



BHAGERIA PYE-CHEM LIMITED

22ND ANNUAL REPORT 2010-2011



22nd Annual Report 2010-11

BOARD OF DIRECTORS

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

AUDITORS

M/s. SARDA & PAREEK
Chartered Accountants
Mahavir Appartment, 3rd Floor,
598 M.G.Road, Near Suncity Cinema
Vile Parle (East), MUMBAI - 400 057.

SHARE TRANSFER AGENT (PHYSICAL & DEMAT)

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

REGISTERED OFFICE

A-101, Virwani Ind. Estate.
Western Express Highway,
Goregaon (East)
MUMBAI- 400 063.
Tel no. (022) 40436666/29271198
Web Site: www.bhageriagroup.com

WORKS

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

BANKERS

ORIENTAL BANK OF COMMERCE

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ANNUAL GENERAL MEETING

Date : 20th August, 2011
Time : 11.00 A.M.
Venue : Lalit Restaurant Hali, Near Rly. Station,
Goregaon(West), Mumbai - 400 062.

BOOK CLOSURE :

17TH AUGUST, 2011
to
19TH AUGUST, 2011
(BOTH DAYS INCLUSIVE)

Mission Statement

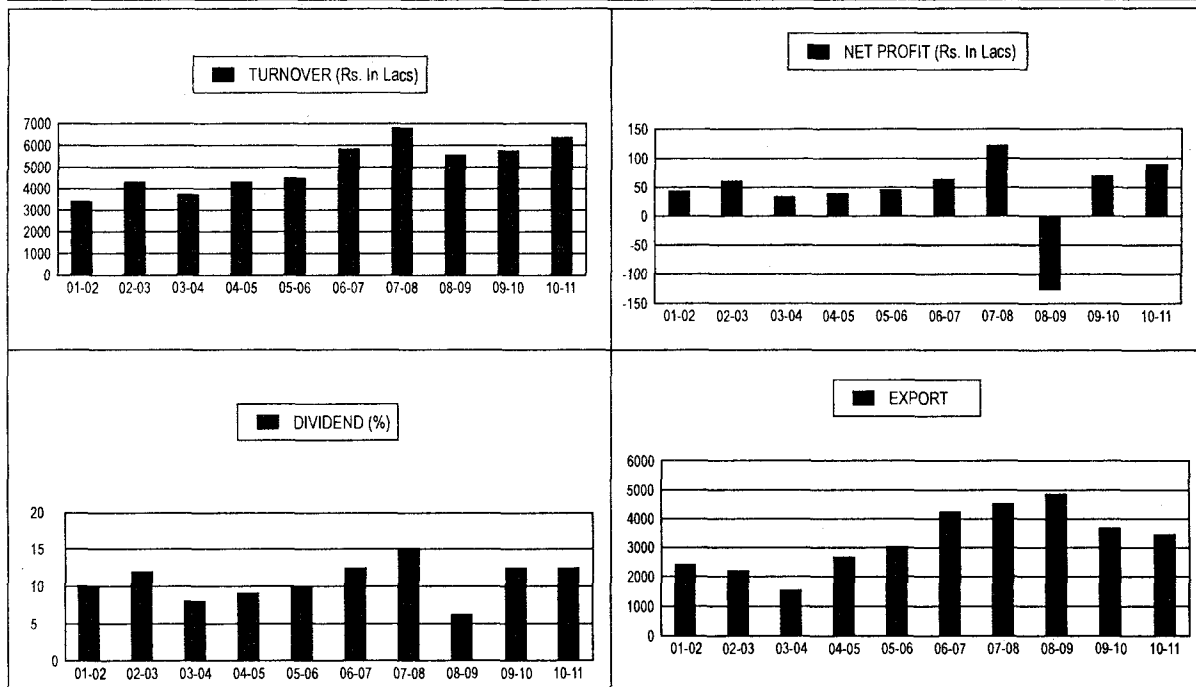
Bhageria, **A CUSTOMER DRIVEN COMPANY**, will continuously improve upon the services rendered to customers, meet customers needs in the shortest lead time, develop new Dyes & intermediates for newer application areas and will continue to enjoy privileged status as a **PREFERRED SUPPLIER**.

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

Bhageria, **A BRAND DRIVEN COMPANY**, will maintain and improve upon **BHAGERIA** Brandname, and will create **BHAGERIA** Brand awareness in International Markets through Export of Quality Products.

Bhageria, **A PEOPLE DRIVEN COMPANY**, will train, empower and create a superior pool of intellect, capable of leading its innovation drive.

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



FINANCIAL HIGHLIGHTS

	Rs. in Lacs										
PROFITABILITY	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Net Sales & Operating Revenues	6,162.32	5,643.18	5,386.31	6,537.38	5,787.63	4,432.85	4,294.59	3,577.45	4,282.34	3,605.48	3,335.68
Operating Profit	357.92	287.00	(41.51)	357.57	237.53	194.73	167.28	135.11	226.35	168.73	225.58
Other Income	14.54	0.32	68.06	13.89	2.81	2.57	1.11	1.23	0.63	1.80	2.32
Interest Charges	64.54	113.57	113.83	95.91	71.93	48.18	25.79	25.28	58.34	68.12	63.86
Depreciation	68.24	72.75	84.17	84.02	71.93	77.43	86.28	77.52	70.22	63.85	60.04
PBT & Extraordinary Items	289.88	101.00	-171.44	191.53	96.48	71.69	56.32	33.54	98.42	38.56	104.00
Current Tax	124.30	16.00	0.00	56.57	31.25	33.00	19.50	9.00	23.60	1.18	-
Deferred Tax	25.09	27.52	-56.24	11.00	3.17	(7.73)	(0.51)	3.61	6.14	0.62	-
Provision for FBT	0.00	0.00	2.76	2.73	3.42	3.67	-	-	-	-	-
Net Profit	90.29	57.48	-117.95	121.23	62.06	42.75	37.33	32.06	68.68	36.76	104.00
Dividend	41.55	41.55	20.78	51.94	41.55	34.63	31.17	27.70	41.56	34.63	34.63
Tax on Dividend	6.9	7.06	3.53	8.83	7.06	4.85	4.29	3.55	5.32	-	3.53
Dividend Payout	48.45	48.61	24.31	60.77	48.61	39.48	35.46	31.25	46.88	34.63	38.16
Retained Profit	41.84	8.87	(147.86)	34.92	13.45	3.27	1.87	0.81	21.80	2.13	65.84
Forex Earnings on Exports	3215.57	3576.28	4789.33	4531.91	4285.89	2,962.67	2,589.96	1,436.46	2,194.89	2,338.47	1,927.06
BALANCE SHEET											
Gross Fixed Assets	1,254.69	1,278.51	1,362.57	1,352.68	1,266.93	1,143.02	1,132.53	1,032.92	952.37	811.74	765.01
Net Fixed Asset	496.89	415.98	468.15	532.09	502.77	442.46	501.20	483.88	480.80	393.03	408.22
Investments	-	-	4.94	4.94	-	-	-	-	4.82	17.28	40.74
Net Current Assets	2,593.90	1,684.43	1,298.89	2,012.94	1,189.63	1,287.20	889.76	1,034.28	798.22	931.67	812.80
Capital Employed	1,783.62	954.29	1,771.96	2,549.97	1,692.4	1,729.67	1,390.96	1,518.16	1,283.84	1,341.98	1,261.76
Loan Fund	1,249.35	1,113.41	854.31	1,452.52	640.86	694.75	351.58	483.44	256.94	346.52	272.55
Deferred Tax Liability	57.81	32.71	5.19	61.44	50.44	47.27	55.00	55.51	51.89	45.75	-
Net Worth	1,783.62	954.29	912.46	1,036.01	1,001.10	987.65	984.38	979.21	975.01	949.71	989.21

Bhageria Dye Chem Ltd.

FINANCIAL HIGHLIGHTS

Rs. in Lacs

PROFITABILITY	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Net Worth represented by:-											
Share Capital	346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28	346.28
Reserve & Surplus	649.85	608.01	566.18	689.74	654.82	641.37	638.10	632.93	628.73	603.43	642.93
Book Value per Share	51.51	27.56	26.35	29.92	28.91	28.52	28.43	28.28	28.16	27.43	28.57
Market Price of Share(Rs.)	28.10	23.85	14.50	24.3	13.5	13.49	24.05	12.92	14.85	10.00	7.25
Capital Expenditure	135.25	24.47	37.42	117.40	135.04	21.40	104.13	83.21	170.39	49.51	80.22
Market Capitalisation											
(at year end share price)	973.03	825.87	502.10	841.45	467.47	467.12	832.79	447.39	514.22	346.28	251.05
RATIOS & STATISTICS	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Operating Margin %	5.81	5.09	-0.77	5.47	4.10	4.39	3.90	3.78	5.29	4.68	6.76
Net Margin %	1.47	1.02	(2.19)	1.85	1.07	0.96	0.87	0.90	1.60	1.02	3.12
Interest Cover											
(EBITDA/Interest) Times	5.77	2.53	0.23	3.87	3.34	4.10	6.53	5.39	3.89	2.50	3.57
Pre-tax Interest Cover											
(EBIT/Interest) Times	4.71	1.89	(0.51)	3.00	2.34	2.49	3.18	2.33	2.69	1.57	2.63
ROACE %	5.06	6.02	(6.66)	4.75	3.67	2.47	2.68	2.11	5.35	2.74	8.24
Net Sales / Total Assets Times	1.54	1.57	3.04	2.56	3.42	2.56	3.09	2.36	3.34	2.69	2.64
Debits Equity Ratio Times	0.70	1.17	0.94	1.40	0.64	0.70	0.36	0.49	0.26	0.36	0.28
DPS Rs	1.20	1.20	0.60	1.50	1.20	1.00	0.90	0.80	1.20	1.00	1.00
*EPS Rs	2.61	1.66	-3.41	3.50	1.79	1.23	1.08	0.93	1.98	1.06	3.00
CEPS Rs	4.60	3.76	-0.98	5.93	3.87	3.47	3.57	3.16	4.01	2.91	4.74
PRODUCTION											
Vinyl Sulphone MT	2860.505	2523.032	2127.449	3190.927	3187.108	2962.823	3,075.444	2,841.786	2,659.383	2,545.145	2,269.260
Acetanilide MT	1144.1	1251.501	992.15	1394.704	1700.000	1476.6	2,018.505	1,571.250	1,572.905	1,491.600	831.355

*Basic EPS

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 22nd Annual General Meeting of the members of BHAGERIA DYE-CHEM LIMITED will be held on Saturday, August 20th, 2011 at 11 A. M. at Lalit Restaurant Hall, Near Railway Station, Goregaon (West), Mumbai 400 062 to transact, with or without modification(s) the following businesses :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2011 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended March 31, 2011.
3. To appoint a Director in place of Mr. O. P. Bubna, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. Shyam Agrawal, who retires from office by rotation, and being eligible offers himself for re-appointment.
5. To appoint M/s. Sarda & Pareek, Chartered Accountants having firm Registration No. 109262W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

6. AS A SPECIAL RESOLUTION:

"RESOLVED THAT in supercession to all earlier resolutions and subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for re-appointment of Mr. Suresh Bhageria as Chairman of the Company on fresh terms for a period of 5 [Five] years w.e.f. April 1, 2011 at a consolidated remuneration not exceeding Rs. 1,25,000/- p.m."

"FURTHER RESOLVED THAT specific Powers be and are hereby given to the Board of Directors of the Company to decide his remuneration from time to time within the overall ceiling not exceeding Rs. 1,25,000/- p.m. and is hereby specifically approved with liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the Board and Mr. Suresh Bhageria so as not to exceed the limits as specified in schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof."

"FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution."

FURTHER RESOLVED THAT the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits mentioned above and the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time and further in the event of sufficient profits in any year to pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.

MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Schedule XIII computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act 1956 as in force for the time being or as amended in the future.

7. AS A SPECIAL RESOLUTION:

"RESOLVED THAT in supercession to all earlier resolutions and subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for re-appointment of Mr. Vinod Bhageria as Managing Director of the Company on fresh terms for a period of 5 [Five] years w.e.f. April 1, 2011 at a consolidated remuneration not exceeding Rs. 1,25,000/- p.m."

"FURTHER RESOLVED THAT specific Powers be and are hereby given to the Board of Directors of the Company to decide his remuneration from time to time within the overall ceiling not exceeding Rs. 1,25,000/- p.m. and is hereby specifically approved with

Bhageria Dye Chem Ltd.

liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the Board and Mr. Vinod Bhageria so as not to exceed the limits as specified in schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof."

"FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution."

FURTHER RESOLVED THAT the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits mentioned above and the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time and further in the event of sufficient profits in any year to pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.

MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Schedule XIII computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act 1956 as in force for the time being or as amended in the future.

8. AS AN ORDINARY RESOLUTION:

"RESOLVED THAT in super session of earlier resolutions passed, Consent of the Company be and is hereby accorded under the provision of Section 293 [1](d) of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company for borrowing from time to time any sum or sums of money for the purpose of the Company upon such terms and conditions and with or without security as the Board of Directors may at its discretion think fit notwithstanding that the money or moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, that the total amount of such borrowing by the Board of Directors shall not at any time exceed Rs. 100 crores."

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors be and is hereby authorised to take all steps and give directions as may be necessary or desirable and to settle any question or difficulty whatsoever that may arise herein as they may in their absolute discretion deem fit."

9. AS AN ORDINARY RESOLUTION:

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 293[1](a) and other applicable provisions, if any, of the Companies Act, 1956, to the creation by the Board of Directors of the Company of such mortgages, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company as the board may direct on such of the assets of the Company, both present and future, in such manner as the Board may direct to or in favour of all or any of the Financial Institutions/Banks/any other investing agencies/trustees for the holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any other person(s)/bodies corporate by way of private placement or otherwise, to secure rupee/foreign currency loans, debentures, bonds or other instruments of an equivalent aggregate value not exceeding Rs. 100 crores together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, or on redemption, costs, charges, expenses and all other monies payable by the Company to the aforesaid parties or any of them under Agreement/Arrangements entered into/to be entered into by the Company in respect of the said loans/debentures/bonds or other instruments.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise with the aforesaid parties or any of them, the documents for creating the mortgages/charges/hypothecations and accepting or making any alterations, changes, variations to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purpose of giving effect to this Resolution."

Registered Office:
A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.
21st, May 2011.

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

Suresh Bhageria
Chairman

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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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a Certified True copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
4. Brief resume of all Directors proposed to be appointed / reappointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships / chairmanships for Board / Committees, shareholding and relationship between directors inter-se as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges in India, are provided in the annexure.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 17/08/2011 to 19/08/2011 (both days inclusive).
6. The dividend on Equity Shares as recommended by the Board of Directors of the Company, when approved at the Annual General Meeting of the Company will be paid on or after August 25, 2011.
7. Members are hereby informed that dividends which remain unclaimed/ unencashed over a period of 7 years have to be transferred by the Company to The Investors Education & Protection Fund, constituted by the Central Government under Section 205(A) & 205(C) of the Companies Act, 1956.

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

The details of dividend paid by the Company and the corresponding due dates for transfer of unencashed dividend to the aforementioned fund constituted by the Central Government are furnished hereunder:

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

Sr. No.	Year ended	Date of Declaration	Due date of transfer to IEPF
1.	31.03.2004	25.09.2004	24.10.2011
2.	31.03.2005	17.09.2005	16.10.2012
3.	31.03.2006	02.09.2006	01.10.2013
4.	31.03.2007	01.09.2007	30.09.2014
5.	31.03.2008	23.08.2008	22.09.2015
6.	31.03.2009	29.08.2009	28.10.2016
7.	31.03.2010	14.08.2010	13.10.2017

Members who have not encashed the dividend warrant(s) so far in respect of the above financial years, are therefore, requested to make their claims to the Registrar of the Company or the Company at the Registered Office with full details.

8. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
9. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.
10. The Company has listed its shares on The Bombay Stock Exchange Limited.
11. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

Bhageria Dye Chem Ltd.

M/S. SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit : [BHAGERIA DYE CHEM LIMITED]

Unit No.1, Luthra Ind. Premises, Andheri Kurla Road,

Safed Pool, Andheri (East), MUMBAI - 400 072.

Tel: 022 2851 5606 / 2851 5644

Email: sharexindia@vsnl.com

12. (a) Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole/First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
 - (b) Members desirous of availing the facility of Electronic Credit of Dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
 - (c) Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
13. All documents referred to in the notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
 14. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
 15. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
 16. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and client ID Number.
 17. Explanatory Statement U/S. 173 of The Companies Act, 1956 is attached herewith.
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ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956.

Item 6 & 7:

Mr. Suresh Bhageria is Chairman and Mr. Vinod Bhageria is Managing Director of the Company.

It is proposed to change the terms of appointment of Mr. Suresh Bhageria and Mr. Vinod Bhageria and pay them remuneration as per the provisions contained in Schedule XIII of the Companies Act, 1956.

Remuneration committee has already cleared the proposed terms of appointment of Mr. Suresh Bhageria and Mr. Vinod Bhageria and also remuneration to be paid to them as per the provisions contained in Schedule XIII of the Companies Act, 1956.

It is also proposed to give Liberty to the Board of Directors to vary the terms so that in the event of Company earning sufficient profits in any year, the Company can pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.

Mr. Suresh Bhageria and Mr. Vinod Bhageria both are promoters of the Company and are associated with the Company for quite a long time.

Looking at the time and other efforts put in by Mr. Suresh Bhageria and Mr. Vinod Bhageria and the experience they have, the Board recommends the resolutions be passed by the members of the Company.

Mr. Suresh Bhageria and Mr. Vinod Bhageria may be deemed to be interested in the respective resolutions as the respective resolutions are related to each of them.

This Explanatory Statement along with the notice is and shall be deemed to be an abstract under Section 302 of the Companies Act, 1956.

Item 8 & 9 :

The Company, from time to time, obtains loans and financial assistance from the Financial Institutions/Banks/other lending agencies/trustees for the holders of debentures/bonds/other instruments which may be issued and the same are required to be secured by creation of mortgage/charge on the assets of the Company.

Section 293[1](a) of the Companies Act, 1956, inter alia, provides that the Board of Directors of a Public Limited Company shall not without the consent of the Company in General Meeting sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company. Since creation of mortgage/charge by the Company in favor of the above entities may be regarded as disposal of the assets or undertaking of the Company, it is necessary for the members to pass a resolution under Section 293[1](a) of the Companies Act, 1956.

The company is requiring funds for day to day working and also on going expansion. For these new loans are proposed to be obtained. It is therefore necessary to increase the limit to which the company can borrow funds to Rs. 100 crores.

Therefore it is necessary for members to pass the resolution under Sections 293[1](a) and Section 293[1](d) of the Companies Act, 1956.

The Board recommends the resolution to be passed.

None of the Directors of the Company are concerned or interested in the Resolution.

Bhageria Dye Chem Ltd.

LISTING REQUIREMENTS:

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

A. Name : Mr. O. P. BUBNA
Age : 61 [11/05/1950].
Qualifications : B.Com

Mr. O. P. Bubna is associated with the Company since July 12, 1989 and has experience of over 28 years in the various fields.

Shareholding in the Company : NIL

Other Directorships : NIL

Committee Memberships : NIL

B. Name : Dr. SHYAM AGRAWAL
Age : 56 [12/01/1955].
Qualifications : M.S.D.O.M.S. (Bom)

Dr. Shaym Agarwal is associated with the Company since October 21, 1994. He has an experience of over 27 years in the field of drugs and pharmaceuticals. He is leading Eye Specialist and a well known Social Activist.

Shareholding in the Company : NIL

Other Directorships : NIL

Committee Memberships : NIL.

Information about the Director(s) who are proposed to be reappointed as Chairman or Managing Director of the Company (Resolution at Item Nos. 6 & 7):

A. Name : Mr. SURESH BHAGERIA, Chairman
Age : 56 years [14/01/1955].
Qualifications : B. Com

Shareholding in the Company: 153613

Mr. Suresh Bhageria is associated with the Company since 21/10/1994 . He has an experience of over 32 years in the field of drugs and pharmaceuticals.

Other Directorships:

1. Bhageria Trade Invest Pvt. Ltd.
2. M & B Specialty & Pharma Pvt. Ltd.

Committee Memberships : NIL.

B. Name : Mr. VINOD BHAGERIA, Managing Director
Age : 55 [20/06/1956].
Qualifications : B. Com

Shareholding in the Company: 250009

Mr. Vinod Bhageria is associated with the Company since 12/07/1989 and has experience of over 30 years in the various fields.

Other Directorships :

1. Bhageria Trade Invest Pvt. Ltd.
2. Zenith Specialty Pvt. Ltd.

Committee Memberships : NIL

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting 22nd Annual Report together with the Audited accounts for the year ended March 31, 2011.

FINANCIAL RESULTS:

Particular's	Year ended 31.03.2011 Rs. In Lacs	Year ended 31.03.2010 Rs. In Lacs
Sales & Other Income	6176.86	5643.50
Profit before tax and appropriations	239.68	101.00
Profit after tax	90.30	57.48
Add : Balance brought forward from previous year	4.98	1.11
Profit available for disposal	95.27	58.59
Proposed Dividend	48.45	48.61
Transfer to General Reserve	5.00	5.00
Extraordinary Income (Grant Recd.)	Nil	57.27
Transfer to Capital Reserve	Nil	57.27
Profit carried forward	41.82	4.98

DIVIDEND:

Your Board is pleased to recommend for consideration of the Shareholders at the Annual General Meeting payment of a Tax free dividend for the year ended March 31, 2011 of Rs. 1.20 per share on each Equity share of Rs.10/- each which after approval shall be paid in accordance with the applicable Law.

This will be the 18th consecutive year of payment of Dividend by your company.

OPERATIONS:

During the year under review, your company has achieved total income of Rs. 6176.86 lacs against Rs. 5643.50 lacs in previous year and a net profit of Rs. 90.30 lacs as against Rs. 57.48 lacs in previous year.

RESEARCH & DEVELOPMENT:

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

FIXED DEPOSITS:

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

BOARD OF DIRECTORS:

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

It is proposed to re-appoint Mr. Suresh Bhageria as Chairman and Mr. Vinod Bhageria as Managing Director of the Company. Necessary Resolutions are put up for members considerations.

DIRECTORS RESPONSIBILITY STATEMENT:

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

DEPOSITORY SERVICES:

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

Bhageria Dye Chem Ltd.

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

CORPORATE GOVERNANCE:

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

CODE OF CONDUCT:

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

AUDITORS:

M/s. Sarda & Pareek, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2012 as set out in the Notice convening the Meeting.

AUDITORS' OBSERVATIONS:

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

SECRETARIAL COMPLIANCE REPORT:

As required under the amended provisions of the Companies Act, 1956, the Company is required to obtain Secretarial Compliance Certificate from a Practising Company Secretary. The same is enclosed and form part of this report.

AUDIT COMMITTEE:

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

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

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

PARTICULARS OF EMPLOYEES:

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

LISTING:

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

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:

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

ACKNOWLEDGMENT:

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

Registered Office:
A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.
May 21st, 2011

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

Suresh Bhageria
Chairman

SECRETARIAL COMPLIANCE CERTIFICATE

AUTHORISED SHARE CAPITAL: RS. 8,00,00,000/-.

PAID UP SHARE CAPITAL: RS. 3,46,27,500/-.

The Members,
BHAGERIA DYE-CHEM LIMITED
A/101, Virwani Industrial Estate,
W. E. Highway, Goregaon [East],
Mumbai - 400 063.

I have examined the registers, records, books and papers of M/s. BHAGERIA DYE-CHEM LIMITED [the Company] as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on MARCH 31, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid financial year: -:

1. The Company has kept and maintained all registers as stated in ANNEXURE - 'A' to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made hereunder wherever applicable AS PER ANNEXURE – 'B'.
3. The Company being a Limited Company, Comments not required.
4. The Board of Directors duly met 5 [FIVE] times during the aforesaid financial year i.e. on 10/04/2010, 29/05/2010, 14/08/2010, 02/11/2010 and 29/01/2011 and in respect of each meeting proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 10/08/2010 to 13/08/2010 [both days inclusive] and necessary compliance of Section 154 of the Act has been made.
6. The Company held its Annual General Meeting during the year in time i.e. on 14/08/2010 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. NO Extra Ordinary General Meeting was held during the financial year.
8. The Company has not given or advanced any amount as defined in Section 295 of the Companies Act, 1956.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has entered necessary particulars in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has issued duplicate Share Certificates during the financial year and necessary compliances of the Act were made.
13. The Company has:
 - i. delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii. duly complied with the requirements of Section 217 of the Act.
 - iii. other clauses are not applicable.
14. The Board of Directors of the Company is duly constituted.
15. There was no appointment of Managing Director / Whole Time Director / Manager during the financial year.

Bhageria Dye Chem Ltd.

16. The Company has not appointed any Sole Selling Agents during the financial year.
17. The Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year. -
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Equity Shares during the financial year under review.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has complied with the provisions of Section 293 (1) (d) of the Act.
25. The Company has complied with the provisions of Section 372A of the Act.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from the one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment has imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was regular in depositing Provident Fund dues with the Appropriate Authorities in time.

Sd/-

[MAHESH SONI]

FCS : 3706 ; COP : 2324.

Place: Mumbai.

Date : May 21st, 2011

ANNEXURE - 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :

Name of the Company: M/s. BHAGERIA DYE-CHEM LIMITED

DETAILS OF REGISTERS MAINTAINED:

Sr. No.	Section Number	Name of Register
1.	108	Share Transfer Register
2.	150	Register of Members
3.	193	Minutes of all meetings of Board of Directors
4.	193(1)	Minutes of General Meetings
5.	209	Books of Accounts.
6.	301	Register of Contracts.
7.	303	Register of Directors.
8.	307	Register of Directors Shareholdings.
9.	125/143	Register of Charge.

ANNEXURE - 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE

Name of the Company: M/s. BHAGERIA DYE-CHEM LIMITED

DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES:

Sr. No.	Document/ Under Section	Filed on	Whether filed in time	Whether additional fee paid
1.	Form 20B Annual Return. U/s. 159.	28/09/2010.	Yes.	No.
2.	Form 23AC/ACA Balance Sheet U/s. 210.	06/09/2010.	Yes.	No.
3.	Form 66 Sec. Comp. Cert. U/s. 383A.	06/09/2010.	Yes.	No.
4.	Form 23.	10/09/2010.	Yes.	No.
5.	Form 1 under IEPF Rules.	29/10/2010.	N/A.	N/A.

Sd/-

[MAHESH SONI]

FCS: 3706 ; COP: 2324.

Place: Mumbai.

Date : May 21st, 2011

ANNEXURE 'A' TO DIRECTORS' REPORT 2010-2011

Information as per section 217(1)(e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2010-2011.

I. CONSERVATION OF ENERGY:

a) Energy Conservation Measures taken:

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

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

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

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

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

II. TECHNOLOGY ABSORPTION:

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

1. Research & Development (R&D)

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

NONE

b) Benefits derived as result of the above

NOT APPLICABLE

c) Future plan of action

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

d) Expenditure on R&D

1. Capital

NIL

2. Recurring

NIL

3. Total

NIL

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

NIL

2. Technology Absorption, Adaptation and Innovation

NOT APPLICABLE

III. FOREIGN EXCHANGE EARNING AND OUTGO:

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

The company has conducted market survey to boost export during the year.

b) Foreign Exchange Outgo :

Rs. 953.30 Lacs (Previous year Rs. 920.64 Lacs)

c) Foreign Exchange Earned :
(Lacs)

Rs. 3215.57 Lacs (Previous year Rs. 3576.28 Lacs)

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

Place : Mumbai
Date : May 21st, 2011

Suresh Bhageria
Chairman

22nd Annual Report 2010-11

Form – A

Form for disclosure of particulars with respect to conservation energy:

<u>Particular</u>	<u>2010-11</u>	<u>2009-10</u>
A. Power and Fuel Consumption		
1. Electricity		
a. Purchases		
Units (M.kwh)	2734254	2492468
Total Amount (Rs. In Lakhs)	145.66	136.15
Average Rate per unit (Rs./kwh)	5.32	5.46
b. Own Consumption		
Through Diesel Generator		
Units (M. kwh)	48320	44166
Units Per liters of Diesel	2.23	2.23
Average Cost per unit	14.64	13.90
2. Coal		
Quantity (m.t.)	933.005	926.200
Total cost (in lakhs)	37.41	32.79
Average cost per tone	4010.07	3547.93

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

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

INTRODUCTION:

Corporate Governance is crucial to the very existence of a Company as it builds confidence and trust with all the stakeholders having interest in the Company. The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability and transparency and above all, equitable treatment for all the stakeholders.

The detailed report on implementation by the Company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange, is set out below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on good Corporate Governance envisages a combination of business practices that result in enhancement of the value of all the stakeholders of the Company and society at large. Your Company firmly believes that such practices are founded upon the core values of transparency, professionalism, empowerment, equity and accountability. Your Company makes best endeavors to uphold these core values in all areas of its operations.

Your Company continues to follow procedures and practices in conformity with the Code of Corporate Governance as laid down in Clause 49 of the Listing Agreement of the Stock Exchange.

BOARD OF DIRECTORS:

The composition of the Board of Directors with reference to the number of Executive and Non-Executive Directors meets with the requirements of Clause 49 of the Listing Agreement.

As per the listing Agreement the board should have an optimum combination of both Executive and Non-Executive Directors. The Company presently has 5 Directors. The Board of Your company has 2 Executive Directors and 3 Non-Executive Independent Directors.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

During the financial year ended March 31, 2011, 5 [FIVE] Board meetings were held on 10/04/2010, 29/05/2010, 14/08/2010, 02/11/2010 and 29/01/2011.

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

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Director	Category	No.Of Board Meeting attended	Attendance at last AGM	No. Of Other Directorships Held As on 31/3/11		Outside Committee Position Held As on 31/3/11	
				Public	Private	Mem.	Chmn.
Mr. Suresh Bhageria	Chairman	5	YES	--	2	--	--
Mr. Vinod Bhageria	MD	5	YES	--	2	--	--
Mr. O. P. Bubna	NED	5	YES	--	--	--	--
Dr. Shyam Agrawal	NED	1	NO	--	--	--	--
Mr. P. S. Dalvi	NED	5	YES	--	--	--	--

MD stands for Managing Director.

NED stands for Non Executive Director.

INFORMATION SUPPLIED TO THE BOARD

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

Among others, this includes:

- Review of annual operating plans of business, capital budgets and updates.
- Quarterly results of the company and its operating units
- Minutes of meeting of audit committee and other committees.
- Information on recruitment and remuneration of senior officers just below the board level.
- General notices of interests.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- Any materially significant effluent or pollution problem.
- Any material default in financial obligations to and by the company. Any issue which involves possible public or product liability claims of a substantial nature.
- Details of any joint venture of collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant development in the human resource and industrial relations fronts.
- Sale of material nature of investments, subsidiaries, assets which is not in the normal course of business.
- Foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda of board meeting or are placed during the course of the meeting.

As mandated by the revised Clause 49, the independent Directors on the board of the Company.

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

The Board is routinely presented with all information under the above heads whenever applicable and materially significant.

COMMITTEES OF DIRECTORS:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of independent Directors with specific terms of reference / scope. The committee operates as empowered agents of the board. The inputs and details required for the decision is provided by the operating managers. The Minutes of the Meeting of the all Committees of the board are placed before the board for discussions / noting.

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

COMMITTEES OF BOARD:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of independent Directors with specific terms of reference / scope. The committee operates as empowered agents of the board. The inputs and details required for the decision is provided by the operating managers. The Minutes of the Meeting of the all Committees of the board are placed before the board for discussions / noting.

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

Bhageria Dye Chem Ltd.

1. AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of three Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focus its attention on monitoring the financial reporting system within the company, considering quarterly & Annual Financial Results of the company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report & internal control system, audit methodology and process, major accounting policies and practice, compliance with accounting standards. Committee also reviews the legal compliance reporting system.

Representative of the statutory auditors is always invited to attend these meetings.

The Audit Committee has the following powers:

- To investigate into any matter referred to it by the Board and for that purpose to have full access to the information contained in the records of the Company and external professional advice, if necessary.
- To investigate any activity within its terms of reference.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend the appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services.
- Reviewing with management the annual financial statements before submission to the Board.
- Reviewing with management the adequacy of internal control systems.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any areas of concern.

All the members have financial and accounting knowledge.

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

The Committee met 5 times during the year on 10/04/2010, 29/05/2010, 14/08/2010, 02/11/2010 and 29/01/2011.

Attendance record at the meetings of the Audit Committee of Directors during financial year 2010-11:

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

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

The Chairman of the Committee was present at the Annual General Meeting held on 14/08/2010 to attend the shareholder's queries.

SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE:

The Company has constituted a Shareholders Grievance Committee at board level to strengthen the investor relations and to inter-alia look into issues relating to shareholders grievances pertaining to transfer of shares, non receipt of declared dividends, non receipt of annual report, issues concerning dematerialization etc. The Shareholders Grievance Committee met 5 [Five] times during the year ended March 31, 2011.

Mr. Amit Pareek, Accounts Officer, is designated as the Compliance Officer.

The Company has designated the e-mail ID info@bhageriagroup.com exclusively for the purpose of registering complaint by investors electronically. This e-mail ID is displayed on the Company's website i.e. www.bhageriagroup.com

The following table shows the nature of complaints received from the shareholders during the year 2010-11.

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The Shareholders' Committee met 5 times during the year ended March 31, 2011.

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

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

The following table shows the nature of complaints received from the shareholders during the year 2010-11.

Nature of complaints	No. of complaints received during the year 2010 - 11
Non receipt of Dividend Warrant	1
Non receipt of Annual Report	1
Non receipt of Share Certificate	1

There were no complaints pending as on 31st March, 2011.

REMUNERATION:

The Company has set up a Remuneration Committee as required under the provisions of the Companies Act, 1956 and all matters relating to review and approval of compensation payable to the executive and non executive directors are considered by the Remuneration Committee and necessary recommendations are made by the Committee to the Board for the approval within the overall limits approved by the Members and as per Schedule XIII to the Companies Act, 1956.

The Company pays remuneration to its Chairman and Managing Director by way of Salary, perquisites and allowances. Salary is paid within the range as approved by the Shareholders and as per Schedule XIII to the Companies Act, 1956. The Board approves all the revisions in salary, perquisites and allowances subject to the overall ceiling prescribed by Section 198 and 309 of the Companies Act, 1956.

Given below are the details of remuneration paid to Directors during the financial year 2010-11:

Director	Sitting Fees Rs.	Salary & allowances Rs.	Perquisites Rs.
Mr. Suresh Bhageria	---	1053000	---
Mr. Vinod Bhageria	---	1053000	---
Mr. O. P. Bubna	12500	---	---
Dr. Shyam Agrawal	2500	---	---
Mr. P. S. Dalvi	12500	---	---

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

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

Shareholding of Non Executive Directors

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

CODE OF CONDUCT

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

MANAGEMENT DISCUSSIONS & ANALYSIS

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

STEPS FOR PREVENTION OF INSIDE TRADING

Bhageria Dye Chem Ltd.

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

DISCLOSURES:

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

NON-COMPLIANCES:

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

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENT AND ADOPTION OF NON MANDATORY REQUIREMENT.

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

1. Remuneration Committee:

The Company has a Remuneration Committee to review and approve the salary, commission, perks and other employment conditions for the directors.

2. Audit Qualification:

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

3. Training of Board Members:

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

MEANS OF COMMUNICATION :

1. Quarterly results are published in prominent daily newspapers viz., Business Standard & Mumbai Lakshdeep.
2. The Company has its own website i.e www.bhageriagroup.com. All the vital information relating to the Company including the quarterly & annual financial results and its products are displayed on the web site.

CEO / CFO CERTIFICATION:

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

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

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

DECLARATION:

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

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

The code of conduct has been complied with;

GENERAL SHAREHOLDERS INFORMATION:

ANNUAL GENERAL MEETING	: 22nd Annual General Meeting.
DAY & DATE	: Saturday, August 20, 2011.
TIME	: 11 A. M.

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VENUE : Lalit Restaurant Hall, Near Rly. Station,
Goregaon (West), Mumbai 400 062.

FINANCIAL CALENDAR:

* Financial reporting for the quarter ended June 30, 2011 : End of July, 2011.
* Financial reporting for the quarter ended Sept.30, 2011 : End of Oct., 2011.
* Financial reporting for the quarter ended Dec. 31, 2011 : End of Jan., 2012.
* Financial reporting for the Year ended March 31, 2012 : Audited
Results by end of May, 2012 tentatively.

DATE OF BOOK CLOSURE : 17/08/2011 TO 19/08/2011 [Both days inclusive].

DIVIDEND PAYMENT DATE : 25/08/2011.

PAYMENT OF DIVIDEND:

Dividend will be paid by "Account Payee" / Non negotiable instrument or through Electronic Clearing Service (ECS) as notified by the SEBI through Stock Exchanges. The company had already written to all the shareholders setting out in details the procedure to be followed for availing this facility. In view of the advantage of receiving dividend through ECS shareholders are requested to opt for this mode. The declared dividend is usually paid by the company within 3 working days.

SHARE TRANSFER SYSTEM:

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

TRANSFER UNDER PHYSICAL AND DEMAT MODE:

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

COMPLIANCE OFFICER:

Mr. Amit Pareek

ADDRESS FOR CORRESPONDENCE:

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

LISTING:

The Bombay Stock Exchange Limited, Mumbai.

STOCK CODE OF THE COMPANY:

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

DEPOSITORY CONNECTIVITY: NSDL and CDSL.

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

DEMATERIALISATION OF SHARES:

As on March 31, 2011, 31,14,049 Shares representing 89.93% of total Equity Shares were held in dematerialised form with NSDL and CDSL.

Bhageria Dye Chem Ltd.

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

GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2008	23.08.2008	11 A.M.	D. G. Khetan International School, Krishna Realities, Behind Sunder Nagar, Off. S. V. Road & Link Road, Malad [West], Mumbai 400 064.
31.03.2009	29.08.2009	11 A.M.	Lalit Restaurant Hall, Goregaon [W], Mumbai - 400 062.
31.03.2010	14.08.2010	11 A.M.	----- DO-----

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

DISCLOSURES:

1. There were no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the company with the promoters, directors, their relatives and the management and in any company in which they are interested, that may have potential conflict with the interest of the company.
2. Details on the use of proceeds from public issues, right issues, preferential issues etc.

During the current financial year company has received Rs. 787.50 lacs for allotment of preferential warrant .(Allotment is pending till the date of board meeting).

Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other statutory authority on any matter related to capital market, during the last three years:

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

MEANS OF COMMUNICATION:

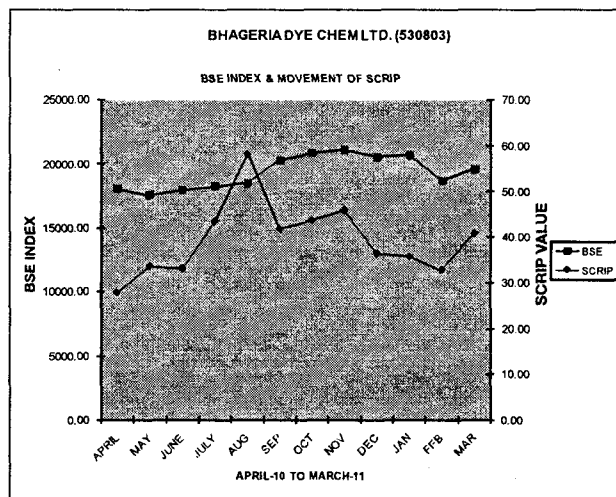
1. Quarterly results are published in prominent daily newspapers viz., Business Standard & Lakshadeep.
2. All items required to be covered in the Management Discussion and Analysis have been included in the Management Discussion and Analysis as attached to this Report.
3. The Company has its own website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

STOCK PRICE DATA : [TAKEN FROM BSE SITE].

Stock Market price data for the year

Month	Company's Share	
	High (Rs.)	Low (Rs.)
April, 2010	27.65	22.75
May, 2010	33.50	24.80
June, 2010	33.00	30.05
July, 2010	43.45	26.80
August, 2010	58.15	36.90
Sept., 2010	41.75	35.20
October, 2010	43.65	35.50
Nov., 2010	45.80	32.00
Dec., 2010	36.35	27.70
January, 2011	35.70	26.70
Feb., 2011	32.75	25.35
March, 2011	40.80	25.20

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SHAREHOLDING PATTERN AS ON MARCH 31, 2011:

Category	No. Of shares held	% of shareholding
Promoters	17,99,557	51.97
Private Bodies Corporate	1,03,886	3.00
Indian Public	13,78,361	39.81
NRI/OCBs	1,80,946	5.22
Total	34,62,750	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2011:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	2692	390600	11.28
500-1000	224	194818	5.63
1001-2000	92	152872	4.41
2001-3000	44	116952	3.38
3001-4000	21	73137	2.11
4001-5000	20	94207	2.72
5001-10000	14	97625	2.82
10001 & above	32	2342539	67.65
Total	3139	34,62,750	100.00

PLANT LOCATIONS:

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

COMPLIANCE:

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

Registered Office :
A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.
May 21st, 2011

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

Suresh Bhageria
Chairman

Bhageria Dye Chem Ltd.

CEO / CFO CERTIFICATION:

The Board of Directors
Bhageria Dye Chem Limited,
Mumbai

Re: Financial Statements for the year 2010-11 – Certification by CEO

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

- (a) I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2011 and to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Suresh Bhageria
Chairman

Place: Mumbai
Date: May 21st, 2011

AUDITORS' CERTIFICATE

To
The Members,
BHAGERIA DYE-CHEM LIMITED,

We have examined the compliance of conditions of Corporate Governance by BHAGERIA DYE-CHEM LIMITED, for the year ended on March 31, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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

FOR SARDA & PAREEK
Chartered Accountants
FRN 109262 W

Gaurav Sarda
Partner
M. No. 110208

Mumbai.
May 21st, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW:

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

OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:

The year under review experienced a global slow down in economic growth, which had its impact in India too. The sale of Chemicals is decreased by 9.45%.

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

EXPORTS:

The main thrust of the Company is on export, which constitute around 52.06% of total sales of the Company. The Company is "Recognized Export House".

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

PERFORMANCE OF THE COMPANY:

The challenges described above did restrict the sales growth to a modest rate, resulting in net profit of Rs. 9029806/- During the current financial year. The Company is working towards improvement in its working and profitability.

HUMAN RESOURCES:

Development of skills and updating of knowledge are essential for continues growth of any organization. Your Company considers human resources as a key asset. Therefore, your Company not only implemented many in house training programs but also sent selected employees to suitable outside programs to keep them abreast of the latest developments in the industry and economy.

To establish direct link between performance and reward, your Company has been steadily increasing the weight age of actual performance in remuneration packages. The Company has, under its employment 25 officers and workmen.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

FINANCIAL PERFORMANCE:

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

- a. The Net Profit has increased from Rs. 57.48 lacs to net profit of Rs. 90.30 lacs.
- b. The Company spent Rs.135.25 lacs on Capital Expenditure during the year.
- c. The Investment in Working Capital was Rs. 2593.90 lacs.
- d. The Term Borrowings increased by Rs. 14.32 lacs.
- e. Your company is paying dividend continuously since 1993-94.

CAUTIONARY STATEMENT:

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

Registered Office :

A/101, Virwani Industrial Estate,
W. E. Highway,
Goregaon [East],
Mumbai - 400 063.
May 21st, 2011

For and on behalf of the Board

For BHAGERIA DYE-CHEM LIMITED

Suresh Bhageria
Chairman

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AUDITORS' REPORT

To the Members of BHAGERIA DYE CHEM LIMITED

1. We have audited the attached Balance Sheet of BHAGERIA DYE-CHEM LIMITED, (the "Company") as at 31st March 2011, Profit & Loss Account and the Cash Flow statement for the year ended on that date annexed thereto, (hereinafter collectively referred to as "financial statements"). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 (the "order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (The "Act") ,we enclose in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) the financial statements dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, Financial Statements dealt with by this report, comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) on the basis of written representations received from the directors, we report that none of the directors is disqualified as on 31st March 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon, give the information required by the Act, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - (b) in case of the Profit and Loss Account, of the Profit of the company for the year ended on that date; and
 - (c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For SARDA & PAREEK.

Chartered Accountants
FRNo. 109262 W

GAURAV SARDA

Partner
Membership No. 110208

PLACE : MUMBAI

DATE : May 21st, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 3 of our report of even date)

1. In respect of fixed assets:
 - a. The Company has maintained computerized records showing particulars including quantitative details & situation of fixed assets; however the same is not updated.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a program of verification, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - c. In our opinion, the company has not disposed off substantial part of fixed assets during the year, which has bearing on the going concern assumption.
2. In respect of its inventories:
 - a. The management, during the year under review, has conducted physical verification of inventory at reasonable intervals except materials lying with third parties, where confirmations are obtained. The frequency of such verification is reasonable in relation to the size of the company, nature of its business and nature of inventory.
 - b. In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of company and nature of its business.
 - c. The Company is maintaining proper records of inventory as required in the normal course of business. There was no material discrepancies noticed on physical verification as compared to book records.
3. In respect of loans, secured or unsecured, granted or taken by the company to/ from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956:
 - a. The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Act; and hence clause (b) , (c) and (d) are not applicable.
 - b. The Company has not taken any loans secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(III) (f) to (g) of the said order is not applicable.
4. In respect of internal control:
 - a. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and for sale of goods and services. We have not noted any continuing failure to correct major weaknesses in the internal controls.
5. In respect of transaction covered under Section 301 of the companies Act, 1956:
 - a. In our opinion, according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered into the register maintained under Section 301 of the Companies Act 1956 have been so entered.
 - b. In our opinion, according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lacs in respect of any party during the year have been made at price which are reasonable having regards to prevailing market price at the relevant time.
6. In our opinion & according to the information and explanations given to us, the company has not accepted deposits from public under the provision of section 58A and 58AA or any other relevant provision of the Act.
7. In our opinion, the company has in-house internal audit system commensurate with its size and nature of business.
8. The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the nature of industry in which the Company is doing business.
9. In respect of Statutory Dues:
 - a. According to the records of the company, undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues have been generally regularly deposited with the appropriate authorities.

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According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2011, for a period of more than six months from the date of becoming payable.

- b. The Disputed statutory Dues aggregating to Rs.18.92 Lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No	Name of Statute	Nature of Dues	Forum where dispute Pending	Amount (IN Lacs)
1.	Income Tax	Interest on Income Tax	Income Tax	18.92

10. There are no accumulated losses of the Company at the end of the financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanations given to us, no loans or advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities
13. In our opinion, the company is not a Chit fund or a nidhi/ mutual benefit fund/society. Therefore, clause 4(Xiii) of the Companies order 2003 is not applicable to the company.
14. In our opinion and according to the information and explanations given to us, the Company is dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us, no new term loan has been taken by the company during the year. However the term loan taken in the previous years has been applied for the purpose for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanation given to us, we report that short term funds have not been utilized for long term investments.
18. During the year, the company has received an application money of Rs. 787.50 Lacs, however no preferential allotment of shares was done to parties and companies covered in the register maintained under Section 301 of the companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the Company has not issued any debentures during the year under review.
20. The Company did not raise money through public issues during the year under review.
21. According to the information and explanations given to us & to the best of our knowledge or belief, no material fraud on or by the Company has been noticed or reported during the course of our audit

For SARDA & PAREEK.
CHARTERED ACCOUNTANTS
FRNo. 109262 W

GAURAV SARDA
Partner
Membership No. 110208

PLACE : MUMBAI
DATE : May 21st, 2011

Bhageria Dye Chem Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE	AS AT		AS AT	
		31st MARCH, 2011	31st MARCH, 2010	31st MARCH, 2010	31st MARCH, 2010
		Rs.	Rs.	Rs.	Rs.
I. SOURCES OF FUNDS					
SHAREHOLDER'S FUNDS					
SHARE CAPITAL	A	34627500		34627500	
Application Money for Convertable Warrants (Pending For Allotment)		78750000		-	
RESERVES & SURPLUS	B	64984924	178362424	60800611	95428111
LOAN FUNDS					
SECURED LOANS	C	124935351		111341428	
UNSECURED LOANS		-	124935351	-	111341428
DEFERRED TAX LIABILITIES			5780847		3271639
TOTAL			<u>309078623</u>		<u>210041179</u>
II. APPLICATION OF FUNDS					
FIXED ASSETS	D				
GROSS BLOCK		125468664		127850524	
LESS : DEPRECIATION		75780027		86252594	
NET BLOCK		49688637		41597930	
CURRENT ASSETS, LOANS & ADVANCES					
INVENTORIES	E	51532194		35184476	
SUNDRY DEBTORS	F	236603946		185383490	
CASH & BANK BALANCE	G	17027486		27956804	
LOANS & ADVANCES	H	45645199		68328244	
		350808825		316853015	
LESS : CURRENT LIABILITIES & PROVISIONS	I				
CURRENT LIABILITIES		86573344		143548273	
PROVISIONS		4845495		4861493	
NET CURRENT ASSETS		91418839		148409766	
TOTAL			<u>259389986</u>		<u>168443249</u>
			<u>309078623</u>		<u>210041179</u>

The schedules referred to above form an integral part of Balance Sheet
Significant Accounting Policies &
Notes To The Accounts

R

As per our report attached
FOR SARDA & PAREEK
Chartered accountants
FRN 109262 W

Gaurav Sarada
Partner
(Membership No. 110208)

PLACE : Mumbai
DATE : May 21st, 2011

For and on behalf of the board

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

O.P. BUBNA
Director

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

	SCHEDULE	FOR THE YEAR ENDED 31.03.2011 Rs.	FOR THE YEAR ENDED 31.03.2010 Rs.
INCOME			
SALES	J	617686450	564350447
INCREASE / (DECREASE) IN STOCK	K	11020806	7387753
TOTAL		628707256	571738200
EXPENDITURE			
MATERIAL CONSUMED	L	500060796	462164332
PAYMENT & BENEFITS TO EMPLOYEES	M	10586747	9122958
MANUFACTURING EXPENSES	N	37551836	30113254
ADMINISTRATIVE EXPENSES	O	9300760	9878087
SELLING & DISTRIBUTION EXPENSES	P	30787083	30689293
FINANCE CHARGES	Q	9627691	12395769
DEPRECIATION	D	6823774	7274508
TOTAL		604738687	561638202
PROFIT /(LOSS) BEFORE TAXATION		23968569	10099998
PROVISION FOR			
- CURRENT TAX		4761000	1600000
- DEFERRED TAX		2509208	2752268
- TAX ADJUSTMENT OF EARLIER YEAR		7668553	-
PROFIT /(LOSS) AFTER TAXATION		9029808	5747730
EXTRAORDINARY ITEMS		-	5726661
PROFIT /(LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR		497450	111213
PROFIT AVAILABLE FOR APPROPRIATION		9527258	11585604
APPROPRIATION :			
TRANSFER TO GENERAL RESERVE		500000	500000
TRANSFER TO CAPITAL RESERVE		-	5726661
PROPOSED DIVIDEND		4155300	4155300
CORPORATE TAX ON PROPOSED DIVIDEND		690195	706193
BALANCE CARRIED OVER TO BALANCE SHEET		4181763	497450
BASIC EARNING PER SHARE OF Rs. 10/= EACH.		2.61	1.66
DILUTED EARNING PER SHARE OF Rs. 10/= EACH.		1.44	1.66

The schedules referred to above form an integral part of Balance Sheet
Significant Accounting Policies &
Notes To The Accounts

R

As per our report attached
FOR SARDA & PAREEK
Chartered accountants
FRN 109262 W

Gaurav Sarda
Partner
(Membership No. 110208)

For and on behalf of the board

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

PLACE : Mumbai
DATE : May 21st, 2011

O.P. BUBNA
Director

Bhageria Dye Chem Ltd.

SCHEDULES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE :

	AS AT 31.03.2011	AS AT 31.03.2010
	Rs.	Rs.
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised :		
80,00,000 (80,00,000) Equity Shares of Rs. 10/- each	80000000	80000000
Issued, Subscribed & paid up	34627500	34627500
34,62,750 (34,62,750) equity shares of Rs. 10/- each fully paid up in cash.	<u>34627500</u>	<u>34627500</u>
SCHEDULE 'B'		
RESERVES & SURPLUS		
Capital Reserve		
As per last balance sheet	8142161	2415500
Add: Transfer from P & L a/c.	<u>8142161</u>	<u>5726661</u>
Share Premium Account	19161000	19161000
General Reserve		
As per last balance sheet	33000000	32500000
Add: Transfer from P & L a/c.	<u>500000</u>	<u>500000</u>
Profit & Loss Account	<u>4181763</u>	<u>497450</u>
	<u><u>64984924</u></u>	<u><u>60800611</u></u>
SCHEDULE 'C'		
SECURED LOANS		
TERM LOAN FROM BANKS	1616592	183801
(payable within 12 months Rs. 6,98,328 /-(P.Y. Rs. 1,83,801/-) (fully secured by hypothecation of car)		
WORKING CAPITAL LOAN FROM BANKS		
a) Packing Credit	15373759	14812248
b) Bill Discounting	107945000	96345379
Secured by :		
i) Demand Promisary Note by the Company & against agreement of hypothecation of goods covered under Bills.		
ii) Demand Promisary Note by the Company, cash credit agreement and against hypothecation of stocks of raw material, finished goods, stores & spares, fixed deposit receipts and Book debts.		
iii) First charge on the Fixed Assets of the company Present & Future.		
iv) Personal Guarantee of some of the Directors of the company.		
	<u><u>124935351</u></u>	<u><u>111341428</u></u>

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SCHEDULE 'D' : FIXED ASSETS

(Rupees)

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	Rate Of Dep.	Cost Up To 31.03.2010	Cost Of Addition	Cost Of Deduction	Cost Up To 31.03.2011	Up To 31.03.2010	For The Year	Adjustment During The Year	Up To 31.03.2011	As At 31.03.2011	As At 31.03.2010
Land (Lease Hold)	-	1,316,339	0	0	1,316,339	228,233	13,716	0	241,949	1,074,390	1,088,106
Residential Building	5%	143,750	0	0	143,750	49,974	4,689	0	54,663	89,087	93,776
Godown	5%	605,855	0	0	605,855	243,952	18,095	0	262,047	343,808	361,903
Office Building	5%	2,447,250	0	0	2,447,250	924,858	76,120	0	1,000,978	1,446,272	1,522,392
Factory Building	10%	7,098,379	0	0	7,098,379	5,746,672	135,171	0	5,881,843	1,216,536	1,351,707
Safety Equipments	13.91%	89,901	0	0	89,901	82,918	971	0	83,889	6,012	6,983
Plant & Machinery	15.33%	81,493,113	408,824	16,767,235	65,134,702	59,045,878	3,444,834	15,051,274	47,439,438	17,695,264	22,447,235
Lab Equipments	15.33%	498,694	0	0	498,694	370,804	19,606	0	390,410	108,284	127,890
E.T.P	15.33%	21,069,034	13,116,042	0	34,185,076	10,149,473	1,718,039	0	11,867,512	22,317,564	10,919,561
Genrator	15.33%	52,380	0	0	52,380	41,460	1,674	0	43,134	9,246	10,920
Office Equipments	15.33%	125,492	0	0	125,492	28,277	14,903	0	43,180	82,312	97,215
Furniture & Fixtures	18.1%	4,796,380	0	0	4,796,380	3,515,116	231,909	0	3,747,025	1,049,355	1,281,264
Vehicle	25.89%	6,539,895	3,900,346	3,039,837	7,400,404	4,499,499	1,044,614	2,245,067	3,299,046	4,101,358	2,040,396
Computer	40%	1,574,062	0	0	1,574,062	1,325,480	99,433	0	1,424,913	149,149	248,582
TOTAL		127,850,524	17,425,212	19,807,072	125,468,664	86,252,594	6,823,774	17,296,341	75,780,027	49,688,637	41,597,930
Previous Year		136,257,169	2,446,924	10,853,569	127,850,524	89,442,463	7,274,508	10,464,377	86,252,594	41,597,930	46,814,706

AS AT 31.03.2011

Rs.

AS AT 31.03.2010

Rs.

SCHEDULE 'E'

Inventories (As Certified by Management)

Raw Material	18418171	17132606
Finished Goods	20188175	3204846
Work in Progress	9241072	12399454
Stores & Spares	1968815	2058378
Retired Assets	1715961	389192
	51532194	35184476

Bhageria Dye Chem Ltd.

	AS AT 31.03.2011	AS AT 31.03.2010
	Rs.	Rs.
SCHEDULE 'F'		
Sundry Debtors (Unsecured)		
More than six Months		
i) considered doubtful	3896	3896
ii) considered good	173148	7947
Others considered good	236426902	185371648
	<u>236603946</u>	<u>185383490</u>
SCHEDULE 'G'		
Cash & Bank Balance		
1) Cash in Hand	227869	541819
2) Balance with Scheduled Bank		
i) in Current Account	5088828	11676899
ii) in Fixed Deposit	11710789	15738087
	<u>17027486</u>	<u>27956804</u>
SCHEDULE 'H'		
LOANS & ADVANCES		
Advance recoverable in cash or in kind or for value to be received		
Considered good	6303346	4860712
Deposit with Govt. & Semi Govt. Bodies	22078756	22927062
Advance Income Tax	6634426	25735077
Other Advances	10628672	14805393
	<u>45645200</u>	<u>68328244</u>
SCHEDULE 'I'		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
Sundry Creditors	70534677	122841998
Other Liabilities	8013031	1969165
Provision For Taxation	6910059	17717680
Unclaimed Dividends	1115578	1019430
	<u>86573345</u>	<u>143548273</u>
B) PROVISIONS		
Proposed Dividend	4155300	4155300
Tax on Proposed Dividend	690195	706193
	<u>4845495</u>	<u>4861493</u>
	<u>91418840</u>	<u>148409766</u>

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	For the Year ended March 31, 2011 Rs.	For the Year ended March 31, 2010 Rs.
SCHEDULE 'J'		
SALES		
Sales	426078466	357684207
Less: Excise duty	31514814	24066525
Export Incentive	16360596	20323549
Trading Sales	202790924	207477379
Jobwork	2517352	2899605
	[A] 616232524	[A] 564318215
Other Income:		
Profit on Sale of Fixed Assets	341230	-
Miscellaneous Income	136846	32232
Interest Income (TDS Rs. 1,07,330/-, P.Y. Rs. 4,38,679/-)	975851	2836440
	[B] 1453927	[B] 2868672
	[A+B] 617686451	[A+B] 567186887
SCHEDULE 'K'		
INCREASE / (DECREASE) IN STOCK		
Closing stock of finished & semi finished goods	26426824	15406018
Opening stock of finished & semi finished goods	15406018	8018265
	11020806	7387753
SCHEDULE 'L'		
MATERIAL COST		
Opening Stock	17132606	10335221
Add : Purchase during the year	303818136	261727942
Less: Closing Stock	18418171	17132606
Outside Processing Charges	7534947	7115731
Add: Cost of Trading Sales	189993278	200118044
	500060796	462164332
SCHEDULE 'M'		
PAYMENT & BENEFITS TO EMPLOYEES		
Salary, wages & bonus	8943931	8498549
Contribution to P.F. & other funds	1247395	167995
workmen & staff welfare	395421	456414
	10586747	9122958

Bhageria Dye Chem Ltd.

	For the Year ended March 31, 2011 Rs.	For the Year ended March 31, 2010 Rs.
SCHEDULE 'N'		
Manufacturing Expenses		
Power, Fuel, Electricity & Water Charges	18295262	15563886
Stores & Spares consumed	7523864	2925695
Effluent Treatment Expenses	645953	697389
Ice Expenses	9300761	8516125
Repair & Maintenance	1206372	1554392
Insurance Charges	579624	855767
	<u>37551836</u>	<u>30113254</u>
SCHEDULE 'O'		
Administrative Expenses		
Remuneration to Directors	2106000	2106000
Payment to Auditors	322500	345500
Postage & Telegram	280936	464490
Conveyance Charges	220621	167060
Legal & Professional Charges	991785	1835128
Telephone Expenses	582026	860878
Vehicle Expenses	653584	420812
Miscellaneous Expenses	4254528	3026856
Foreign Exchange Fluctuation	(-111219)	651363
	<u>9300760</u>	<u>9878087</u>
SCHEDULE 'P'		
Selling & Distribution Expenses.		
Commission & Brokerage	1532247	1806479
Packing, Forwarding & Transport	26567034	25522456
Sales promotion	1088674	1877755
Travelling Expenses	1599127	1482604
	<u>30787083</u>	<u>30689294</u>
SCHEDULE 'Q'		
Finance Charges		
Bank Charges	3173499	3875221
Interest on car loan	70317	62460
Interest paid to bank	6383874	11294528
	<u>9627690</u>	<u>15232209</u>

SCHEDULE – R

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES :

1. Basis Of Presentation

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

2. Use Of Estimates

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

3. Revenue Recognition

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

4. Fixed Assets

- a. Fixed Assets are stated at their original cost of acquisition / installation and includes pre-operational expenses.
- b. Capital Work-in-progress is stated at the amount spent up to the date of the Balance Sheet, however pending completion of the project/ assets shown in Assets schedule no depreciation is provided on the same.
- c. Fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown under the head current assets in the financial statements.
- d. Leasehold land is shown at cost, including lease premium paid.

5. Depreciation

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

6. Impairment

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

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

7. Inventories Valuation

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

8. Foreign Currency Transactions

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

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

9. Taxes On Income

- a. Tax expense for the year, comprises current tax and deferred tax. A provision is made for the current tax based on tax

Bhageria Dye Chem Ltd.

liability computed in accordance with the relevant tax laws and tax rates.

- b. A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.
- c. Deferred tax is recognized only if there is a reasonable certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.
- d. Refund of income tax is accounted on realization basis.

10. Employee Benefits

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

11. Borrowing Cost

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

12. Discontinuing Operations

The Company has not discontinued any operations during the year.

13. Provisions, Contingent Liabilities And Contingent Assets

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

B. NOTES FORMING PART OF THE ACCOUNTS:

1. The figures of the previous accounting period are re-grouped, re-classified wherever necessary.
2. Contingent liabilities: (Amt. in Lacs)

Sr. No.	Particulars	Current Year	Previous Year
a)	Bank Guarantee & Import L/C	Nil	30.01
b)	Disputed Income Tax Dues (Net)	18.92	91.86

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

Defined Contribution Plan

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

(Amt. in Rs.)

Particulars	Current Year	Previous Year
Employer's Contribution To Provident Fund & Pension Scheme	120316	1,09,936
Employer's Contribution To Employee State Insurance	69229	52,363

Defined benefit plan

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

	Current Year	Previous Year
a. Reconciliation of opening and closing balances of defined benefit obligation	Gratuity (Funded)	
Defined benefit obligation at beginning of the year	1182394	1067288
Current Service Cost	107987	60932
Interest Cost	-	-
Actuarial (gain)/loss	11802	54173
Benefits paid	134309	NIL
Defined Benefit obligation at year end	2214266	1182394
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	1298320	1026412
Expected return on plan assets	103866	109943
Actuarial (gain)/loss	-	54173
Employer contribution	87068	5226
Benefits paid	134309	-
Fair value of plan assets at year end	1278056	1298320
Actual return on plan assets	-67505	212509
c. Reconciliation of fair value of assets and obligation		
Fair value of plan assets as at 31st march, 2009	1278056	1298320
Fair value of obligation as at 31st march, 2009	2214266	1182394
Unfunded net liability recognized in balance sheet	696632	-
d. Expenses recognized during the year		
Current service cost	107987	60933
Interest cost	-	63
Expected return on plan assets	103866	109943
Actuarial (gain)/loss	11802	54173
Net Cost	7681	5226
e. Investment details		% invested as
		at 31st March 2010
L.I.C. Company Gratuity (Cash Assumption) Policy	100%	100%
f. Actuarial assumptions		
Mortality Table (L.I.C.)		1994-96 (Ultimate)
Discount rate (per annum)	8.00%	8.00%
Expected rate of return of plan assets (per annum)	9.00%	9.00%
Rate of escalation in salary (per annum)	4.00%	4.00%

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

Bhageria Dye Chem Ltd.

6. Managerial Remuneration: (Amt in Rs.)

Particulars	Current Year	Previous Year
Directors Remuneration		
Salary	21,06,000	21,06,000
Directors sitting fees	27,500	32,500

7. Auditors Remuneration: (Amt in Rs.)

Particulars	Current Year	Previous Year
Audit Fees	200,000	200,000
Tax Audit Fees	50,000	50,000
Certification Fees	10,000	13,000
In Other Capacity	62,500	82,500
Total	322,500	345,500

8. Income Tax Assessments have been completed up to assessment year 2008-2009 pertaining to previous accounting year ended on 31.03.2008. The company does not foresee any Liabilities for the uncompleted Assessments.

9. Sales Tax Assessments have been completed up to the Accounting year ended as on 31.03.2005 in respect of Mumbai Jurisdiction. Sales Tax Assessments have been completed upto accounting year ended as on 31.03.2007 in respect Vapi of Jurisdiction. The company does not foresee any Liabilities for the uncompleted Assessments.

10. The liability of Excise Duty on finished goods of Rs 16.77 Lacs (Previous Year 2.66 Lacs has been provided in the accounts and has been included in the valuations of the finished goods. This accounting treatment has no impact on the profit of the year.

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

Particulars	Current Year	Previous Year
Deferred Tax Liability		
On account of Depreciation	61,01,357	47,86,639
	61,01,357	47,86,639
Deferred Tax Asset		
On Account of MAT Credit	Nil	15,15,000
Disallowance of expenses under I.T.	3,20,510	Nil
Deferred Tax Liability	57,80,847	32,71,639

12. Earning Per Share

Particulars	Current Year	Previous Year
Net Profit After Tax available for Equity Share Holders	90,29,808	57,47,730
Weighted Average number of Equity Shares of Rs.10/- each outstanding during the year [Number of Shares]	34,62,750	34,62,750
Basic Earning Per Share (Rs.)	2.61	1.66
Diluted Earning Per Share (Rs.)	1.44	1.66

13. Fixed Deposit Receipt with Banks Rs. 117.11 Lacs (Previous Years Rs. 157.38 Lacs) are pledged with bank for availing credit facilities and against L/C margin.

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

FOR YEAR ENDED	AMOUNT (inRs.)
31/03/2010	2,17,019
31/03/2009	1,32,038
31/03/2008	3,12,684
31/03/2007	1,41,852
31/03/2006	1,13,450
31/03/2005	96,961
31/03/2004	1,01,583
	11,15,577

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

Company's related parties

Key Managerial Personnel

Shri. Suresh Bhageria

Shri. Vinod Bhageria

Other Directors

Shri. O.P. Bubna

Dr. Shyam Agrawal

Shri. P.S. Dalvi

Transactions with Related Parties

Sr.No.	Nature of Transaction	Volume of Transaction (In Rs.)	
		Associate Company	Key Managerial Personnel
1	Advance Given	0	0
		(0)	(417681)
2	Advances recovered	0	0
		(0)	(417681)
3	Remuneration	0	2106000
		(0)	(2106000)
4	Perquisite & Other Allowance	0	0
		(0)	(0)
5	Sitting Fees	0	27500
		(0)	(32,500)
6	Receivable / (Payable)	0	0
		(0)	(0)
7	Key man Insurance Policy	0	0
		(0)	(0)

16. Segmental Reporting as per AS-17

Primary Segment

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

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Secondary segment

Particulars	As at 31st March, 2011	As at 31st March, 2010
REVENUE FROM		
(a) Domestic + Jobwork	27,83,15,070	18,63,66,771
(b) Export + Incentive	33,79,17,454	37,79,51,444
Total Revenue	61,62,32,524	56,43,18,215

17. Small Scale Industries

The management is currently in the process of identifying enterprises which have been provided goods and services to the company which qualify under the definition of Medium and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosures in respect of amount payable to such Micro, Small and Medium Enterprises as at March 31, 2011 has not been made in the financial statements. However, in view of the management, the impact of the interest, if, any, that may be payable in accordance with the provisions of the Act is not expected to be material.

18. Prior Period Adjustments

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

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

19. With the consent and approval of the Company the Board had been authorized to allot on preferential basis upto 45,00,000 [Forty Five Lacs] Equity Shares of face value of Rs.10/- each at an exercise price of Rs.30/-(including Premium) which is not lower than the minimum price specified as per Chapter XIII of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 and Chapter VII of the SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2009 and accordingly the application money of Rs. 787.50 lacs has been received.

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

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

CLASS OF GOODS	UNIT	TURNOVER		OPENING STOCK		CLOSING STOCK	
		QTY	VALUE Rs.	QTY	VALUE Rs.	QTY	VALUE Rs.
Vinyl Sulphone	MT	2585.579 (2373.183)	315,440,659 (285,565,853)	3.080 (17.300)	480,401 (1,954,900)	14.650 (3.080)	3,506,492 (480,401)
Vinyl Sulphone (O.A.)	MT	257.795 (149.849)	61,006,155 (33,682,335)	0.518 (0.000)	127,983 -	26.575 (0.518)	3,810,589 (127,983)
Resale Items			202,790,924 (207,477,379)	0.000 (0.000)	- (0)	0.000 (0.000)	- (0)
Others			18,116,838 (14,369,494)	40.180 (41.870)	2,398,180 (1,684,243)	112.115 (40.180)	10,638,786 (2,398,180)
TOTAL			597,354,576 (541,095,061)	43.778 (59.170)	3,006,564 (3,639,143)	153 (42.742)	17,955,867 (3,006,564)

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

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B. RAW MATERIAL CONSUMPTION:

SR. NO.	NAME OF ITEM	CURRENT YEAR		PREVIOUS YEAR	
		QUANTITY MT	AMOUNT Rs.	QUANTITY MT	AMOUNT Rs.
1	Aniline Oil	800.686	42,700,584	868.195	49,487,115
2	Acetic Acid	333.190	8,319,754	364.200	10,048,278
3	Acetanilide	489.350	31,812,644	356.000	23,638,400
4	Chloro Sulphonic Acid	7915.100	47,490,600	7835.535	49,598,937
5	Caustic Soda Lye / Flakes	2807.000	20,867,350	2648.700	20,367,266
6	Ethylene Oxide	782.460	54,740,902	725.205	43,802,382
7	Other Chemicals & Acids		96,600,737		65,103,910
			302,532,571		262,046,288

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

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

	IMPORT VALUE Rs.	% TO TOTAL CONSUMPTION	INDIGENEOUS VALUE Rs.	% OF THE TOTAL CONSUMPTION	TOTAL CONSUMPTION Rs.
1. Raw Material	51,611,802 (45,899,627)	17.06 (17.52)	250,920,769 (216,146,661)	82.94 (82.48)	302,532,571 (262,046,288)
2. Stores & Spares	- -	- -	7,523,864 (2,925,695)	100 (100.00)	7,523,864 (2,925,695)

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

CLASS OF GOODS	INSTALLED CAPACITY PER ANNUM	ACTUAL PRODUCTION	
		AS ON 31.03.2011(MT)	AS ON 31.03.2010(MT)
1. Vinyl Sulphone & OAVS	3600.000 M.T.	2,860.505	2,802.157
2. Acetalanide	Not Applicable	1,144.100	1,371.396
3. Acetic Acid (Spent)	Not Applicable	475.940	359.385
4. Hydrochloric Acid (Spent)	Not Applicable	4,057.110	3,965.045
5. Sulphanilic Acid	Not Applicable	4.093	18.800
6. Acetamino Sulphonic Dry	Not Applicable	0.000	0.000

* Acetalanide 1131.750 M.T.(Prev. Year 1362.345 M.T.) & Acetic Acid 471.410 MT (Prev. Year 438.600 M.T.) & Spent HCL 284.055 M.T. (Prev. Year 231.970 M.T.) used as Captive Consumption.

Bhageria Dye Chem Ltd.

	31/3/2011	31/3/2010
E) C.I.F.VALUE OF IMPORTS		
Raw Material / Trading Item	95,330,052	91,935,863
F) EXPENDITURE IN FOREIGN CURRENCY		
(i) Travelling	-	127,555
G) EARNING IN FOREIGN CURRENCY		
F.O.B. Value of Exports	321,556,858	357,627,895
H) Amount remitted to non-resident shareholders towards dividend for the year ended 31st March, 2011		

	Number of Shareholders	Shares Held	Amount remitted
Non-resident shareholders	95	183503	220203.60
having mandates in India	(102)	(179189)	(107513.00)

The schedules referred to above form an integral part of Balance Sheet and Profit & Loss Account.

FOR SARDA & PAREEK
Chartered accountants
FRN 109262 W

Gaurav Sarda
Partner
(Membership No. 110208)

PLACE : Mumbai
DATE : May 21st, 2011

For and on behalf of the board

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director

O.P. BUBNA
Director

22nd Annual Report 2010-11

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. REGISTRATION DETAILS

Registration No. State Code
Balance Sheet Date

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

Public Issue Right Issue
Bonus Issue Private placement

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

Total Liabilities	<input type="text" value="3 0 9 0 7 9"/>	Total Assets	<input type="text" value="3 0 9 0 7 9"/>	
Paid Up Capital	<input type="text" value="3 4 6 2 8"/>	Reserves & Surplus	<input type="text" value="6 4 9 8 5"/>	Deferred Tax Liabilities
Secured Loan	<input type="text" value="1 2 4 9 3 5"/>	Unsecured Loan	<input type="text" value="NIL"/>	<input type="text" value="5 7 8 1"/>

APPLICATION OF FUNDS

Net Fixed Assets	<input type="text" value="4 9 6 8 8"/>	Investments	<input type="text" value="NIL"/>
Net Current Assets	<input type="text" value="2 5 9 3 9 0"/>	Misc. Expenditure	<input type="text" value="NIL"/>
Accumulated Losses	<input type="text" value="NIL"/>		

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

Turnover	<input type="text" value="6 1 7 6 8 6"/>	Total Expenditure	<input type="text" value="6 0 4 7 3 8"/>
Profit Before Tax	<input type="text" value="2 3 9 6 8"/>	Profit After Tax	<input type="text" value="9 0 2 9"/>
Earning Per Share in RS.	<input type="text" value="2.61"/>	Dividend Rate %	<input type="text" value="12 %"/>

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

1.	<input type="text" value="VINYL SULPHONE"/>	<input type="text" value="2 9 0 4 1 0 0 4"/>
2.	<input type="text" value="ORTHO ANISIDINE VINYL"/>	<input type="text" value="2 9 0 4 1 0 0 4"/>
3.	<input type="text" value="NIL"/>	

FOR AND ON BEHALF OF THE BOARD

Suresh Bhageria
Chairman

PLACE : Mumbai
DATE : May 21st, 2011

Bhageria Dye Chem Ltd.

STATEMENT OF CASH FLOW PURSUANT TO LISTING AGREEMENT WITH STOCK EXCHANGE

PARTICULARS	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	23,968,569	10,099,998
Adjustments for		
Depreciation	6,823,774	7,274,508
Loss /(Profit) on Sale of Assets	(341,230)	0
Depreciation Written Off	0	0
Interest Paid	<u>9,627,691</u>	<u>12,395,769</u>
	<u>16,110,235</u>	<u>19,670,277</u>
Operating Profit before Working Capital Changes	40,078,804	29,770,275
Changes in Working Capital		
(Increase)/Decrease in Inventories	(16,347,718)	(14,589,072)
(increase)/Decrease in Sundry Debtors	(51,220,455)	(105,196,794)
(increase)/Decrease in Loans & Advances	18,735,111	(4,026,450)
increase/(Decrease) in Current Liabilities	<u>(46,167,308)</u>	<u>39,125,151</u>
Cash Generated from Operation	<u>(54,921,566)</u>	<u>(54,916,890)</u>
Corporate Tax on Dividend paid	(706,193)	(353,097)
Capital Grant	0	5,726,661
Direct Taxes Paid	<u>(3,947,933)</u>	<u>(1,500,000)</u>
CASH FROM OPERATING ACTIVITIES	<u><u>(59,575,692)</u></u>	<u><u>(51,043,326)</u></u>
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(17,425,212)	(2,446,924)
Sale of Assets	1,136,000	303,860
NET CASH FROM INVESTMENT ACTIVITIES	<u><u>(16,289,212)</u></u>	<u><u>(2,143,064)</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Bank Cash Credit	78,750,000	25,910,434
Dividend paid	(4,155,300)	(2,077,650)
Interest (Net)	<u>(9,627,691)</u>	<u>(12,395,769)</u>
NET CASH FLOW FROM FINANCING ACTIVITIES	<u><u>64,967,009</u></u>	<u><u>11,437,015</u></u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(10,929,319)</u>	<u>(41,678,142)</u>
Cash and cash Equivalents at the commencement of the year	<u>27,956,805</u>	<u>69,634,947</u>
Cash and cash Equivalents at the closure of the year	<u><u>17,027,486</u></u>	<u><u>27,956,805</u></u>

The schedules referred to above form an integral part of Balance Sheet

As per our report attached

For and on behalf of the board

For SARDA & PAREEK
Chartered Accountants
FRN 109262 W

Gaurav Sarda
Partner
(Membership No. 110208)

Suresh Bhageria
Chairman

Vinod Bhageria
Managing Director
O.P. BUBNA
Director

PLACE : Mumbai
DATE : May 21st, 2011

BHAGERIA DYE CHEM LIMITED

A/101, Virwani industrial Estate, W.E. Highway, Goregaon [East], Mumbai-400 063

May 21, 2011

Dear Shareholder,

RE: Green Initiative in Corporate Governance: Go Paperless

The Ministry of Corporate Affairs ("Ministry") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular bearing No. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, Companies can now send various Notices /Documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc.) to their Shareholders through electronic mode, to the registered email addresses of the shareholder.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment.

This is also a golden opportunity for every shareholder to contribute to the Corporate Social Responsibility initiative of the Company. All you have to do is to register your e-mail id with the company to receive communication through electronic mode.

ADVANTAGES OF REGISTERING FOR E-COMMUNICATION:

- Receive communication promptly
- Reduce paper consumption and save trees
- Eliminate wastage of paper
- Avoid loss of documents/notices in postal transit
- Save costs on paper and on postage

The Board of Directors of your Company discussed this at its Board Meeting held on May 21, 2011 and decided that from next financial year i.e. from 2011-2012 onwards, your Company will also start sending all the above mentioned correspondences through e-mail.

In this regard, we request you to please update your e-mail id to be registered, OR if you have not provided please register the same with your respective DPs, please do the same so that you will start getting the same promptly.

Please note that as a shareholder, you are entitled to receive all these documents free of cost upon receipt of a requisition from you, so if you still wish to get a physical copy of all the communications, the company undertakes to provide the same at no extra cost to you on request. Let's be part of this 'Green Initiative'.

Best Regards,

For Bhageria Dye Chem Limited

Suresh Bhageria
Chairman

Bhageria Dye Chem Ltd.

ATTENDANCE SLIP

Regd. Office :

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

Ledger Folio / DPID No. _____ Signature _____

Name & Address of Shareholder : _____

I/We here by record my presence at the 22nd Annual General Meeting at Lalit Restaurant Hall, Near Rly. Station, Goregaon (W), Mumbai - 400 062. Saturday, the 20th Day of August, 2011 at 11.00 A.M.

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



Bhageria Dye Chem Ltd.

PROXY FORM

Regd. Office :

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



I/We _____

Of _____

in the district of _____

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

of _____ or failing him _____

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

behalf at the 22nd Annual General Meeting of the company.

Ledger Folio / DPID No. _____ of shares held _____

Signed this _____ day of _____ 2011.

Place : _____

Signature _____

Affix A
Revenue
Stamp

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



BHAGERIA DYE-CHEM LIMITED

Regd. Off. : A1/101, Virwani Industrial Estate, Western Express Highway,
Goregaon (East), Mumbai - 400 063. Email : info@bhageriagroup.com