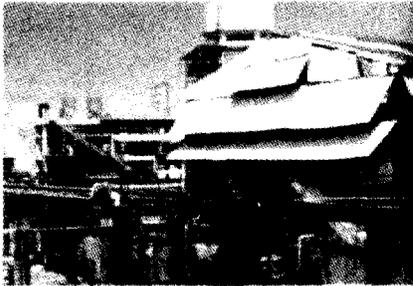


20th
Annual Report
2008 - 2009



Bharat RASAYAN LIMITED
(AN ISO 9001 : 2000 CERTIFIED COMPANY)

**BOARD OF DIRECTORS****Promoter Directors****S. N. GUPTA**

Chairman & Managing Director

M. P. GUPTA

Whole Time Director

R. P. GUPTA

Whole Time Director

Other Directors**AJAY GUPTA**

Director (Executive)

SANDESH JAIN

Director (Independent & Non-Executive)

NARESH AGARWAL

Director (Independent & Non-Executive)

PANKAJ GUPTA

Director (Independent & Non-Executive)

RAM KANWAR

Director (Independent & Non-Executive)

**COMPANY SECRETARY &
COMPLIANCE OFFICER****LAKSHMI GURUNG****AUDITORS****M/S. B.K. GOEL & ASSOCIATES**

Chartered Accountants

P-16, N.D.S.E.-II,

New Delhi - 110 049.

BANKERS**STATE BANK OF INDIA****REGISTERED OFFICE**1501, Vikram Tower,
Rajendra Place,
New Delhi - 110 008.**FACTORY**2 KM Stone, Madina-Mokhra Road,
Village Mokhra, Tehsil Meham,
Distt. Rohtak (Haryana).**REGISTRAR & SHARE
TRANSFER AGENT****M/S. LINK INTIME INDIA PVT. LIMITED**

A-40, 2nd Floor, Naraina Industrial Area, Phase-II,

Near Batra Banquet Hall, New Delhi - 110 028.

Tel. Nos. : 91-11-41410592-94

Fax No. : 91-11-41410591

*Members may please note that no
gifts/coupons shall be distributed
at the meeting*

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NOTICE

The 20th Annual General Meeting of Bharat Rasayan Limited will be held at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110087, on Friday, the 25th September, 2009, at 10:30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and Adopt the audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2009 and the Directors' and Auditors' Reports thereon.
2. To consider declaration of dividend for the financial year ended 31.03.2009.
3. To appoint a Director in place of Mr. M.P.Gupta who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. Sandesh Jain who retires by rotation and is eligible for reappointment.
5. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Article No. 116 of the Articles of Association of the Company and pursuant to Sections 198, 269, 309, 310, 311 & Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the forthcoming Annual General Meeting, Shri M.P.Gupta be and is hereby reappointed as a Whole Time Director of the Company for a further period of 5 years w.e.f. 01.04.2009, on the following terms and conditions:

(A) MONTHLY SALARY

Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) per month.

(B) COMMISSION

Profit based commission payable @25% of eligible profit computed in the manner laid down under Sections 349 and 350, subject to the ceiling laid down under Sections 198 and 309 of the Companies Act, 1956 and Schedule-XIII thereto.

(C) PERQUISITES

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. For this purpose, perquisites are classified into three categories, "A", "B" and "C" as follows:

Category-A

1. Housing

- a) In case the hired accommodation is provided by the Company, the expenditure by the Company on hiring unfurnished accommodation for him will be subject to the ceiling of sixty percent of his salary over and above ten percent payable by him.
- b) In case the accommodation provided to him is owned by the Company, ten percent of his salary shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, he shall be entitled to house rent allowance as may be approved by the Board subject to ceiling of sixty percent of his salary.

2. Gas, Electricity, Water, Furnishings

If provided by the Company, shall be valued as per Income Tax Rules, 1962 and shall be restricted to 10% of his salary.



3. Medical Reimbursement

Medical expenses incurred by him for self and family will be reimbursed, not to exceed Rs. 15,000/- per annum, on submission of relevant bills.

4. Leave Travel Concession

Leave Travel Concession for him and his family, once in a year, in accordance with the Rules of the Company.

5. Club Fees

Club fees, subject to a maximum of two clubs excluding admission and life membership fees.

6. Personal Accident Insurance

Premium not to exceed Rs. 10,000/- per annum.

The aggregate monetary value of the above perquisites shall not exceed his annual salary.

Explanation: For the purpose of Category-A family means his spouse, his dependent children and dependent parents.

Category-B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Company's rules, will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category-C

The Company shall provide Car with Driver and telephone at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company and paid by him.

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

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

"RESOLVED THAT pursuant to Article No. 116 of the Articles of Association of the Company and pursuant to Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the Annual General Meeting, Shri S.N.Gupta be and is hereby reappointed as a Chairman & Managing Director of the Company w.e.f. 15.12.2009 to 31.03.2014.

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

"RESOLVED THAT pursuant to Section 198, 309, 310, 311 & Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the forthcoming Annual General Meeting, the remuneration of Shri S.N.Gupta, Chairman & Managing Director of the Company, be and is hereby revised for a further period of 5 years w.e.f. 01.04.2009, on the following terms and conditions:

(A) MONTHLY SALARY

Rs. 2,75,000/- (Rupees Two Lakh Seventy Five Thousand only) per month.



(B) COMMISSION

Profit based commission payable @55% of eligible profit computed in the manner laid down under Sections 349 and 350, subject to the ceiling laid down under Sections 198 and 309 of the Companies Act, 1956 and Schedule-XIII thereto.

(C) PERQUISITES

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. For this purpose, perquisites are classified into three categories, "A", "B" and "C" as follows:

Category-A

1. Housing

- a) In case the hired accommodation is provided by the Company, the expenditure by the Company on hiring unfurnished accommodation for him will be subject to the ceiling of sixty percent of his salary over and above ten percent payable by him.
- b) In case the accommodation provided to him is owned by the Company, ten percent of his salary shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, he shall be entitled to house rent allowance as may be approved by the Board subject to ceiling of sixty percent of his salary.

2. Gas, Electricity, Water, Furnishings

If provided by the Company, shall be valued as per Income Tax Rules, 1962 and shall be restricted to 10% of his salary.

3. Medical Reimbursement

Medical expenses incurred by him for self and family will be reimbursed, not to exceed Rs. 15,000/- per annum, on submission of relevant bills.

4. Leave Travel Concession

Leave Travel Concession for him and his family, once in a year, in accordance with the Rules of the Company.

5. Club Fees

Club fees, subject to a maximum of two clubs excluding admission and life membership fees.

6. Personal Accident Insurance

Premium not to exceed Rs. 10,000/- per annum.

The aggregate monetary value of the above perquisites shall not exceed his annual salary.

Explanation: For the purpose of Category-A family means his spouse, his dependent children and dependent parents.

Category-B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Company's rules, will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category-C

The Company shall provide Car with Driver and telephone at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites.



Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company and paid by him.

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

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

"RESOLVED THAT pursuant to Sections 198, 309, 310, 311 & Schedule-XIII and other applicable provisions of the Companies Act, 1956, and approval of members in the forthcoming Annual General Meeting, the remuneration of Shri R.P.Gupta, Whole Time Director of the Company, be and is hereby revised for a further period of 5 years w.e.f. 01.04.2009, on the following terms and conditions:

(A) MONTHLY SALARY

Rs. 1,00,000/- (Rupees One Lakh only) per month

(B) COMMISSION

Profit based commission payable @20% of eligible profit computed in the manner laid down under Sections 349 and 350, subject to the ceiling laid down under Sections 198 and 309 of the Companies Act, 1956 and Schedule-XIII thereto.

(C) PERQUISITES

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. For this purpose, perquisites are classified into three categories, "A", "B" and "C" as follows:

Category-A

1. Housing

- a) In case the hired accommodation is provided by the Company, the expenditure by the Company on hiring unfurnished accommodation for him will be subject to the ceiling of sixty percent of his salary over and above ten percent payable by him.
- b) In case the accommodation provided to him is owned by the Company, ten percent of his salary shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, he shall be entitled to house rent allowance as may be approved by the Board subject to ceiling of sixty percent of his salary.

2. Gas, Electricity, Water, Furnishings

If provided by the Company, shall be valued as per Income Tax Rules, 1962 and shall be restricted to 10% of his salary.

3. Medical Reimbursement

Medical expenses incurred by him for self and family will be reimbursed, not to exceed Rs. 15,000/- per annum, on submission of relevant bills.

4. Leave Travel Concession

Leave Travel Concession for him and his family, once in a year, in accordance with the Rules of the Company.

5. Club Fees

Club fees, subject to a maximum of two clubs excluding admission and life membership fees.

**6. Personal Accident Insurance**

Premium not to exceed Rs. 10,000/- per annum.

The aggregate monetary value of the above perquisites shall not exceed his annual salary.

Explanation: For the purpose of Category-A family means his spouse, his dependent children and dependent parents.

Category-B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Company's rules, will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

Category-C

The Company shall provide Car with Driver and telephone at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company and paid by him.

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

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

"RESOLVED that pursuant to Section 293(1)(e) of the Companies Act, 1956, approval of members be and is hereby granted for donation of Rs. 51,10,100/- made by the Company to Shri Ram Krishna Sewa Sadan, Shri Ram Krishna Cancer Hospital and Shri Agrasen North Ex-Welfare Society (Regd.)."

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

"RESOLVED THAT pursuant to Section-31 and other applicable provisions of the Companies Act, 1956, if any, the Articles of Association of the Company be altered as follows:

After Article No. 13, the following new Article be inserted as Article 13A under the title "**BUY-BACK OF SHARES**".

BUY-BACK OF SHARES

- 13 (A) Notwithstanding anything contained in these Articles, in the event it is permitted by law for a Company to purchase its own shares or securities, when and if thought fit, the Company may buy back such of the Company's own shares or securities, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by law and as per scheme decided by Board of Directors from time to time.**

Regd. Office
1501, Vikram Tower,
Rajendra Place,
NEW DELHI-110008.
AUGUST 28, 2009

BY ORDER OF THE BOARD

(LAKSHMI GURUNG)
COMPANY SECRETARY



EXPLANATORY STATEMENT

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

ITEM NO. 6

The existing tenure of Shri M.P.Gupta, Whole Time Director of the Company expired on 31.03.2009. The Board of Directors in its meeting held on 01.04.2009 decided to reappoint Shri M.P.Gupta, subject to the approval of the members of the Company, as Whole Time Director of the Company for a period of 5 years w.e.f. 01.04.2009 on the remuneration and other terms and conditions contained in the resolution.

In view of contribution made and significant services rendered by Shri M.P.Gupta to the Company and having regard to his knowledge and experience, the Board considers that the reappointment of Shri M.P.Gupta as Whole Time Director of the Company will be beneficial to and in the interest of the Company and hence recommends the resolution for your approval.

No other Director except Shri M.P.Gupta is concerned or interested in the resolution.

ITEM NOS. 7 and 8

The existing tenure of Shri S.N.Gupta, Chairman & Managing Director of the Company will expire on 14.12.2009.

Under able leadership of Shri S.N.Gupta, Company has achieved commendable growth and having regard to his knowledge, experience and outstanding performance, the Board considers that the reappointment of Shri S.N.Gupta as Chairman & Managing Director of the Company will be beneficial to and in the interest of the Company and hence recommends the resolution for your approval.

No other Director except Shri S.N.Gupta is concerned or interested in the resolution.

ITEM NO. 9

As Shri R.P.Gupta is looking after the factory production and general administration and also he is extending the technical as well as administrative support to the Company. In view of contribution made and significant services rendered by Shri R.P.Gupta to the Company and having regard to his knowledge and experience, the Board considers that the remuneration of Shri R.P.Gupta, Whole Time Director should be revised with w.e.f. 01.04.2009 and hence recommends the resolution for your approval.

No other Director except Shri R.P.Gupta is concerned or interested in the resolution.

ITEM NO. 10

Your Company has been in the forefront in carrying out various social activities, thereby meeting its obligations and social responsibility towards the society. Your Company made charitable donation of Rs. 51,10,100/- paid to Shri Ram Krishna Sewa Sadan, Shri Ram Krishna Cancer Hospital and Shri Agrasen North Ex-Welfare Society (Regd.).

The Directors recommend this resolution for acceptance by the members.

ITEM NO. 11

The Articles of Association is proposed to be altered by the addition of Article No. 13A to permit the Company to purchase its own securities on such terms and conditions and in the manner as may be prescribed by the law.

The Directors recommend this resolution for acceptance by the members.



NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself, and such proxy need not be a member of the Company. Proxies in order to be effective, must be delivered at the registered office of the Company, not less than 48 hours before the time of the meeting.
 2. Members/Proxies should bring the attendance slip duly completed. Members who hold shares in dematerialised mode are requested to bring their Client-ID and DP-ID Numbers also for easy reference.
 3. The copies of the annual report will not be distributed at the annual general meeting. Members are, therefore, requested to bring their copies of the annual report to the meeting. However, Annual Accounts will be available for inspection and copy can be obtained on demand.
 4. Members intending to seek any information on the annual accounts at the meeting are requested to intimate the Company at least seven days before the date of the meeting.
 5. Nominations - Members holding shares in physical mode and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 109A of the Companies Act, 1956, may obtain the prescribed Form-2B, from the Company or download from the website of Ministry of Corporate Affairs (MCA). Members holding shares in dematerialised mode may approach their Depository Participant (DP) in this regard.
 6. M/s. Link Intime India Pvt. Limited acts as a Registrar and Share Transfer Agent on behalf of the Company and is a common agency for dealing with demat and physical shares.
 7. The share transfer books and register of members of the Company will remain close from 20.09.2009 to 25.09.2009 (both days inclusive).
 8. The Unclaimed Dividend for the financial year ended on 31.03.2008 lying in the unpaid dividend account will be transferred to the Investors Education and Protection Fund (IEPF) Account after completion of seven years. Members who have not encashed their dividend may lodge their claim with the company immediately.
 9. The Dividend, if approved by the members in the ensuing Annual General Meeting, will be paid on or before 24th October, 2009 to those shareholders whose names appear:
 - a) as Member in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company/Registrar & Share Transfer Agent on or before 25th September, 2009; and
 - b) in respect of the shares in electronic form on the basis of beneficial ownership furnished by National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) for this purpose as at the end of 25th September, 2009.
- Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company Secretary or Registrar & Share Transfer Agent M/s. Link Intime India Pvt. Limited, in respect of their physical shares quoting their folio number.
10. The register of Directors' Shareholding shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.



11. Information required to be furnished under the Listing Agreement in respect of following directors proposed to be appointed/reappointed as Directors:

Particulars	Name of the Directors	
	Mr. M.P.GUPTA	Mr. SANDESH JAIN
Age	55 Years	45 Years
Qualification	B.Com.	B.Com., FCA
Experience	32 Years	19 Years
Directorship	since 15.05.1989	since 30.09.2006
Work exposure	Specialization in the field of Finance, Banking, Taxation, Accounts and General Administration	- Practicing Chartered Accountant - Specialization in the field of Corporate Law & Corporate Finance
Directorship in other Companies	- Bharat Insecticides Limited - Bharat Rasayan Finance Ltd. - B R Agrotech Limited - Siris Crop Sciences Limited - Synochem Organics Pvt. Ltd.	- Rathi GraphicTechnologies Limited - Beach Financial Services Pvt. Ltd. - New Delhi Media Pvt. Limited - Mask Impex Pvt. Limited
Proprietorship	No	- Sandesh Jain & Co.,Chartered Accountants
Member of any Committee in the Company	- Shareholders' & Investors' Grievance Committee - Shares Transfer Committee	- Audit Committee - Remuneration Committee - Shares Transfer Committee

Particulars	Name of the Directors	
	Mr. S.N.GUPTA	Mr. R.P.GUPTA
Age	61 Years	43 Years
Qualification	M.A. (Economics)	B.Com.
Experience	33 Years	23 years
Directorship	since 15.05.1989	since 15.05.1989
Work exposure	Specialization in the field of International Business, overall Marketing Strategy and Corporate Planning	looking after the factory Production, Procurement and General Administration
Directorship in other Companies	- Bharat Insecticides Limited - Siris Crop Sciences Limited - Crop Care Federation of India	- Bharat Insecticides Limited - Bharat Rasayan Finance Limited - B R Agrotech Limited - Siris Crop Sciences Limited
Proprietorship	No	Gupta Associates
Member of any Committee in the Company	No	- Shares Transfer Committee

BY ORDER OF THE BOARD

NEW DELHI
AUGUST 28, 2009

(LAKSHMI GURUNG)
COMPANY SECRETARY



DIRECTORS' REPORT

TO THE MEMBERS OF BHARAT RASAYAN LIMITED

Your Directors have pleasure in presenting their 20th Annual Report together with the audited accounts of the Company for the year ended 31st March, 2009:

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	For the year ended 31.03.2009		For the year ended 31.03.2008	
Sales & Other Income		10703.23		7002.45
Profit before interest & depreciation		1018.67		644.43
Less : Interest	49.58		45.79	
: Depreciation	92.05	141.63	89.26	135.05
Profit before income tax		877.04		509.38
Provision for Taxation - Current Liability	311.87		139.73	
- Liability for Last Year	50.00		Nil	
<u>Provision for dividend distribution tax</u>				
- Current Liability	7.22		Nil	
- Liability for Last Year	7.22		Nil	
Provision for FBT	2.31		Nil	
Provision for Dividend	42.49	421.11	42.49	182.21
		455.93		327.17
Add : Excess provision for tax reversed	Nil		66.16	
: Deferred Tax Assets	4.43	4.43	6.69	72.85
Profit after tax		460.36		400.02
Surplus brought forward from previous year		21.79		21.77
Profit available for appropriation		482.15		421.79
Appropriations				
Transferred to General Reserve		450.00		400.00
Balance being surplus carried over to the Balance Sheet		32.15		21.79

FINANCIAL HIGHLIGHTS

The year under review has been extremely well with gross receipts of Rs. 107.03 Crores as compared to Rs. 70.02 Crores in the previous year, registering a growth of 52.85%. Exports during the year were Rs. 50.42 Crores as compared to Rs. 29.35 Crores in the previous year, registering a growth of 71.79%.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DIVIDEND

Your directors are pleased to recommend dividend of 10%, i.e. Re. 1 per share. The Company's net outgoing on account of dividend (excluding tax on distributed profits) will be Rs. 42.49 Lacs.

FIXED DEPOSITS

As on 31.03.2009, there was no overdue deposit with the Company. All deposits due for payment were fully paid as on date and there is no deposit under section 58A.

INSURANCE

The Company continues to carry adequate insurance cover for all its assets against foreseeable perils. The Company continues to maintain Public Liability Policy as per the provisions of Public Liability Insurance Act.



POLLUTION CONTROL

The Company has taken various initiatives to keep the environment free from pollution. It has installed various devices in the factory to control the pollution.

AUDITORS & AUDITORS' REPORT

M/s. B.K.Goel & Associates, Chartered Accountants, the auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend for their re-appointment.

The report of the Auditors is self-explanatory and does not call for any comments from the Directors.

STATUTORY STATEMENTS

- a) **Conservation of energy, technology absorption and foreign exchange earnings/outgo**
Statements pursuant to section 217(1)(e) of the Companies Act, 1956, are given in **Annexure-II**.
- b) **Particulars of employees pursuant to section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975:**
As such there is no employee covered under the said Rules.
- c) **Directors' responsibility statement pursuant to Section 217(2AA) of the Companies Act, 1956**

Your Directors confirm:

1. that in the preparation of the Annual Accounts the applicable accounting standards have been followed. There were no material departures requiring any explanation.
2. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date.
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. that the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Company has been committed to the principles of good corporate governance and the board of directors always believes in the transparency, accountability and integrity. Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance and Auditor's Certificate on it is given in **Annexure-III**.

DIRECTORATE

Mr. M.P.Gupta and Mr. Sandesh Jain retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for reappointment.

The tenure of Mr. M.P.Gupta as a Whole Time Director of the Company has expired on 31.03.2009. The Board of Directors recommended his appointment as Whole Time Director for a period of 5 years w.e.f. 01.04.2009.

Further, the tenure of Mr. S.N.Gupta will expire on 14.12.2009, the Board of Directors recommended his appointment as Chairman & Managing Director of the Company w.e.f. 15.12.2009 to 31.03.2014 in advance.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the support extended by the Company's Bankers, customers, suppliers, all other service providers and associates and last but not the least, the shareholders. Your directors also take this opportunity to place on record their sincere appreciation to employees of the Company, at all levels, for their concerted efforts and services rendered to the Company during the year.

ON BEHALF OF THE BOARD

NEW DELHI
AUGUST 28, 2009.

(S.N.GUPTA)
CHAIRMAN & MANAGING DIRECTOR



ANNEXURE - I TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

The Company is engaged in the business of agrochemicals. In Indian agrochemicals industry, there is equal presence of Multinational as well as Indian Companies. The MNCs have focused on high-end speciality products whereas Indian players have focused on generic and off-patent products. With the growth of Indian economy and the emphasis placed by the Government on improving productivity in the Agriculture sector, the agrochemicals industry has a pivotal role to play.

The industry has built up large capacities and has many players resulting in high level of competition. Due to seasonal nature of the business and uncertainties involved in the coverage of monsoon, a large inventory is required to be maintained.

Financial Performance with respect to operational performance

The year under review has been extremely well with gross receipts of Rs. 107.03 Crores as compared to Rs. 70.02 Crores in the previous year, registering a growth of 52.85%. Exports during the year were Rs. 50.42 Crores as compared to Rs. 29.35 Crores in the previous year, registering a growth of 71.79%.

Outlook

Having regard to the thrust given by the Central Government to the agriculture sector but considering the deficit of rainfall, the outlook for the current year 2009-10 appears to be a normal year.

Risk, Concern and Threats

The overall pesticides business is dependent on weather and sudden change in weather affects the demand for the agrochemicals and this kind of risk remains in this industry.

Even though, the agrochemical industry plays a very positive role to increase the productivity of the agriculture but there is always a negative perception in the minds of the people and environmentalists about its effects on environment and agriculture produce.

The industry has to maintain a large inventory and offers extended credit due to seasonality of agricultural operations.

SWOT ANALYSIS

Strength

1. Your Company is one of the foremost Companies in India that has a large manufacturing range of agrochemicals. It is one of the few companies manufacturing its own technical grade pesticides from basic raw materials. This gives it an inherent advantage over quality and prices.
2. The Company's products have been widely accepted in foreign markets and our export market is further exploring.
3. The Company has a team of professionally qualified, competent and dedicated managers on its roll.
4. The Company's In-house Research & Development Unit is recognized by Ministry of Science & Technology, Govt. of India, Department of Scientific & Industrial Research, New Delhi.



Weakness

In today's modern economy with the changing preferences, the business environment is changing at a very fast pace. The multinational companies have been expending huge amounts on R&D for developing new molecules and your company is manufacturing the generic range products. The Company has to gear up its R&D efforts to align itself to the WTO/Patent Regime that will affect most of the manufacturing sectors in India.

Opportunities

1. Several agriculture oriented policy initiatives under implementation by the Government and the availability of credit to the agriculture sector as priority sector are expected to improve the prospects of Agrochemicals industry as a whole.
2. Enhanced awareness among the farming community regarding usage of pesticides for better yields.
3. Export potential of generic pesticides.

Adequacy and Internal Controls System

During the year, the Board and Audit Committee have vigorously interacted with the external auditors of the company to review the overall systems and all major findings and suggestions are complied with and reported to the Audit Committee on a quarterly basis. Further, the Company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use and that the transactions are authorized, recorded and reported correctly.

Human Resources Development

Your Company believes that human resources are the most precious assets of your Company. Your Company's ongoing thrust is to maintain productive work culture and to orient the employees to effectively face the new and emerging challenges emanating from the competitive environment. Number of employees on Company Roll as on 31.03.2009 was 221. Besides, the Company also employed casual workers through contractors during the year. The job description of each member has been defined and performance indicators are monitored accordingly to improve motivation level and to encourage talent. The company has been continuously conducting in-house and external training programmes through Workshops, Conferences, Seminars etc. for its people so as to develop their skills and capabilities.

The industrial relations climate of the Company continues to remain harmonious and cordial.

Cautionary Statement

Statements in the Management Discussion and analysis describing the company's objectives, projections and expectations may be forward looking statements within the meaning of applicable law and regulations. Actual results might differ from those expressed or implied. The important factors that could make a difference to the Company's operations include climatic conditions, economic conditions affecting demand/supply, global players and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.



ANNEXURE-II TO THE DIRECTORS' REPORT

INFORMATION REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

- (a&b) Wherever possible, energy conservation measures have already been implemented. However, efforts to conserve and optimize the use of energy through improved operational methods and other means are being continued on an ongoing basis.
- (c) The energy consumption and the cost of production is being kept under control.
- (d) Not Applicable.

B. TECHNOLOGY ABSORPTION

FORM 'B'

Research & Development (R&D)

- (1) R&D efforts of the Company are directed towards quality assurance, improvement of existing products and development of new processes for products.
- (2) Improvement in the product quality and cost reduction.
- (3) Studies for introduction of new products are carried out on an ongoing basis.
- (4) Expenditure on R&D by Company's In-house R&D Unit:
 - (a) Capital : Rs. 13.67 lacs
 - (b) Recurring : Rs. 34.59 lacs
 - (c) Total : Rs. 48.26 lacs
 - (d) Total R&D expenditure (as % of total expenditure) : 0.49%

Technology Absorption, Adaptation & Innovation

- (1) The Company has no technical collaboration and the processes are carried out on the standard known technology and efforts are made to improve upon the same on an ongoing basis.
- (2) The Company has been in a position to cater to the requirements of customers, both Indian and foreign.
- (3) The Company has not imported any technology so far.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

- (1) The Company is in constant touch with the overseas markets. Efforts are being made to develop new markets and consolidate the existing one by marketing products conforming to international standards.
- (2) Total foreign exchange used Rs. 2107.05 lacs (previous year Rs. 995.08 lacs)
- (3) Total foreign exchange earned Rs. 5042.46 lacs (previous year Rs. 2935.18 lacs)

ON BEHALF OF THE BOARD

NEW DELHI
AUGUST 28, 2009.

(S.N.GUPTA)
CHAIRMAN & MANAGING DIRECTOR


ANNEXURE-III TO THE DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE
 (Pursuant to Clause-49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that good Corporate Governance strengthens the Investors' trust and ensures a long term partnership that helps in Company's objectives. The Company's Philosophy on Corporate Governance lays strong emphasis on transparency, accountability, integrity, full disclosures and independent monitoring the state of affairs. The philosophy is manifested in its operations through exemplary standards of ethical behaviour, both within the organisation as well as in external relationships.

2. BOARD OF DIRECTORS
a) Composition and Category of Directors

Presently the Board of Directors of your Company comprises of presently eight directors, of which four are Executive Directors and the rest are Independent and Non-Executive Directors. There is no nominee director, appointed by any Financial Institution on the board. Thus the requirements of the Listing Agreement are duly complied with. As on 31.03.2009, the composition of the Board of Directors was as under:

Sr. No.	Name of the Director	Category of Directorship	No. of Directorships of other	
			Companies	Committees
1.	Mr. S.N.Gupta	Chairman & Managing Director	3	None
2.	Mr. M.P.Gupta	Executive Director	5	None
3.	Mr. R.P.Gupta	Executive Director	4	None
4.	Mr. Ajay Gupta	Executive Director	None	None
5.	Mr. Sandesh Jain	Independent/Non-Executive Director	4	3
6.	Mr. Naresh Agarwal	Independent/Non-Executive Director	None	None
7.	Mr. Pankaj Gupta	Independent/Non-Executive Director	None	None
8.	Mr. Ram Kanwar	Independent/Non-Executive Director	None	None

b) Mr. S.N.Gupta is an Executive Chairman of the Company.

c) Meetings and Attendance

During the financial year 2008-09, Sixteen (16) board meetings were held. The dates on which the said meetings were held are as follows:

11.04.2008	30.04.2008	12.05.2008	10.07.2008
24.07.2008	31.07.2008	23.08.2008	30.08.2008
12.09.2008	24.09.2008	31.10.2008	18.11.2008
04.12.2008	31.01.2009	24.02.2009	12.03.2009

The Annual General Meeting was held on 29.09.2008.

The attendance of the Directors in the meetings was:

Sr. No.	Name of the Director	Category of Directorship	Attendance at	
			Board Meetings	A.G.M. held on 29.09.2008
1.	Mr. S.N.Gupta	Chairman & Managing Director	16	Yes
2.	Mr. M.P.Gupta	Executive Director	14	Yes
3.	Mr. R.P.Gupta	Executive Director	14	Yes
4.	Mr. Ajay Gupta*	Executive Director	11	No
5.	Mr. Sandesh Jain	Independent/ Non-Executive Director	11	Yes
6.	Mr. Naresh Agarwal	Independent/ Non-Executive Director	10	No
7.	Mr. Pankaj Gupta	Independent/ Non-Executive Director	13	No
8.	Mr. Ram Kanwar#	Independent/ Non-Executive Director	04	No

*Appointed on 12.05.2008

#Appointed on 10.07.2008



3. AUDIT COMMITTEE

i) Composition and Category of Members

Presently the Audit Committee comprises of four members all of which are Independent/Non-Executive Directors. As on 31.03.2009, the composition of the Audit Committee was as under:

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

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

ii) Meetings and Attendance

During the financial year 2008-09, Five (5) meetings were held. The dates on which the said meetings were held are as follows:

30.04.2008	31.07.2008	30.08.2008	31.10.2008	31.01.2009
------------	------------	------------	------------	------------

The attendance of the members in the meetings was:

Sr.No.	Name of the Member	Category of Member	Numbers of Meetings Attended
1.	Mr. Sandesh Jain	Independent / Non-Executive Director	05
2.	Mr. Naresh Agarwal	Independent / Non-Executive Director	05
3.	Mr. Pankaj Gupta	Independent / Non-Executive Director	05
4.	Mr. Ram Kanwar*	Independent / Non-Executive Director	04

*Appointed on 10.07.2008

iii) Brief description of terms of reference

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

4. REMUNERATION COMMITTEE

i) Composition and Category of Members

Presently the Remuneration Committee comprises of four members all of which are Independent/Non-Executive Directors. As on 31.03.2009, the composition of the Remuneration Committee was as under:

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

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

ii) Meetings and Attendance

During the financial year 2008-09, One (1) meeting was held. The date on which the said meeting was held is 12.05.2008.

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

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

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

v) Details of remuneration to the whole time directors during the year 2008-09:

(Amount in Rupees)

Particulars	Mr. S.N.Gupta	Mr. M.P.Gupta	Mr. R.P.Gupta	Mr. Ajay Gupta
Salaries	42,48,432	21,24,216	21,24,216	12,19,943
Employer contribution to P/F	Nil	9,360	9,360	9,360

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

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

5. SHAREHOLDERS' COMMITTEE**A) Shareholders and Investors' Grievance Committee****i) Composition and Category of Members**

The Shareholders and Investors' Grievance Committee of the Board of Directors comprised of three members. As on 31.03.2009, the composition of the Committee was as under:

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

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

ii) Meetings and Attendance

During the financial year 2008-09, Four (4) meetings were held. The dates on which the said meetings were held are as follows:

01.04.2008	01.07.2008	01.10.2008	01.01.2009
------------	------------	------------	------------

The attendance of the Members in the meetings was:

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

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

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

iv) During the financial year 2008-09, the Shareholders & Investors' Grievance Committee Meeting of the Company took on record the status of two (2) complaints/requests received from the shareholders. The average time taken to resolve the complaints was 7 days.

v) There was no complaint, which was not resolved to the satisfaction of the shareholder.

vi) The Company had one (1) transfer covering 100 shares, pending at the close of the financial year which was processed in the Shares Transfer Committee Meeting held on 15.04.2009.

vii) The Company had no pending transmission at the close of the financial year.

B) Shares Transfer Committee

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

6. GENERAL BODY MEETINGS

No. of AGM	Year ended	Venue	Date and Time	Whether Special Resolution passed?
19th	31.03.2008	Satyam Banquets, 6, Bhera Enclave, Outer Ring Road, Paschim Vihar, New Delhi-110087	29.09.2008 10:30A.M.	No
18th	31.03.2007	Satyam Banquets, 6, Bhera Enclave, Outer Ring Road, Paschim Vihar, New Delhi-110087	28.09.2007 10:30A.M.	No
17th	31.03.2006	Punjabi Bagh Club, Ring Road, Punjabi Bagh, New Delhi-110026	30.09.2006 10:30A.M.	No

7. DISCLOSURES**i) Details of materially significant related party transactions**

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

ii) Compliance by the Company

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

8. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

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

A copy of the Code of Conduct has been put on the Company's Website, viz. www.bharatgroup.co.in.



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

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of financial year 2008-09."

(S.N.GUPTA)

Chairman & Managing Director

9. WHISTLER BLOWER MECHANISM

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

10. MEANS OF COMMUNICATION

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

11. GENERAL SHAREHOLDERS' INFORMATION

i) Annual General Meeting

The next annual general meeting is scheduled to be held at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110087, on Friday, the 25th September, 2009, at 10:30 A.M.

ii) Financial Calender for the year 2009-10

a) Financial Reporting for -

- Quarter ending 30.06.2009	:	End of July, 2009
- Quarter ending 30.09.2009	:	End of October, 2009
- Quarter ending 31.12.2009	:	End of January, 2010
- Quarter ending 31.03.2010	:	End of April, 2010

b) Annual General Meeting for the year ended 31.03.2010

: End of September, 2010

iii) Book Closure Date

The register of members and share transfer books of the Company will remain closed from 20.09.2009 to 25.09.2009 (both days inclusive).

iv) Dividend

i) Dividend Payment Date

The Dividend, if approved by the members in the ensuing Annual General Meeting, will be paid on or before 24th October, 2009 to those shareholders whose names appear:

- a) as Member in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company/Registrar & Share Transfer Agent on or before 25th September, 2009; and



b) in respect of the shares in electronic form on the basis of beneficial ownership furnished by National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) for this purpose as at the end of 25th September, 2009.

ii) Unclaimed Dividend

Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 2008 which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investors Education and Protection Fund (IEPF) of the Central Government after 10.10.2015. Thereafter no claim shall lie either with the Central Government or with the Company in respect of such dividend.

v) Listing on Stock Exchange

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

vi) Stock Code

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

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

Monthly High and Low quotations of shares traded and sensex on NSE during the financial year 2008-09 are as follows:

Month and Year	NSE Market Price Data		NSE[S&P Nifty] Indices	
	High (in Rs.)	Low (in Rs.)	High	Low
April, 2008	81.00	50.00	5230.75	4628.75
May, 2008	76.50	63.05	5298.85	4801.90
June, 2008	70.40	52.15	4908.80	4021.70
July, 2008	67.50	45.55	4539.45	3790.20
August, 2008	73.00	52.50	4649.85	4201.85
September, 2008	65.00	46.50	4558.00	3715.05
October, 2008	61.85	43.00	4000.50	2252.75
November, 2008	58.95	47.30	3240.55	2502.90
December, 2008	64.65	56.05	3110.45	2570.70
January, 2009	62.00	56.05	3147.20	2661.65
February, 2009	55.10	48.10	2969.75	2677.55
March, 2009	43.00	37.75	3123.35	2539.45

viii) Registrar and Share Transfer Agent and Share Transfer System of the Company

The shares are accepted for registration and transfer at the registered office and also at the office of Registrar and Share Transfer Agent (RTA) - **M/s. Link Intime India Pvt. Limited (LIPL)**. LIPL has a separate department headed by the Deputy Head - Share Registry, and assisted by dealing assistants to attend the investors' queries on issue of share certificates, share transfers and related matters. LIPL is fully equipped with the latest computers and professional manpower to undertake the activities of share transfers and redressal of shareholders' grievances. LIPL processes the shares for transfer and forwards the same to the Company for approval of the Shares Transfer Committee of the Board set up for the purpose. The Committee meets periodically for approving shares transfer and other related activities. This Committee is working under the Chairmanship of Mr. M.P. Gupta, Executive Director. The shareholders who do not get prompt response from the R&T Agent may write to Mr. Pankaj Gupta, Non-Executive Director and Chairman of Shareholders and Investors' Grievance Committee at the Registered Office of the Company.

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

M/s. Link Intime India Pvt. Limited

A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028.
Tel. Nos. : 91-11-41410592-94, Fax No. : 91-11-41410591

ix) Distribution of Shareholding as on 31.03.2009

Category Code	Category of Shareholder	No. of shareholders	Total No. of shares	No. of shares held in Demat Mode	Total shareholding as a % of total number of shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of Shares	As a %
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = [(VIII) / V] * 100
(A)	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP							
(1)	Indian							
(a)	Individuals / Hindu Undivided Family	16	2781972	2781962	65.4776%	65.4776%	-	-
(c)	Bodies Corporate	3	326088	326088	7.6749%	7.6749%	-	-
	Sub-Total (A)(1)	19	3108060	3108050	73.1525%	73.1525%	-	-
(2)	Foreign							
	Sub-Total (A)(2)	-	-	-	-	-	-	-
	Total shareholding of Promoter & Promoter Group [(A)=(A)(1)+(A)(2)]	19	3108060	3108050	73.1525%	73.1525%	-	-
(B)	PUBLIC SHAREHOLDING							
(1)	Institutions							
	Sub-Total (B)(1)	-	-	-	-	-	N.A.	N.A.
(2)	Non-Institutions							
(a)	Bodies Corporate	73	413591	410791	9.7344%	9.7344%	-	-
(b)	Individuals:-							
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh	4192	641375	303724	15.0957%	15.0957%	-	-
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2	84900	84900	1.9982%	1.9982%	-	-
(c)	Any Other (specify) - NRIs	9	814	814	0.0192%	0.0192%	-	-
	Sub-Total (B)(2)	4276	1140680	800229	26.8475%	26.8475%	-	-
	Total Public Shareholding [(B)=(B)(1)+(B)(2)]	4276	1140680	800229	26.8475%	26.8475%	N.A.	N.A.
	TOTAL (A) + (B)	4295	4248740	3908279	100.0000%	100.0000%	-	-
(C)	SHARES HELD BY CUSTODIAN AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED							
		-	-	-	N.A.	-	N.A.	N.A.
	GRAND TOTAL (A) + (B) + (C)	4295	4248740	3908279	100.0000%	100.0000%	-	-





x) Dematerialisation of shares and liquidity

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

As on 31.03.2009, the status of dematerialisation of equity shares of the Company was as under:

S.No.	Particulars	Shareholders		Shareholding	
		(In Nos.)	(In %)	(In Nos.)	(In %)
1.	N.S.D.L.	1,428	33.35%	34,24,812	80.61%
2.	C.D.S.L.	460	10.74%	4,85,777	11.43%
3.	Physical	2,394	55.91%	3,38,151	7.96%
	Total	4,282	100.00%	42,48,740	100.00%

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

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

xii) Plant Location

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

xiii) Address for Correspondence

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

ON BEHALF OF THE BOARD

NEW DELHI
AUGUST 28, 2009.

(S.N.GUPTA)
CHAIRMAN & MANAGING DIRECTOR

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
BHARAT RASAYAN LIMITED**

We have examined the compliance of conditions of corporate governance by Bharat Rasayan Limited for the year ended on 31st March, 2009, as stipulated in Clause-49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management, there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the company at large.

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

We certify that the company has complied in all material respects with the conditions of Corporate governance as stipulated in the above mentioned 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 **B.K.GOEL & ASSOCIATES**
CHARTERED ACCOUNTANTS

NEW DELHI,
AUGUST 28, 2009.

(B.K.GOEL)
Proprietor
Membership No.82081



AUDITORS' REPORT

TO THE MEMBERS OF BHARAT RASAYAN LIMITED

Friends,

We have audited the attached Balance Sheet of Bharat Rasayan Limited as at 31st March, 2009, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditors' Report) Order 2003, as amended by the Companies (Auditor's Report) order (Amendment) 2004 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such examination of the books and records of the Company as we considered appropriate and the accordingly to information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet and Profit and Loss Account & Cash Flow Statement referred to in this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit & Loss Account and Cash Flow Statement read together with significant accounting policies & notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:-
 - 1) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009.
 - 2) in so far as it relates to the Profit and Loss account, of the Profit for the year ended on 31st March, 2009.
 - 3) in so far as it relates to the cash Flow Statement, of the cash flows for the year ended on that date:
3. 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 director 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 Companies Act, 1956.

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

NEW DELHI,
AUGUST 28, 2009.

(B.K.GOEL)
Proprietor
Membership No.82081

**ANNEXURE TO THE AUDITORS' REPORT**

- i. (a) According to the information and explanations given to us and as certified by the management, the Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) According to the information and explanations given to us, the management has conducted physical verification of major fixed assets during the year, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were said to have noticed on such verification.
- (c) According to the information and explanations given to us the company has not been disposed off substantial part of fixed assets.
- ii. (a) Physical verification of inventories has been conducted at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the company is maintaining proper records of inventories, and based on the information and explanation given to us discrepancies noticed on physical verification were not material in relation to the operation of the company and the same have been properly dealt with in the book of accounts.
- iii. (a) According to the information and explanations given to us the company has granted loans by the of inter Corporate Deposits to Companies covered in the register maintained under Section 301 of the Companies Act, 1956. Maximum amount to these parties during the year was Rs.1188.00 Lacs. However outstanding at the year end is Rs.1127.56 Lacs only receivable from one such party which is as per terms of the deposit.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the company.
- (c) The parties are repaying the principal amounts as stipulated and have also been regular in the payment of interest of the company.
- (d) There is no overdue amount in excess of Rs.1.00 Lacs in respect of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company had taken loans by way of inter Corporate Deposits, public deposits and loans from directors/companies/firms/there relatives parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved from one such party during the year was Rs.60.00 Lacs and the year end balance of loans/Deposits/ICD's taken from such parties was NIL.
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- v. a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding



- the value of rupee five lacs in respect of any such party during the year have been made at prices which are reasonable heaving regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A and 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal on the company in respect of the said deposits.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of account maintained by the company in respect of its products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed U/S 209 (1) (d) of the Companies Act and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales tax, Wealth Tax, Service tax, Custom Duty, Excise Duty and cess were in arrears, as at 31.03.2009. for a period of more than six months from the date they became payable.
- x. The company is a profit making company and having nil accumulated losses upto 31.03.2009 Further the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- xii. We are of the opinion that the company has maintained adequate records where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of special Statute applicable to chit fund/ Nidhi/ Mutual benefit fund/ Societies are not applicable to the company.
- xiv. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from Banks or other financial institutions.
- xvi. The Company has neither taken any term loans during the year nor outstanding such term loan carried over from earlier years.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long terms investment.
- xviii. The company has not made any preferential allotment of shares during the year.
- xix. The company has not issued any debentures during its lifetime.
- xx. The company has not raised any money by way of any public issue during the year. .
- xxi. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

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

NEW DELHI,
AUGUST 28, 2009.

(B.K.GOEL)
Proprietor
Membership No.82081


BALANCE SHEET AS AT 31st MARCH, 2009

Particulars	Schedule No.	As at 31.03.2009 (Rupees)		As at 31.03.2008 (Rupees)	
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	42,487,400		42,487,400	
Reserves & Surplus	2	<u>338,215,434</u>	<u>380,702,834</u>	<u>292,179,335</u>	<u>334,666,735</u>
Loan Funds					
Secured Loans	3	127,070,737		78,340,023	
Unsecured Loans	4	<u>50,000</u>	<u>127,120,737</u>	<u>150,000</u>	<u>78,490,023</u>
Deferred Tax Liability (See Note No. 23)	21		<u>6,783,537</u>		<u>7,226,403</u>
			<u>514,607,108</u>		<u>420,383,161</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	191,391,391		186,889,552	
Less : Depreciation		<u>137,196,600</u>		<u>128,194,802</u>	
NET BLOCK			<u>54,194,791</u>		<u>58,694,750</u>
Investment (At Cost)	6		<u>43,759,000</u>		<u>13,159,000</u>
Current Assets, Loans & Advances					
Inventories	7	107,187,531		117,388,361	
Machinery Spare Parts & Others (WIP) -		5,152,142		5,177,240	
Sundry Debtors	8	222,621,452		165,721,457	
Cash & Bank Balances	9	8,700,855		21,664,340	
Other Current Assets	10	6,246,701		6,927,196	
Loans & Advances	11	193,311,094		100,948,767	
TOTAL - [A]		<u>543,219,775</u>		<u>417,827,361</u>	
Current Liabilities & Provisions					
Liabilities	12	114,321,129		62,349,070	
Provisions	13	<u>12,245,329</u>		<u>6,948,880</u>	
TOTAL - [B]		<u>126,566,458</u>		<u>69,297,950</u>	
NET CURRENT ASSETS [A - B]			<u>416,653,317</u>		<u>348,529,411</u>
			<u>514,607,108</u>		<u>420,383,161</u>
Significant accounting policies and notes to accounts	21				

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

FOR & ON BEHALF OF THE BOARD

B. K. GOEL
Proprietor
Membership No. 82081

LAKSHMI GURUNG
Company
Secretary

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

NEW DELHI
AUGUST 28, 2009.


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

	Schedule No.	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
INCOME			
Income from operation	20	1,061,121,917	690,151,111
Other Income	19	<u>9,201,179</u>	<u>10,094,639</u>
		1,070,323,096	700,245,750
EXPENDITURE			
Cost of goods consumed/sold	14	745,859,878	515,086,687
Manufacturing Expenses	15	119,269,759	52,456,276
Personnel Expenses	16	42,087,675	33,253,191
Administrative & Selling Expenses	17	61,238,224	35,005,794
Interest	18	4,958,468	4,579,270
Depreciation	5	<u>9,205,108</u>	<u>8,925,848</u>
Profit before tax		87,703,984	50,938,684
Provision for Taxation - Current Liability		31,186,798	13,972,682
- Liability for Last Year		5,000,000	—
<u>Provision for Dividend Distribution Tax</u>			
- Current Liability		722,074	—
- Liability for Last Year		722,074	—
Provision for FBT		231,065	—
Provision for Dividend		<u>4,248,740</u>	<u>4,248,740</u>
		45,593,233	18,221,422
Add : Excess provision for tax Reversed		—	6,615,726
Deferred Tax Assets		<u>442,866</u>	<u>669,114</u>
Profit after tax		46,036,099	40,002,102
Add : Balance brought forward from previous year		<u>2,179,335</u>	<u>2,177,233</u>
Balance available for appropriation		<u>48,215,434</u>	<u>42,179,335</u>
Appropriations			
Transferred to General Reserve		45,000,000	40,000,000
Balance being surplus carried to Balance Sheet		<u>3,215,434</u>	<u>2,179,335</u>
		48,215,434	42,179,335
Significant accounting policies and notes to accounts	21		

Annexure to our report of even date

FOR & ON BEHALF OF THE BOARD

for B.K. GOEL & ASSOCIATES
 CHARTERED ACCOUNTANTS

B. K. GOEL
 Proprietor
 Membership No. 82081

LAKSHMI GURUNG
 Company
 Secretary

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

NEW DELHI
AUGUST 28, 2009.



	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SCHEDULE - 1		
SHARE CAPITAL		
Authorised		
10,000,000 Equity Shares of Rs. 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed & Paid-Up		
4,248,740 Equity Shares of Rs. 10/- each	<u>42,487,400</u>	<u>42,487,400</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
General Reserve		
— at the commencement of the year	290,000,000	250,000,000
— transferred from the Profit & Loss Account	<u>45,000,000</u>	<u>40,000,000</u>
	335,000,000	290,000,000
Surplus being balance in Profit & Loss Account	<u>3,215,434</u>	<u>2,179,335</u>
	<u>338,215,434</u>	<u>292,179,335</u>
SCHEDULE - 3		
SECURED LOANS		
Working Capital Borrowings		
State Bank of India*	<u>127,070,737</u>	<u>78,340,023</u>
*The borrowings are secured by way of :		
1) hypothecation of raw materials, finished goods, semi-finished goods, stores, spares and book debts, both present and future, of the company.		
2) equitable mortgage of the land & factory building, plant & machinery and other assets of the Company at Village Mokhra, Distt. Rohtak, Haryana.		
SCHEDULE - 4		
UNSECURED LOANS		
- Security Deposits from Customers	<u>50,000</u>	<u>150,000</u>


**SCHEDULE - 5
FIXED ASSETS**

(Rupees)

Particulars	Gross Block (At Cost)				Depreciation				Net Block		
	As at 31.03.08	Additions during the year	Sales during the year	Adjust- ment	As at 31.03.09	Upto 31.03.08	For the Year	Adjust- ment	Upto 31.03.09	As at 31.03.09	As at 31.03.08
1. Land	1,787,971	—	—	—	1,787,971	—	—	—	—	1,787,971	1,787,971
2. Building	13,324,252	—	510,000	224,000	13,038,252	7,567,149	431,860	77,454	7,921,555	5,116,697	5,757,103
3. Plant & Machinery	161,862,365	3,276,772	50,000	(150,000)	164,939,137	114,262,219	7,626,192	125,856	121,762,555	43,176,582	47,600,146
4. Furniture & Fixture	2,132,576	—	—	—	2,132,576	1,486,107	117,011	—	1,603,118	529,458	646,469
5. Office Equipments	5,820,820	343,898	—	—	6,164,718	3,819,699	723,863	—	4,543,562	1,621,156	2,001,121
6. Vehicles	1,311,031	—	—	—	1,311,031	974,734	87,067	—	1,061,801	249,230	336,297
7. R&D Equipments	650,537	1,367,169	—	—	2,017,706	84,894	219,115	—	304,009	1,713,697	565,643
Total	186,889,552	4,987,839	560,000	74,000	191,391,391	128,194,802	9,205,108	203,310	137,196,600	54,194,791	58,694,750
Corresponding figures for the previous year	176,739,396	10,518,006	95,000	272,850	186,889,552	119,541,979	8,925,848	273,025	128,194,802	58,694,750	57,197,417

As at
31.03.2009
(Rupees)

As at
31.03.2008
(Rupees)

SCHEDULE - 6
INVESTMENTS (AT COST)
Unquoted - other than Trade Investment

1995900 Equity Shares of face value of Rs. 10/- each
(Fully Paid Up) in Siris Crop Sciences Limited
[Previous year 1315900 Equity Shares]

43,759,000

13,159,000

SCHEDULE - 7
INVENTORIES

(As taken, valued & certified by the management)

A) Raw Materials & Other Consumable Goods

i) Raw Materials, Consumable & Utilities	41,271,872	49,531,832	
ii) Packing Materials	1,220,618	623,174	
iii) Fuels	1,197,304	43,689,794	<u>1,514,638</u>

B) Stock-in-process

28,728,448

41,331,597

C) Finished Goods

34,769,289

24,387,120

107,187,531

117,388,361



	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SCHEDULE - 8		
SUNDRY DEBTORS		
<i>(Unsecured, Considered Good)</i>		
- Outstanding for more than 6 months	1,734,506	15,361,676
- Others	<u>220,886,946</u>	<u>150,359,781</u>
	<u>222,621,452</u>	<u>165,721,457</u>
SCHEDULE - 9		
CASH & BANK BALANCES		
a. Cash in hand	196,720	422,758
b. Balances with Scheduled Banks & Other Banks		
i) in Current Accounts	8,340,947	21,014,443
ii) in Unpaid Dividend Accounts	<u>163,188</u>	<u>227,139</u>
	<u>8,700,855</u>	<u>21,664,340</u>
SCHEDULE - 10		
OTHER CURRENT ASSETS		
Fixed Deposits with State Bank of India (Margin Money for LC / BG)	<u>6,246,701</u>	<u>6,927,196</u>
SCHEDULE - 11		
LOANS & ADVANCES		
<i>(Unsecured - Considered Good)</i>		
a) Loans		
Inter Corporate Deposits	118,083,782	45,464,524
b) Advances recoverable in cash or in kind or for value to be received		
i) Central Excise Duty & Service Tax	23,809,556	21,044,227
ii) Export Incentives Receivables	29,835,843	18,593,489
iii) Commissioner of Central Excise and Custom	1,562,770	5,053,079
iv) Suppliers, Staff and Others	<u>17,920,639</u>	<u>8,882,844</u>
	<u>73,128,808</u>	<u>53,573,639</u>
c) Security Deposits		
i) For Electricity and Power	1,707,707	1,707,707
ii) For Telephones & Telex	16,000	29,800
iii) with Suppliers and Others	<u>374,797</u>	<u>173,097</u>
	<u>2,098,504</u>	<u>1,910,604</u>
	<u>193,311,094</u>	<u>100,948,767</u>
SCHEDULE - 12		
CURRENT LIABILITIES		
Sundry Creditors	62,325,125	48,043,535
Expenses Payable	43,892,359	11,518,266
Advance from Customers	7,940,457	2,560,230
Unclaimed Dividend	<u>163,188</u>	<u>227,039</u>
	<u>114,321,129</u>	<u>62,349,070</u>
SCHEDULE - 13		
PROVISIONS		
- for income tax (Net of taxes paid)	7,243,450	2,700,140
- for Dividend Distribution Tax	722,074	—
- for F.B.T	31,065	—
- for Dividend	<u>4,248,740</u>	<u>4,248,740</u>
	<u>12,245,329</u>	<u>6,948,880</u>
	<u>12,245,329</u>	<u>6,948,880</u>



	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
SCHEDULE - 14		
COST OF GOODS CONSUMED / SOLD		
Opening Stock		
- Finished Goods	24,387,120	15,334,647
- Stock-in-process	41,331,597	22,770,352
- Raw Materials, Consumables & Others	<u>51,669,644</u>	<u>23,161,152</u>
	117,388,361	61,266,151
Add : Purchases		
- Raw Materials, Consumables & Others	735,659,048	571,208,897
	<u>853,047,409</u>	<u>632,475,048</u>
Less : Closing Stock		
- Finished Goods	34,769,289	24,387,120
- Stock-in-process	28,728,448	41,331,597
- Raw Materials, Consumables & Others	<u>43,689,794</u>	<u>51,669,644</u>
(As taken, valued & certified by the management)	<u>107,187,531</u>	<u>117,388,361</u>
	<u>745,859,878</u>	<u>515,086,687</u>

SCHEDULE - 15

MANUFACTURING EXPENSES

Freight & Cartage Inward	12,943,450	11,170,210
Power & Electricity	14,914,892	15,600,001
Testing Expenses	85,242	56,608
Machinery Repairs & Maintenance	32,264,451	14,084,874
Factory Maintenance	7,724,702	3,685,170
Laboratory Expenses	1,880,739	761,434
Job Work Expenses	7,027,580	4,291,083
R & D Expenses	3,459,024	2,601,898
ETP Expenses	38,969,679	204,998
	<u>119,269,759</u>	<u>52,456,276</u>

SCHEDULE - 16

PERSONNEL EXPENSES

Salaries, Wages, Bonus and Staff Accomodation	35,981,411	28,171,236
Staff and Labour Welfare Expenses	838,403	806,406
Employer's contribution to Provident Fund & ESI	1,783,041	1,478,000
Diwali Expenses	209,276	220,619
Staff Bus Expenses	1,638,717	1,488,618
Premium for Employees' Gratuity Policy	1,300,000	664,864
Workers Safety Expenses	336,827	423,448
	<u>42,087,675</u>	<u>33,253,191</u>



	Year ended 31.03.2009 (Rupees)		Year ended 31.03.2008 (Rupees)	
SCHEDULE - 17				
ADMINISTRATIVE & SELLING EXPENSES				
Advertisement Expenses		627,809		1,310,934
AGM Expenses		11,409		9,352
<u>Audit Fee</u>				
- as Auditors	123,000		110,000	
- as Advisors - Management services	<u>99,000</u>	222,000	<u>112,000</u>	222,000
Bad Debts		304,443		1,233,819
Bank Charges		2,598,705		2,340,280
Books, Periodicals and Subscriptions		519,639		474,637
Building Repairs & Maintenance		338,309		1,106,365
Business Promotion Expenses		182,229		116,352
Car Repairs & Maintenance		232,773		285,752
Commission Paid		9,675,246		4,598,818
Computer Expenses		239,487		291,028
Conveyance Expenses		1,039,413		944,634
Directors' Remuneration		9,744,887		5,659,854
Donations		5,110,100		22,000
Electricity Charges		286,210		233,502
Freight & Cartage Outward		9,327,294		6,875,178
Hire Charges		859,100		570,000
Insurance Charges		2,222,084		2,302,580
Legal & Professional Expenses		11,115,883		2,461,187
Listing Fee		15,000		8,400
Miscellaneous and General Expenses		205,467		186,346
Office Expenses		480,812		252,892
Postage, Telegram & Telephone Expenses		1,024,440		917,352
Printing & Stationery		389,140		340,953
Rates, Fees & Taxes		360,564		315,146
Rebates		39,008		28,851
Rent Paid		41,640		46,900
Sales Tax Paid		410,687		8,039
Security Services		791,135		640,267
Service Tax Paid		166,744		160,021
Tour & Travelling Expenses		1,608,051		831,286
Exchange Difference		1,008,863		116,446
Loss in Transit		39,653		94,623
		<u>61,238,224</u>		<u>35,005,794</u>
SCHEDULE - 18				
INTEREST PAID				
- on Fixed Deposits		—	49,786	
- to Others	5,684,839	5,684,839	5,997,295	6,047,081
		<u>5,684,839</u>		<u>6,047,081</u>
Less : <u>Interest received</u>				
- from Bank on FDR	312,232		126,066	
- from Trade Debtors & Others	<u>414,139</u>	726,371	<u>1,341,745</u>	1,467,811
Net Paid		<u>4,958,468</u>		<u>4,579,270</u>



	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
SCHEDULE - 19		
OTHER INCOME		
Rental Charges of Cylinders	132,500	164,500
Interest Received on Investments	7,921,883	5,716,233
Income from Dividend / Mutual Fund	40,687	30,874
Profit on Sale of Fixed Assets	277,310	175
Commission	—	2,576,489
Bad debts Recovered	813,956	1,600,000
Short Term Capital Gain	—	6,368
Other Income	14,843	—
	<u>9,201,179</u>	<u>10,094,639</u>

SCHEDULE - 20		
INCOME FROM OPERATION		
Sales	1,029,125,768	670,913,094
Export Incentives	31,323,649	19,238,017
Job Work	672,500	—
	<u>1,061,121,917</u>	<u>690,151,111</u>

SCHEDULE - 21
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

- Corresponding figures of the previous year have been regrouped and/or re-arranged wherever necessary.
- Cost of goods consumed/sold includes cost of raw materials, consumable stores, fuels/oils, packing materials & utilities.
- Details of managerial remuneration are as under:

	Year Ended 31.03.2009 Rs.	Year Ended 31.03.2008 Rs.
i) Salaries	9,716,807	5,641,134
ii) Monetary value of perquisites	28,080	18,720
	<u>9,744,887</u>	<u>5,659,854</u>
4. Computation of net profit in accordance with section 198 of the Companies Act, 1956		
Profit before income tax	87,703,984	50,938,684
Add : Directors' remuneration	9,744,887	5,659,854
Eligible Profit	<u>97,448,871</u>	<u>56,598,538</u>
Maximum remuneration allowable as per section 309(3) of the Companies Act, 1956 read with Schedule-XIII	<u>9,744,887</u>	<u>5,659,854</u>



5. Inventory have been valued at lower of cost or net realisable value. Raw Materials are valued on the basis of FIFO. In the case of finished goods cost comprises material, labour and factory overheads. Goods in process have been valued at raw material cost incurred upto the stage of production + conversion cost apportioned. Other Inventories are valued at cost. All the stocks have been certified by the management.
6. Sales have been accounted for exclusive of sales tax and excise duty wherever applicable and are net of returns and discounts. Exports benefits under DEPB scheme have been accounted for separately. The Export benefits are accrued on the date of export. Sales do not include captive consumption.
7. Contingent Liabilities not provided for in respect of :

	<u>As at 31.03.2009</u>	<u>As at 31.03.2008</u>
	<u>Rs. in Lacs</u>	<u>Rs. in Lacs</u>
i) Counter guarantees given to the banks in respect of guarantees given by them	Nil	3.50
ii) Guarantees given to Sales Tax Authorities under Local and Central Sales Tax Act for business associates	Nil	5.90
iii) Surety given to Dy. Excise & Taxation Commissioner (S.T.Rohtak)	8.16	Nil

8. Depreciation has been provided for on written down value method as per Schedule XIV to the Companies Act, 1956.
9. The Company follows the Accrual System of Accounting and on assumptions of an ongoing concern.
10. As per practice consistently followed, the consumption of raw materials is net of Cenvat Credit availed.
11. The applicable Accounting standards have been followed in preparation of final Accounts.
12. The Management have selected such accounting policies and applied them consistently and made judgements and estimates that are prudent and reasonable so as to give a true and fair view of the state of affairs of the Company as at 31.03.2009 and of the profit of the Company for the year ended on that date.

13. Prior Period Items

A sum of Rs.59,923/- was deducted at source on interest receipts on 31.03.2008 by Pardesi Buildwell Pvt. Limited. The interest receipts was short booked by amount of TDS by the Company on 31.03.2008. The same has been corrected during the year by debiting TDS amount and crediting interest receipt.

14. The Company is running a chemical plant at village Mokhra, Distt Rohtak, Haryana generating chemical wastes in manufacturing process which the Company is required to dispose off / treated / dumped at the sites developed by the State Government under Hazardous waste (Management and Handling) Rules 1989 issued under the Environment (Protection) Act, 1986. As the stay granted by the Punjab & Haryana High Court for construction at dumping site by Haryana Environmental Management Society has been stayed by the Hon'ble Supreme Court during the financial year 2008-09, an estimated provision for disposal charges of the accumulated hazardous waste since start of the factory is made for Rs.3.09 Lacs is made during the year.



15. The Company's manufacturing unit is a continuous processing unit and is located at a remote area. It needs uninterrupted 24 hours operation of its plant and hence all major spare parts, accessories, components for its huge plant has to be kept in reserve/stock to ensure the uninterrupted 24 hours operation of the plant. With the passage of time and due to fast changing technology, some very old/obsolete CWIP out of it has rare possibility of its use and has a market price at almost scrap value. Keeping in view the above, CWIP is valued at cost or market price which ever is less.
16. Retirement Benefits
Contributions are made to Approved Employees' Provident Fund. In respect of Gratuity, the Company has opted for Group Gratuity Life Insurance Scheme of the **Life Insurance Corporation of India and Reliance Life Insurance Company Limited**. The Company has not provided for any accrued liability towards Leave with Wages. Expenses have been claimed under this head on payment basis only.
17. Balances of Sundry Debtors, Advances to Suppliers and Creditors and Advances from Customers are subject to confirmation.
18. Export/import Invoices in foreign currencies are recorded at the rate of exchange in force at the time of transactions. Provisions as per Accounting Standard AS-11 issued by the Institute of Chartered Accountants of India for overseas debtors/creditors for exchange rate difference at the end of the year are made. Final Exchange Rate difference is accounted for at the time of realisation of book debts/payment to creditors.
19. The Company is manufacturing Technical Grade Pesticides & Formulations that too in a single Manufacturing Unit constitutes a single segment, based on the guiding principles given in Accounting Standard AS-17 issued by the Institute of Chartered Accountants of India. Hence details of segments are not required.
20. The Company got recognised as an approved Research & Development Unit from Ministry of Science & Technology, Govt. of India, Department of Scientific & Industrial Research, New Delhi, hence eligible for weighted deduction U/S 35 (2AB) of the Income Tax Act on expenditure incurred for the purpose. Total expenditure of Rs. 48,26,193/- (Revenue Expense of Rs. 34,59,024/- and Capital Expenditure of Rs. 13,67,169/-) are eligible for weighted deduction under section 35(2AB) of the Income Tax Act, 1961.
21. Related Party Transactions :
As per Accounting Standard AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below :
- a) Key Management Personnel & Other Relatives
- | | |
|----------------------|------------------------------|
| i) Mr. S. N. Gupta | Chairman & Managing Director |
| ii) Mr. M. P. Gupta | Director |
| iii) Mr. R. P. Gupta | Director |
| iv) Shri Ajay Gupta | Director |
- and their Relatives
- b) Associated Companies
- Bharat Insecticides Limited
 - BR Agrotech Limited
 - Siris Crop Sciences Limited
 - BRL Finlease Limited



c) Transactions with Related Parties

Name of Related Party	Nature of Transactions	Amount Credited/Paid* (in Rs.)
Shri S.N.Gupta	Managerial Remuneration	42,48,432
Shri M.P.Gupta	Managerial Remuneration	21,33,576
Shri R.P.Gupta	Managerial Remuneration	21,33,576
Shri Ajay Gupta	Managerial Remuneration	12,29,303
Bharat Insecticides Limited	Material purchased	1,86,34,784
	Rent Paid	41,640
	Job Work Paid	15,000
	Sales	5,10,71,015
	Sale of D.E.P.B	3,61,213
BR Agrotech Limited	Sales	7,11,38,825
SIRIS Crop Sciences Limited	Purchase of material & Machine	13,57,82,421
	Sale	18,71,015
	Job Work Received	7,55,621
	Interest Received on ICD	65,37,700
BRL Finlease Limited	Interest Paid on ICD	74,958

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

22. As per Accounting Standard AS-20 on earning per share, issued by the Institute of Chartered Accountants of India, the earning per share of the Company is Rs. 10.84 (Last Year Rs. 9.41).
23. As per Accounting Standard AS-22 on Accounting for Taxes on income, the Company has recorded the cumulative net deferred tax liability upto 31.03.2009 of Rs. 67,83,537/-. For the current year the Company has recorded the net deferred tax assets of Rs. 4,42,866/-, carrying forward cumulative deferred tax liability of Rs. 67,83,537/-.

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<u>Computation of Deferred Tax Liability/Assets</u>		
Difference in Tax and Book Depreciation	20,039,452	21,342,385
Less: Short Term Capital Loss eligible for Set off in next years	82,005	82,005
	<u>19,957,447</u>	<u>21,260,380</u>
Tax on above Difference	6,783,537	7,226,403
Deferred Tax Liability	7,226,403	7,895,517
Deferred Tax Assets for the Year	<u>442,866</u>	<u>669,114</u>


24. Additional information pursuant to Part-II of Schedule VI to the Companies Act, 1956.
I. CAPACITY & PRODUCTION

(Rounded off in metric tonnes)

	Installed Capacity		Production*	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Technical Grade Pesticides	1000	1000	718	660
Pesticides Formulations	600	600	234	211
Intermediates	400	400	948	781
	2000	2000	1900	1652

Notes :

1. Installed capacities are interchangeable between different products.
2. *Net of captive consumption and as certified by the management and relied on by the auditors being a technical matter.

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

	2008-09		2007-08	
	Qty. (Kgs.)	Value (Rs. in Lacs)	Qty. (Kgs.)	Value (Rs. in Lacs)
A) OPENING STOCK				
I) Finished Goods				
Technical Grade Pesticides	23620	172.12	39660	133.10
Intermediates	29395	71.45	6075	20.23
Others	44880	0.30	12884	0.02
		243.87		153.35
II) Stock-In-Process				
Technical Grade Pesticides	16618	127.05	9383	33.11
Intermediates	75308	187.78	56283	128.41
Others	217961	98.49	175897	66.18
		413.32		227.70
B) CLOSING STOCK				
I) Finished Goods				
Technical Grade Pesticides	62798	329.57	23620	172.12
Intermediates	6075	17.33	29395	71.45
Others	36046	0.79	44880	0.30
		347.69		243.87
II) Stock-In-Process				
Technical Grade Pesticides	40607	141.90	16618	127.05
Intermediates	138623	94.86	75308	187.78
Others	432558	50.52	217961	98.49
		287.28		413.32



	2008-09		2007-08	
	Qty. (Kgs.)	Value (Rs. in Lacs)	Qty. (Kgs.)	Value (Rs. in Lacs)
C) SALES*				
Technical Grade Pesticides (Self manufactured)	662342	4790.52	676049	3259.05
Pesticides Formulations	227600	359.24	210637	363.72
Intermediates	953121	3226.83	757817	2130.70
Delhi Trading of Technical Grade Pesticides	487798	1602.58	426190	813.01
Others	6436583	312.09	—	142.65
		<u>10291.26</u>		<u>6709.13</u>

*Net of Captive Consumption

D) CONSUMPTION OF RAW MATERIALS

Aluminium Chloride	1240700	456.86	1225200	420.80
Benzaldehyde	722030	645.28	717490	555.37
D.V. Acid Chloride	74324	327.38	158350	529.76
Phenol	619922	452.21	626875	509.85
Parachloro Toluene	240407	210.20	174600	94.51
Isopropyl Bromide	115365	146.52	111135	132.09
Sodium Cyanide	180564	236.04	153278	123.04
Caustic Soda Flasks	72838	23.73	57100	11.83
Caustic Soda Lye	786888	148.44	948423	84.80
Caustic Potash	404345	244.74	398290	126.78
Toluene	118977	55.40	92140	37.96
Fuels	880906	349.10	776969	185.36
Others (includes increase/decrease in stock of WIP)	—	4266.52	—	2429.24
		<u>7562.42</u>		<u>5241.39</u>
(Increase)/Decrease in Stock of Finished Goods (Opening-Closing)		<u>(103.82)</u>		<u>(90.52)</u>
Cost of Goods Consumed		<u>7458.60</u>		<u>5150.87</u>

III. VALUE OF IMPORTS

Raw Materials (CIF Value)- including imported material under Bond	<u>2686.38</u>	<u>1497.08</u>
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IV. EXPENDITURE IN FOREIGN CURRENCIES

i) Material / Capital	2041.45	951.24
ii) Travelling Expenses	4.09	1.35
iii) Commission on Sales	59.08	39.69
iv) Others	2.43	2.80
	<u>2107.05</u>	<u>995.08</u>

V. EARNING IN FOREIGN CURRENCIES

Export of Goods (FOB value/CIF)	<u>5042.47</u>	<u>2935.18</u>
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VI. CONSUMPTION OF IMPORTED & INDIGENOUS MATERIALS

	2008-09		2007-08	
	% of total Consumption	Value (Rs. in Lacs)	% of total Consumption	Value (Rs. in Lacs)
Imported	36.74	2470.59	25.77	1327.28
Indigenous	63.26	4718.01	74.23	3823.59
	<u>100.00</u>	<u>7458.60</u>	<u>100.00</u>	<u>5150.87</u>

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. Registration Details**

CIN/Registration No. L24119DL1989PLC036264	State Code	55
Balance Sheet Date	31.03.2009	

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

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

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

Total Liabilities	641173	Total Assets	641173
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Sources of Funds

Paid-up Capital	42487	Reserves & Surplus	338215
Secured Loans	127071	Unsecured Loans	50
Deferred Tax Liability	6784		

Application of Funds

Net Fixed Assets	54195	Investments	43759
Net Current Assets	416653	Misc.Expenditure	—

IV. Performance of Company (Amount in Rs. Thousands)

Turnover (Sales & Other Income)	1070323	Total Expenditure	982619
Profit before tax	87704	Profit after tax	46036
Earning per share (in Rs.)	10.84	Dividend rate (in %)	10%

V. Generic Names of three Principal Products of the Company

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

**CASH FLOW STATEMENT PURSUANT TO LISTING AGREEMENTS**

	Year ended 31.03.2009 (Rs.in lacs)	Year ended 31.03.2008 (Rs.in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before income tax & extraordinary items	877.04	509.39
Adjustments for:		
Depreciation	92.05	89.26
Profit/(Loss) on sale of fixed assets	(2.77)	—
Interest received	(7.26)	(14.68)
Interest paid	56.85	60.47
Operating profit before working capital changes	1015.91	644.44
Adjustments for :		
Increase/Decrease in Sundry Debtors	(569.00)	7.23
Increase/Decrease in Inventories	102.01	(561.22)
Increase/Decrease in Machinery Spare Parts	0.25	4.72
Increase/Decrease in Loans and Advances	(923.62)	(423.66)
Increase/Decrease in Current Liabilities	519.72	374.56
Cash generated from operations	145.27	46.07
Interest received	7.26	14.68
Interest paid	(56.85)	(60.47)
Direct taxes paid	(318.43)	(52.62)
Net cash from operating activities	(222.75)	(52.34)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Net Investment in Shares & Units	(306.00)	100.20
Additions to fixed assets	(49.88)	(105.18)
Proceeds from sale of fixed assets	5.60	0.95
Dividend Paid	(42.49)	—
Dividend Distribution Tax paid	(7.22)	—
Net Cash used in Investing Activities	(399.99)	(4.03)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from new borrowings	487.31	346.42
Repayment of borrowings	(1.00)	(108.00)
Net cash used in financing activities	486.31	238.42
Net increase in cash & cash equivalents (A+B+C)	(136.43)	182.05
Cash and cash equivalents as at 01.04.2008	285.91	103.86
Cash and cash equivalents as at 31.03.2009	149.48	285.91

Annexure to our report of even date

FOR & ON BEHALF OF THE BOARD

for **B.K. GOEL & ASSOCIATES**
CHARTERED ACCOUNTANTS**B. K. GOEL**
Proprietor
Membership No. 82081**LAKSHMI GURUNG**
Company
Secretary**S. N. GUPTA** Chairman & Managing Director
M. P. GUPTA
R. P. GUPTA
Directors**NEW DELHI**
AUGUST 28, 2009.

Bharat RASAYAN LIMITED

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

PROXY FORM

I/We.....of.....in the district of.....being a member(s) of the above named company, hereby appoint Mr./Miss/Mrs.....of.....in the district of..... or failing him/her, Mr./Miss/Mrs.....of.....in the district of..... as my/our proxy to vote, for me/us on my/our behalf at the 20th Annual General Meeting of the Company to be held on Friday, the 25th September, 2009 or at any adjournment thereof.

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

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

Signed this.....day of2009.



Signature(s)

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

For members holding shares in dematerialised mode.

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

Bharat RASAYAN LIMITED

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

ATTENDANCE SLIP

Name of the shareholders :
(IN BLOCK LETTERS)

Registered Folio No. :

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

I hereby record my presence at the 20th Annual General Meeting on Friday, the 25th September, 2009, at 10:30 A.M. at Satyam Banquets, 6, Bhera Enclave, Paschim Vihar, Outer Ring Road, New Delhi-110087. I certify that I am a registered shareholder/proxy* for the registered shareholder of the company.

.....
(Name of the Proxy)

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

*Delete whichever is not applicable

#For members holding shares in dematerialised mode.

Notes:

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

BHARAT RASAYAN LIMITED

1501, Vikram Tower, Rajendra Place,
New Delhi - 110 006