339	200,801	13,716	0	214,517	1,101,822	1,115,538
Residential Building	5%	143,750	0	0	143,750	39,843	5,195	0	45,038	98,712	103,907
Godown	5%	605,855	0	0	605,855	204,854	20,050	0	224,904	380,951	401,001
Office Building	5%	2,447,250	0	0	2,447,250	760,389	84,343	0	844,732	1,602,518	1,686,861
Factory Building	10%	7,098,379	0	0	7,098,379	5,429,604	166,878	0	5,596,482	1,501,897	1,668,775
Safety Equipments	13.91%	89,901	0	0	89,901	80,480	1,310	0	81,790	8,111	9,421
Plant & Machinery	15.33%	88,208,121	1,736,637	0	89,944,758	61,357,548	4,326,716	0	65,684,264	24,260,494	26,850,573
Lab Equipments	15.33%	498,694	0	0	498,694	320,301	27,348	0	347,649	151,045	178,393
E.T.P	15.33%	19,235,579	1,833,455	0	21,069,034	6,153,911	2,018,511	0	8,172,422	12,896,612	13,081,668
Generator	15.33%	52,380	0	0	52,380	37,148	2,335	0	39,483	12,897	15,232
Furniture & Fixtures	18.1%	4,751,380	0	0	4,751,380	2,898,720	335,332	0	3,234,052	1,517,328	1,852,660
Vehicle	25.89%	6,900,842	0	360,947	6,539,895	3,131,197	963,950	308,452	3,786,695	2,753,200	3,769,645
Computer	40%	1,474,812	99,250	0	1,574,062	946,399	213,360	0	1,159,759	414,303	528,413
Container	15.33%	2,391,918	0	2,391,918	0	495,972	229,334	725,306	0	0	1,895,946
Office Equipments	15.33%	53,000	72,492	0	125,492	2,042	8,634	0	10,676	114,816	50,958
TOTAL		135,268,200	3,741,834	2,752,865	136,257,169	82,059,209	8,417,012	1,033,758	89,442,463	46,814,706	53,208,991
Previous Year		126,693,115	11,740,231	3,165,146	135,268,200	76,416,514	8,402,610	2,759,915	82,059,209	53,208,991	50,276,601

AS AT 31.03.2009
Rs.

AS AT 31.03.2008
Rs.

SCHEDULE 'E'

LONG TERM INVESTMENT (Trade Investment at cost)

QUOTED

Reliance Power Ltd.

1,755(P.Y. 1097) Equity Shares of 10/- each fully paid up in cash

[Aggregate Market value Rs. 179887.50 /- (Previous year Rs. 348352/-)]

493,650

493,650

493,650

493,650

Bhageria Dye Chem Ltd.

	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
SCHEDULE 'F'		
Inventories		
Raw Material	10,335,221	11,962,756
Finished Goods	3,688,333	11,726,802
Work in Progress	4,772,142	6,953,200
Stores & Spares	1,799,708	1,157,197
	<u>20,595,404</u>	<u>31,799,955</u>
SCHEDULE 'G'		
Sundry Debtors (Unsecured)		
More than six Months		
i) considered doubtful	3,896	41,372
ii) considered good	2,164,958	235,813
Others considered good	78,017,843	144,312,633
	<u>80,186,696</u>	<u>144,589,818</u>
SCHEDULE 'H'		
Cash & Bank Balance		
1) Cash in Hand	665,976	380,514
2) Balance with Scheduled Bank		
i) in Current Account	1,145,568	3,891,507
ii) in Fixed Deposit	67,823,402	49,080,723
	<u>69,634,947</u>	<u>53,352,744</u>
SCHEDULE 'I'		
LOANS & ADVANCES		
Advance recoverable in cash or in kind or for value to be received		
Considered good	5,803,115	10,628,936
Deposit with Govt. & Semi Govt. Bodies	24,938,243	45,343,640
Advance Income Tax (net of provision)	7,609,648	5,087,790
Other Advances	7,825,358	12,200,264
	<u>46,176,364</u>	<u>73,260,629</u>
SCHEDULE 'J'		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
Sundry Creditors	73,881,501	62,046,488
Other Liabilities	11,787,028	32,783,195
Unclaimed Dividends	1,036,913	802,131
	<u>86,705,442</u>	<u>95,631,814</u>
B) PROVISIONS		
Proposed Dividend	2,077,650	5,194,125
Tax on Proposed Dividend	353,097	883,001
	<u>2,430,747</u>	<u>6,077,126</u>
	<u>89,136,189</u>	<u>101,754,865</u>

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	For the Year ended March 31, 2009 Rs.	For the Year ended March 31, 2008 Rs.
SCHEDULE 'K'		
SALES		
Sales	405,005,001	515,528,820
Less: Excise duty	<u>39,598,846</u>	<u>53,359,737</u>
Export Incentive	19,249,007	41,349,824
Trading Sales	155,188,497	149,121,486
Foreign Exchange Fluctuation	<u>(1,212,331)</u>	<u>1,097,385</u>
	[A]	538,631,329
Other Income:		
Profit on Sale of Fixed Assets	727,142	196,515
Insurance claim received	83,643	409,190
Lease rent [TDS Rs.68,288 /- (previous year Rs. 89,814/-)]	335,459	396,354
Brokerage Received [TDS Rs. NIL /- (previous year Rs. 11,472/-)]	-	211,797
Key man Insurance Policy	4,975,829	-
Miscellaneous Income	<u>684,251</u>	<u>174,757</u>
	[B]	6,806,324
	[A+B]	545,437,653
SCHEDULE 'L'		
INCREASE / (DECREASE) IN STOCK		
Closing stock of finished & semi finished goods	8,018,265	18,031,824
Opening stock of finished & semi finished goods	<u>18,031,824</u>	<u>11,218,184</u>
	(10,013,559)	6,813,640
SCHEDULE 'M'		
MATERIAL COST		
Opening Stock	11,962,756	17,630,782
Add : Purchase during the year	328,608,897	374,579,395
Outside Processing Charges	<u>0</u>	<u>2,300,256</u>
	340,571,653	394,510,433
Less: Closing Stock	<u>10,335,221</u>	<u>11,962,756</u>
	330,236,432	382,547,677
Add: Cost of Trading Sales	<u>137,710,703</u>	<u>141,717,727</u>
	467,947,135	524,265,404
SCHEDULE 'N'		
PAYMENT & BENEFITS TO EMPLOYEES		
Salary, wages & bonus	7,622,189	10,353,352
Contribution to P.F. & other funds	335,106	784,008
workmen & staff welfare	256,357	288,955
	<u>8,213,652</u>	<u>11,426,315</u>

Bhageria Dye Chem Ltd.

	For the Year ended March 31, 2009 Rs.	For the Year ended March 31, 2008 Rs.
SCHEDULE 'O'		
Manufacturing & Administrative Expenses.		
1. Power, Fuel, Electricity & Water Charges	12,018,556	14,315,577
2. Stores & Spares consumed	2,711,392	2,696,411
3. Effluent Treatment Expenses	1,881,266	3,116,408
5. Ice Expenses	6,238,368	9,612,738
6. Remuneration to Directors	2,106,000	2,092,000
7. Repair & Maintenance	2,452,732	2,066,263
8. Rates & Taxes	10,010	206,746
9. Insurance Charges	773,476	810,863
10. Payment to Auditors	267,250	258,959
11. Postage & Telegrams	333,286	245,672
12. Conveyance Charges	255,304	223,597
13. Legal & Professional Charges	725,335	381,807
14. Telephone Expenses	679,400	681,260
15. Vehicle Expenses	481,516	414,001
16. Keyman insurance	463,615	441,976
17. Printing & stationary	264,261	385,856
18. Donation	906,854	1,103,200
19. Miscellaneous Expenses	1,436,041	1,526,649
20. Welth Tax	10,395	-
	<u>34,015,056</u>	<u>40,579,983</u>
SCHEDULE 'P'		
Selling & Distribution Expenses.		
1. Commission & Brokerage	1,393,700	22,944,738
2. Packing, Forwarding & Transport	15,987,422	23,205,942
3. Sales promotion	2,157,226	956,654
4. Travelling Expenses	3,053,439	1,414,093
	<u>22,591,787</u>	<u>48,521,427</u>
SCHEDULE 'Q'		
Finance Charges		
Bank Charges	3,191,774	2,246,109
Interest on car loan	162,631	209,437
Interest paid to bank	12,023,779	14,033,640
Less : Interest Received (TDS Rs 8,25,264/-)	<u>(3,994,496)</u>	<u>(6,897,826)</u>
Interest Net	<u>8,029,283</u>	<u>7,135,814</u>
	<u>11,383,687</u>	<u>9,591,360</u>

SCHEDULE - R

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES :

1. Nature Of Operations

Bhageria Dye Chem Ltd., a public limited company operates as an integrated chemical organizations with the business encompassing production & distribution of chemicals.

The company presently has manufacturing facilities in India. The company's major market include India, Korea, Europe, Turkey, Taiwan & Bangkok. Europe is the largest market and the major products are Vinyl Sulphone & H Acid.

The company's shares are listed for trading on Bombay stock exchange (BSE) in India.

2. Basis Of Presentation

The Financial Statements are prepared under the historical cost convention on the basis of going concern and in accordance with the Generally Accepted Accounting Principles in India (GAAP) and provisions of the Companies Act, 1956. Generally Accepted Accounting Principles comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006. The accounting policies have been consistently applied by the group unless otherwise specifically stated.

3. Use Of Estimates

The Preparations of Group's financial statements are in conformity with Indian GAAP, requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and amounts of income and expenses during the reported period. Actual results could differ from these estimates and the differences between actual results and estimates are recognized in the periods in which the results are known/ materialize.

4. Revenue Recognition

- Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- Sales are recognized when goods are invoiced on dispatch to customers. Sales is net off excise duty and sales tax.
- Export incentive/benefits are accounted on accrual basis. Customs duty benefits in the form of Advance License entitlements on the export of goods are recognized and added to the cost of import.

5. Fixed Assets

- Fixed Assets are stated at their original cost of acquisition / installation and includes pre-operational expenses including borrowing cost. Fixed assets are shown net of accumulated depreciation.
- Capital Work-in-progress is stated at the amount spent up to the date of the Balance Sheet, however pending completion of the project/ assets shown in Assets schedule no depreciation is provided on the same.
- Leasehold land is shown at cost, including lease premium paid.

6. Depreciation

- Depreciation has been provided on written down value method corresponding to the rates prescribed under schedule XIV of the Companies Act 1956.
- Depreciation on additions/deletions is being provided on pro-rata basis from the date of such additions/deletions.
- Leasehold land is being amortized over the period of lease.

7. Impairment

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and the carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

8. Investments

Long Term Investments are valued at cost.

9. Inventories Valuation

- Raw material, packing material, store & consumables are valued at the lower of cost and net realizable value except waste/ scrap, which is valued at net realizable value. The cost is computed on FIFO basis.
- Finished Goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- Obsolete, defective and unserviceable stocks are duly provided for.

10. Foreign Currency Transactions

Transactions of foreign currencies are recorded at the exchange rates prevailing on the date on which transaction took place. Monetary items in foreign currency outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet.

Gains and Losses arising out of fluctuation in the exchange rates are recognized as expenses in profit & loss account.

11. Cash Flow Statement

Cash Flow Statement is prepared under "Indirect Method", whereby net profit before tax is adjusted for the effects of transactions of a non - cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents

Bhageria Dye Chem Ltd.

12. Taxes On Income

- Tax expense for the year, comprises current tax, deferred tax and fringe benefit tax. A provision is made for the current tax based on tax liability computed in accordance with the relevant tax laws and tax rates.
- A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.
- Deferred tax is recognized only if there is a reasonable certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.
- Refund of income tax is accounted on realization basis.

13. Government Grants

Capital Grants for project are credited to Capital Reserve

14. Employee Benefits

- Employee benefits comprise of both defined contributions and defined benefit plans.
- Provident Fund is a defined contribution plan. Company's contribution towards provident fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further Company has no further obligation beyond the periodic contributions.
- Gratuity is a defined benefit plan. The Company has contributed the Gratuity Contribution to LIC's Group Gratuity Policy. The Company's liability towards gratuity is accounted for on the basis of an actuarial valuation done by the LIC at the year end and the same is charged to profit and loss account. Encashable value of the leave entitlement is paid in the same financial year and as per the present policy, no accumulation of leave is permitted.
- All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees.

15. Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is one that necessarily require a substantial period of time to get ready for their intended use. All the other borrowing cost is recognized as an expense in the period in which they are incurred.

16. Leases

Leasehold land is being amortized over the period of lease.

17. Miscellaneous Expenditure

Share issue expenses are deferred to be amortized over the period of ten years.

18. Prior Period Adjustments

Considering the nature of the business, all the prior period adjustments, including those ascertained and determined during the year have been accounted for under the respective heads of accounts.

There are certain changes which have been effected in the accounting policy which result in appropriate presentation of financial statements, however it does not have any material impact in the current as well as in future periods.

19. Discontinuing Operations

The Company has not discontinued any operations during the year.

20. Provisions, Contingent Liabilities And Contingent Assets

- The provisions are recognized and measured by using a substantial degree of estimation.
- Contingent liabilities and contingent assets are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in issue.

B. NOTES FORMING PART OF THE ACCOUNTS:

- The figures of the previous accounting period are re-grouped, re-classified wherever necessary and are not comparable with the figure of the current accounting year.

- Contingent liabilities not provided for: Amount (Rs.) in Lacs

Particulars	Current Year	Previous Year
a) Bank Guarantee & Import L/C	347.83	3.85
b) Disputed Income Tax Dues (Net)	91.86	135.25
c) Capital Commitment (Advances given L.Y. Rs.61.35)	Nil	306.74

- Balances of sundry debtors, loans and advances and sundry creditors are subject to confirmation. Quantitative details of Inventories has been given by management and are subject to physical verification.
- In the opinion of the Board of Directors of the Company the Current Assets, Loans and Advances have a value on realizations in the ordinary course of business, at least equal to the amounts at which they are stated and the provisions for all known liabilities are adequate and are not in excess of the amount reasonably necessary.
- The disclosures required under accounting standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) rules 2006, are given below:

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Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

(Amt. In Rs.)

Particulars	Current Year	Previous Year
Employer's Contribution To Provident Fund & Pension Scheme	1,11,217	1,96,929
Employer's Contribution To Employee State Insurance	50,521	54,346

Defined benefit plan

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

	Current Year	Previous Year
a. Reconciliation of opening and closing balances of defined benefit obligation	Gratuity (Funded)	
Defined benefit obligation at beginning of the year	988002	1178827
Current Service Cost	64042	60806
Interest Cost	NIL	NIL
Actuarial (gain)/loss	58717	NIL
Benefits paid	102309	170308
Defined Benefit obligation at year end	1067288	988002
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	533386	527222
Expected return on plan assets	48005	47450
Actuarial (gain)/loss		
Employer contribution	515386	128945
Benefits paid	102309	170308
Fair value of plan assets at year end	1026412	533386
Actual return on plan assets	79949	47527
c. Reconciliation of fair value of assets and obligation		
Fair value of plan assets as at 31st March, 2009	960566	533386
Fair value of obligation as at 31st March, 2009	1067288	988002
Unfunded net liability recognized in balance sheet	170764	520797
d. Expenses recognized during the year		
Current service cost	64042	60806
Interest cost	NIL	NIL
Expected return on plan assets	48005	47450
Actuarial (gain)/loss	58717	NIL
Net Cost	170764	13356
e. Investment details	% invested as	% invested as
	at 31st March 2009	at 31st March 2008
L.I.C. Group Gratuity (Cash Assumption) Policy	100%	100%
f. Actuarial assumptions		
Mortality Table (L.I.C.)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount rate (per annum)	8.00%	8.00%
Expected rate of return of plan assets (per annum)	9.00%	9.00%
Rate of escalation in salary (per annum)	4.00%	4.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Bhageria Dye Chem Ltd.

6. Managerial Remuneration : (Amt in Rs.)

Particulars	Current Year	Previous Year
Directors Remuneration		
- Salary	21,06,000	20,92,000
- Directors sitting fees	27,500	27,500

During the current year the company has incurred loss. Directors remuneration is provided as per Schedule XIII Part II Section II of the Companies Act, 1956

7. Break-up of expenditure on Employees:

Particulars	No of Employees	Current Year Salary (Gross)	No of Employees	Previous Year Salary (Gross)
A) Employees whose remuneration was Rs.24,00,000/- (Previous Year Rs.12,00,000/- or more in aggregate	Nil	Nil	Nil	Nil
B) Employee employed for only part of the year whose remuneration was (Rs.2,00,000/-) (Previous Year Rs.1,00,000/-) or more per month aggregate	Nil	Nil	Nil	Nil

8. Auditors Remuneration: (Amt in Rs.)

	Current Year	Previous Year
Audit Fees	200,000	2,00,000
Tax Audit Fees	50,000	50,000
Certification Fees	17,250	8,959
Total	<u>267,250</u>	<u>2,58,959</u>

9. Income Tax Assessments have been completed up to assessment year 2005-2006 pertaining to previous accounting year ended on 31.03.2005. The company does not foresee any Liabilities for the uncompleted Assessments.

10. Sales Tax Assessments have been completed up to the Accounting year ended as on 31.03.2005 in respect of Mumbai Jurisdiction. Sales Tax Assessments have been completed upto accounting year ended as on 31.03.2004 in respect. The company does not foresee any Liabilities for the uncompleted Assessments.

11. The liability of Excise Duty on finished goods of Rs 2,47,118/- (Previous Year 13,96,206/-) has been provided in the accounts and has been included in the valuations of the finished goods. This accounting treatment has no impact on the profit of the year.

12. Deferred Tax Asset / Liability

The components of Deferred Tax asset & liability are as under:

	Current Year	Previous Year
Deferred Tax Liability		
On account of Depreciation	63,91,975	61,43,930
	63,91,975	61,43,930
Deferred Tax Asset	Nil	Nil
On Account of Carried Forward losses	58,72,604	Nil
Deferred Tax Liability	5,19,371	61,43,930

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13. Earning Per Share

	Current Year	Previous Year
Net Profit After Tax available for Equity Share Holders	(1,17,95,534)	1,21,22,935
Weighted Average number of Equity Shares of Rs.10/- each		-----
Diluted Earning Per Share (Rs.)	(3.41)	3.50

14. Fixed Deposit Receipt with Banks Rs. 6,78,23,402/- (Previous Years Rs. 4,90,80,723/-) are pledged with bank for availing credit facilities and against L/C margin.

15. Unclaimed Dividend lying credit in the specified bank accounts.

FOR YEAR ENDED	(Amt in Rs.)
31/03/2008	3,41,657.00
31/03/2007	1,70,549.83
31/03/2006	1,16,780.33
31/03/2005	98,993.86
31/03/2004	1,01,583.00
31/03/2003	1,15,351.20
31/03/2002	91,998.00
	10,36,913.22

16. As required by Accounting Standard AS-18 "Related Parties Disclosure" issued by The Institute of Chartered Accountants of India is as follow:

Company's Related parties

- a. Associate Company
Bhageria Trade Invest Pvt. Ltd.
- b. Key Managerial Personnel
Shri. Suresh Bhageria
Shri. Vinod Bhageria

Transactions with Related Parties

Sr. No	Nature of Transaction	Volume of Transaction (In Rs.)	
		Associate Company	Key Managerial Personnel
1	Advance Given	0 (0)	0 (4,08,000)
2	Advances recovered	0 (0)	0 (4,08,000)
3	Remuneration	0 (0)	21,06,000 (20,92,000)
4	Perquisite & Other Allowance	0 (0)	0 (0)
5	Sitting Fees	0 (0)	32,500 (27,500)
6	Receivable / (Payable)	0 (0)	0 (0)
7	Key man Insurance Policy	0 (0)	49,75,829 (0)

Bhageria Dye Chem Ltd.

17. Segmental Reporting as per AS-17

Primary Segment

The company is engaged in one segment i.e. manufacturing and trading in chemicals and dyes & dyes intermediates.

Secondary segment

Particulars	As at 31st March, 2009	As at 31st March, 2008
REVENUE FROM		
External Sales		
(a) Domestic	15,88,27,452.01	10,44,93,383.16
(b) Export	36,17,83,153.30	50,81,62,553.26
Total Revenue	52,06,10,605.31	61,26,55,936.42

18. Small Scale Industries:

The management is currently in the process of identifying enterprises which have been provided goods and services to the company which qualify under the definition of Medium and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosures in respect of amount payable to such Micro, Small and Medium Enterprises as at March 31, 2009 has not been made in the financial statements. However, in view of the management, the impact of the interest, if, any, that may be payable in accordance with the provisions of the Act is not expected to be material.

19. INFORMATION PURSUANT TO PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

A. TURNOVER, OPENING & CLOSING STOCKS BY CLASS OF GOODS PRODUCED FOR SALE

CLASS OF GOODS	UNIT	TURNOVER		OPENING STOCK		CLOSING STOCK	
		QTY	VALUE Rs.	QTY	VALUE Rs.	QTY	VALUE Rs.
Vinyl Sulphone	MT	2095.013 (3200.852)	300,352,784 (427,525,868)	16.150 (26.075)	2,637,854 (3,401,682)	17300.000 (16.150)	1,954,900 (2,637,854)
Acetanalide	MT	0.000 (9954.000)	- (746,550)	19.300 (15.350)	1,375,775 (1,162,179)	17250.000 (19.300)	864,053 (1,375,775)
Resale Items			155,188,497 (149,121,486)	0.000 (0.000)	- (0)	0.000 (0.000)	- (0)
Others			65,069,324 (35,262,033)	58.539 (9.055)	7,064,995 (506,955)	24620.000 (58.539)	820,190 (7,064,995)
TOTAL			520,610,605 (612,655,937)	93.989 (50.480)	11,078,624 (5,070,816)	59.170 (93.989)	3,639,143 (11,078,624)

Note : Resale items: The quantity is mentioned in Pcs., as well as in Kgs. Therefore the quantitative details are not comparable as well as workable, hence has not been provided.

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B. RAW MATERIAL CONSUMPTION

SR. NO.	NAME OF ITEM	CURRENT YEAR		PREVIOUS YEAR	
		QUANTITY MT	AMOUNT Rs.	QUANTITY MT	AMOUNT Rs.
1	Aniline Oil	699930.000	54,286,571	979.800	59,277,900
2	Acetic Acid	273395.000	8,390,493	333.445	9,468,058
3	Acetanilide	295000.000	23,110,300	663.900	43,870,512
4	Chloro Sulphonic Acid	5184000.000	64,126,080	9422.100	91,582,812
5	Caustic Soda Lye / Flakes	2261100.000	28,977,824	3645.000	38,325,690
6	Ethylene Oxide	569655.000	38,747,933	858.460	55,593,870
7	Other Chemicals & Acids		112,597,231		84,428,836
			330,236,432		382,547,678

Raw Materials consumed are after adjustments of shortage/ excess of Quantity and provision for losses/ profits.

C. DETAILS REGARDING IMPORT & INDIGENEOUS RAW MATERIALS AND STORES & SPARE PARTS

	IMPORT VALUE Rs.	% TO TOTAL CONSUMPTION	INDIGENEOUS VALUE Rs.	% OF THE TOTAL CONSUMPTION	TOTAL CONSUMPTION Rs.
1. Raw Material	79,815,679 (80,291,544)	24.17 (20.99)	250,420,753 (302,256,134)	75.83 (79.01)	330,236,432 (382,547,678)
2. Stores & Spares	- (0)	- (0)	2,711,392 (2,696,411)	100 (100.00)	2,711,392 (2,696,411)

D) DETAILS OF LICENCE & INSTALLED CAPACITY AND PRODUCTION OF GOODS

CLASS OF GOODS	INSTALLED CAPACITY PER ANNUM	ACTUAL PRODUCTION	
		AS ON 31.03.2009(MT)	AS ON 31.03.2008(MT)
1 Vinyl Sulphone	3600.000 M.T.	2,127.449	3,190.927
2 Acetanilide	Not Applicable	992.150	1,394.704
3. Acetic Acid (Spent)	Not Applicable	291.060	449.190
4. Hydrochloric Acid (Spent)	Not Applicable	2,511.350	4,493.685
5. Sulphanilic Acid	Not Applicable	1,600.000	17.600
6. Acetamino Sulphonic Dry	Not Applicable	0.000	0.000

* Acetalanide 994.200 M.T.(Prev. Year 1380.800 M.T.) & Acetic Acid 352.285 MT (Prev. Year 522.005 M.T.) & Spent HCL 16.305 M.T. (Prev. Year 31.100 M.T.) used as Captive Consumption.

Bhageria Dye Chem Ltd.

	31/3/09	31/3/08
E) C.I.F.VALUE OF IMPORTS		
Raw Material / Trading Item	79,815,679	80,291,544
F) EXPENDITURE IN FOREIGN CURRENCY		
(i) Travelling	183,130	188,180
(ii) Commission	-	21,974,345
G) EARNING IN FOREIGN CURRENCY		
F.O.B. Value of Exports	478,932,639	453,190,658
H) Amount remitted to non-resident shareholders towards dividend for the year ended 31st March, 2008		

	Number of Shareholders	Shares Held	Amount remitted
Non-resident shareholders	103	182564	273847.00
having mandates in India	(104)	(183914)	(220697.00)

Schedule A to R are annexed to and form integral part of Balance Sheet and Profit and Loss Account.

As per our report of even date
FOR SARDA & PAREEK
Chartered accountants

Sitaram Pareek
Partner
(Membership No. 16617)

PLACE : Mumbai
DATE : 27th June, 2009

For and on behalf of the board
Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

Shashikant Tulsian
Director

20th Annual Report 2008-09

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. REGISTRATION DETAILS

Registration No. 11 - 5 2 5 7 4 State Code 1 1
 Balance Sheet Date 31 / 03 / 2009

2. CAPITAL RAISED DURING THE YEAR [AMOUNT RS. IN THOUSAND]

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

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS [AMOUNT RS. IN THOUSAND]

Total Liabilities	1 7 4 7 6 5	Total Assets	1 7 4 7 6 5
Paid Up Capital	3 4 6 2 8	Reserve & Surplus	5 4 1 8 7
Secured Loan	8 5 4 3 1	Unsecured Loan	NIL
		Deferred Tax Liabilities	5 1 9

APPLICATION OF FUNDS

Net Fixed Assets	4 6 8 1 5	Investments	4 9 3
Net Current Assets	1 2 7 4 5 7	Misc. Expenditure	NIL
Accumulated Losses	NIL		

4. PERFORMANCE OF COMPANY [AMOUNT RS. IN THOUSAND]

Turnover	5 4 5 4 3 8	Total Expenditure	5 5 2 5 6 8
Profit Before Tax	-1 7 1 4 4	Profit After Tax	-1 1 7 9 5
Earning Per Share in RS.	-3.41	Dividend Rate %	6 %

5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/ SERVICES OF COMPANY [AS PER MONETARY TERMS] [PRODUCT DISCRIPTION] [ITC CODE]

1. VINYL SULPHONE	2 9 0 4 1 0 0 4
2. SULPHO TOBIASACID	2 9 3 0 9 0 0 7
3. NIL	

FOR AND ON BEHALF OF THE BOARD

Suresh Bhageria
Chairman

PLACE : Mumbai
DATE : 27th June, 2009

Bhageria Dye Chem Ltd.

STATEMENT OF CASH FLOW PURSUANT TO LISTING AGREEMENT WITH STOCK EXCHANGE

PARTICULARS	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	(17,144,235)	19,152,932
Adjustments for		
Depreciation	8,417,012	8,402,610
Loss /(Profit) on Sale of Assets	(727,142)	(196,515)
Depreciation Written Off	0	(3,255)
Interest Paid	11,383,687	9,591,360
	<u>19,073,557</u>	<u>17,794,200</u>
Operating Profit before Working Capital Changes	1,929,323	36,947,132
Changes in Working Capital		
(Increase)/Decrease in Inventories	11,204,551	3,929,701
(increase)/Decrease in Sundry Debtors	64,403,122	52,553,499
(increase)/Decrease in Loans & Advances	29,606,123	(32,861,479)
increase/(Decrease) in Current Liabilities	(8,926,372)	22,092,974
	<u>98,216,748</u>	<u>82,661,828</u>
Cash Generated from Operation	98,216,748	82,661,828
Corporate Tax on Dividend paid	(883,001)	(706,193)
Direct Taxes Paid	(3,357,359)	(8,219,732)
	<u>93,976,388</u>	<u>73,735,903</u>
CASH FROM OPERATING ACTIVITIES	<u>93,976,388</u>	<u>73,735,903</u>
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(3,741,834)	(11,740,231)
Purchase of Investment	0	(493,650)
Sale of Assets	2,446,250	605,000
	<u>(1,295,584)</u>	<u>(11,628,881)</u>
NET CASH FROM INVESTMENT ACTIVITIES	<u>(1,295,584)</u>	<u>(11,628,881)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Bank Cash Credit	(59,820,787)	(62,586,995)
Dividend paid	(5,194,125)	(4,155,300)
Interest (Net)	(11,383,687)	(9,591,360)
	<u>(76,398,599)</u>	<u>(76,333,655)</u>
NET CASH FLOW FROM FINANCING ACTIVITIES	<u>(76,398,599)</u>	<u>(76,333,655)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,282,204	(14,226,633)
Cash and cash Equivalents at the commencement of the year	53,352,744	67,579,377
	<u>69,634,948</u>	<u>53,352,744</u>
Cash and cash Equivalents at the closure of the year	<u>69,634,948</u>	<u>53,352,744</u>

Schedule A to R are annexed to and form integral part of Balance Sheet and Profit and Loss Account.

As per our report of even date

FOR SARDA & PAREEK
Chartered accountants

Sitaram Pareek
Partner
(Membership No. 16617)

PLACE : Mumbai
DATE : 27th June, 2009

For and on behalf of the board

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

Shashikant Tulsian
Director

Bhageria Dye Chem Ltd.

ATTENDANCE SLIP

Regd. Office :

A-101, Virwani Ind. Estate, Western Express Highway, Goregaon (E), MUMBAI - 400 063.

Ledger Folio / DPID No. _____ Signature _____

Name & Address of Shareholder : _____

I/We here by record my presence at the 20th Annual General Meeting at Lalit Restaurant Hall, Near Rly. Station, Goregaon (W), Mumbai - 400 062. Saturday, the 29th Day of August, 2009 at 11.00 A.M.

Only shareholder/proxies/representatives are allowed to attend the meeting.



Bhageria Dye Chem Ltd.

PROXY FORM

Regd. Office :

A-101, Virwani Ind. Estate, Western Express Highway, Goregaon (E), MUMBAI - 400 063.

I/We _____

Of _____

in the district of _____

being a member (s) of the above Named Company, hereby appoint _____

of _____ or failing him _____

of _____ as my/ our proxy to attend and vote for me / us and on my / our

behalf at the 20th Annual General Meeting of the company.

Ledger Folio / DPID No. _____ of shares held _____

Signed this _____ day of _____ 2009.

Place : _____ Signature _____



Note : This form duly completed should be deposited at the Registered Office of the Company Not later than 48 hours before the commencement of Annual General Meeting of the Company.



Book - Post



If undelivered please return to :

B **BHAGERIA DYE-CHEM LTD.**

A-101, Virwani Industrial Estate, Western Express Highway,
Goregaon (East), Mumbai - 400 063.