

**BOARD OF DIRECTORS**

<b>Mr. Suresh Bhageria</b>	-	Chairman
<b>Mr. Vinod Bhageria</b>	-	Managing Director
<b>Mr. O.P. Bubna</b>	-	Director
<b>Mr. P.S. Dalvi</b>	-	Director
<b>Dr. Shyam Agrawal</b>	-	Director
<b>Mr. Surendra Shriram Gupta</b>	-	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**

A1/101, Virwani Ind. Estate,  
Western Express Highway,  
Goregaon (East),  
MUMBAI - 400 063.  
Tel no. (022) 4043 6666  
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**

Nariman Point, Mumbai

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**ANNUAL GENERAL MEETING**

Date : 31st August, 2013  
Time : 11.00 A.M.  
Venue : Lalit Restaurant Hall, Near Rly. Station,  
Goregaon(West), Mumbai - 400 062.

**BOOK CLOSURE :**

**27TH AUGUST, 2013**  
**to**  
**30TH AUGUST, 2013**  
**(BOTH DAYS INCLUSIVE)**

**NOTICE TO THE MEMBERS**

NOTICE is hereby given that the 24th Annual General Meeting of the Members of BHAGERIA DYE-CHEM LIMITED will be held on Saturday, 31st August, 2013 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 Statement of Profit and Loss for the year ended March 31, 2013 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, 2013.
3. To appoint a Director in place of Mr. Suresh Bhageria, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Surendra Shiram Gupta, who retires from office by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

Registered Office:  
A1/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [ East ],  
Mumbai - 400 063.  
May 17, 2013.

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

**Suresh Bhageria**  
Chairman

### 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 Exchange, are provided in the Annexure.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 27/08/2013 to 30/08/2013 (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 September 6, 2013.
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 (IEPF), 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 IEPF 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 IEPF are furnished hereunder:

Sr. No.	Year ended	Date of Declaration	Due date of transfer to IEPF
1.	31.03.2006	02.09.2006	01.10.2013
2.	31.03.2007	01.09.2007	30.09.2014
3.	31.03.2008	23.08.2008	22.09.2015
4.	31.03.2009	29.08.2009	28.09.2016
5.	31.03.2010	14.08.2010	13.09.2017
6.	31.03.2011	20.08.2011	19.09.2018
7.	31.03.2012	01.09.2012	30.09.2019

Members who have not encased 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's shares are listed on BSE Limited, Mumbai.
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.

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

# ***Bhageria Dye Chem Ltd.***

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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. upto 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. Important Communication to Members:- (Green Initiative)

The Ministry of Corporate Affairs (MCA) under "Green Initiative in the Corporate Governance" allowed paperless compliances by the companies. MCA had issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the Form and hand over the same along with Attendance Form at the Registration Counter of venue of Annual General Meeting for registration of Email address for receiving notice/documents including Annual Report.

## **ANNEXURE TO THE NOTICE**

### **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 and 4):**

#### **Seeking Re-appointment:**

<b>A. Name</b>	: Mr. Surendra Shriram Gupta
<b>Age</b>	: 55 [31/05/1958]
<b>Qualifications</b>	: B.COM, FCA

Mr. Surendra Shriram Gupta, is a Fellow Member of Institute of Chartered Accountants of India and has been associated with the Company since August 11, 2011. He has a rich and varied experience of more than 30 years in the field of Excise, Customs and Service Tax. He is leading Consultant in Indirect Taxation

<b>Shareholding in the Company</b>	: NIL
<b>Other Directorships</b>	: Elegant Floriculture & Agrotech (India) Limited
<b>Committee Memberships</b>	: NIL

<b>B. Name</b>	: Mr. Suresh Keshavdeo Bhageria
<b>Age</b>	: 58 [14/01/1955]
<b>Qualifications</b>	: B. COM

Mr. Suresh Keshavdeo Bhageria is associated with the Company since 21/12/1994 and has experience of over 32 years in the field of Drugs and Pharmaceuticals. He oversees the overall administrative functioning of the Company. He has contributed immensely towards the development and growth of the Company over the years.

<b>Shareholding in the Company</b>	: 2,93,613 Equity Shares
<b>Other Directorships</b>	: (a) Bhageria Trade Invest Pvt. Ltd : (b) M And B Speciality And Pharma Private Limited : (c) RRB Software Technologies Private Limited
<b>Committee Memberships</b>	: NIL

Mr. Vinod Bhageria, Managing Director, is relative of Mr. Suresh Bhageria, and may be deemed to be interested in resolution.

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting the 24th Annual Report together with the Audited Accounts for the year ended March 31, 2013.

### FINANCIAL RESULTS:

Particulars	Year ended 31.03.2013 ₹ In Lacs	Year ended 31.03.2012 ₹ In Lacs
Sales & Other Income	12948.56	6310.66
Profit / (Loss) before tax and appropriations	176.82	(66.69)
Profit / (Loss) after tax	126.25	(47.11)
Add : Balance brought forward from previous year	18.43	41.82
Profit / (Loss) available for disposal	144.68	(5.3)
Proposed Dividend	63.70	39.81
Corporate Tax on Proposed Dividend	10.33	6.46
Transfer to / (From) General Reserve	-	(70.00)
Profit carried forward	70.65	18.43

### 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, 2013 of ₹ 0.80 per share on each Equity share of ₹10/- each which after approval shall be paid in accordance with the applicable Law. This will be the 20th consecutive year of payment of Dividend by your company.

### OPERATIONS:

During the year under review, your company has performed very well with the total income increasing more than 100% and also showing significant rise in profitability. Company achieved total income of ₹ 12948.56 lacs against ₹ 6310.66 lacs in previous year and reported a profit of ₹ 126.25 lacs as against a net loss of ₹ 47.11 lacs in previous year.

### RESEARCH & DEVELOPMENT:

We believe there is no end to innovation. It is not enough to manufacture good products, it is always possible to make it better. And it is always possible to find newer better means to fulfill the needs of our customers. With this in mind, the R&D Department of the Company is manned by a team of dedicated researchers.

### FIXED DEPOSITS:

Your Company has not accepted any fixed deposits from the Public during the year within the meaning of section 58A of the Companies Act, 1956 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. Suresh Keshavdeo Bhageria and Mr. Surendra Shriram Gupta, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

### DIRECTORS RESPONSIBILITY STATEMENT:

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

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013.
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) and also the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares

# *Bhageria Dye Chem Ltd.*

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of the Company in a dematerialized 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:**

The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate governance practices as prevalent globally.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms 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, 2014 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 which are self explanatory and, therefore, do not call for any further comments.

## **AUDIT COMMITTEE:**

In accordance with the provisions of the Listing Agreement and Corporate Governance, the Company has constituted an Audit Committee comprising of the following Directors viz., Mr. O. P. Bubna, Mr. P.S. Dalvi and Dr. Shyam Agarwal 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's Shares are listed on BSE Limited, Mumbai.

## **SAFETY, ENVIRONMENT CONTROL AND PROTECTION:**

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

## **ACKNOWLEDGMENT:**

Your Directors would like to express their sincere appreciation to the company's shareholders, vendors and stakeholders including banks, Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review. Your Directors wish to place on record their appreciation for impressive growth achieved through the competence, hard work, solidarity, cooperation and support of employees at all levels.

Registered Office:

A1/101, Virwani Industrial Estate,

W. E. Highway,

Goregaon [ East ],

Mumbai - 400 063

May 17, 2013.

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

**Suresh Bhageria**  
Chairman

**ANNEXURE 'A' TO DIRECTORS' REPORT 2012-2013**

Information as per section 217(1)(e) read with companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2012-2013.

I. Conservation of Energy:

a. Energy Conservation Measure taken:

The company has made concrete efforts for enhancement in the capacity utilization, 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. Utility are being combined besides waste recovery and for effective energy conservation.

b. Additional investment and proposals, if any being implemented for reduction of consumption energy :

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

c. Impact of the measures (a) & (b) above for the 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 of the annexure to the rules.

a. Research & Development (R&D)

i. Specified area in which R&D carried out by the company	None
ii. Benefits derived as results of the above	N/A
iii. Future plan of action	Efforts are aimed at cost reduction, improvement in quality of existing product and development of new process. The benefits of these, will of course accrue in the year to come.
iv. Expenditure on R&D	None
1. Capital	Nil
2. Recurring	Nil
3. Total	Nil
4. Total R&D expenditure as percentage of total turnover	Nil
b. Technology absorption adaption and innovation	Not Applicable

III. Foreign exchange earning and outgo :

a. Activities relating to export 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	₹ 1364.77 Lacs Pr Yr (623.24)
c. Foreign Exchange earned	₹ 4654.12 Lacs Pr Yr (3448.67)

Registered Office:

A1/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [ East ],  
Mumbai - 400 063  
May 17, 2013.

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

**Suresh Bhageria**  
Chairman

**Form –A**

Form for disclosure of particular with respect to conversion energy:

<u>Particular</u>	<u>2012-13</u>	<u>2011-12</u>
A. Power and Fuel Consumption		
1. Electricity		
a. Purchases		
Units (Kwh)	<b>2972388</b>	2754942
Total Amount (₹ In Lacs)	<b>189.93</b>	160.95
Average Rate per unit (₹ / Kwh)	<b>6.39</b>	5.84
b. Own Consumption		
Through Diesel Generator		
Units (M.Kwh)	<b>50160</b>	52112
Units per Liter of Diesel	<b>2.85</b>	2.97
Average Cost of Unit	<b>17.46</b>	14.41
2. Coal		
Quantity (MT)	<b>1242.100</b>	1136.000
Total Cost (In Lacs)	<b>62.23</b>	52.59
Average Cost per Tone	<b>5009.91</b>	4628.99
B. Energy Consumption per Unit of Production		
1. Electricity (Kwh / Tones)		
Vinyl Sulphone Ester	<b>1066.18</b>	1079.31

Note : Amount of electricity and consumption of units is on average basis.



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

In accordance with Clause 49 of the Listing Agreement with the BSE Limited (BSE) on Corporate Governance, the report containing the details of Corporate Governance is as under:

**Corporate Governance and Statement On Company's philosophy on Code of Governance:**

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and social expectations. Good Corporate Governance practices stem from the culture and mindset of the organization and at BDCL we are committed to meet the aspirations of all our stakeholders.

Bhageria Dye Chem Limited [BDCL] is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness.

**BDCL is focused towards its Vision of:**

- Inspiring, nurturing and empowering the next generation of professionals.
- Achieving continuous improvements through innovation and state of the art technology.
- Committing to highest standards in health, safety, security and environment.

The corporate governance structure specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are forwarded ahead after approval of the Board.

The Company is committed to enhance shareholders value in the fair and transparent manner and has been in the forefront for benchmarking itself with the best business practices globally.

Strong Governance has indeed helped BDCL to deliver wealth to its shareholders in the form of uninterrupted dividends.

**BOARD OF DIRECTORS**

**Composition of the Board**

As on March 31, 2013, the structure of the Board of the Company maintained an optimum mix of Executive, Non Executive and Independent Directors and the same is in conformity with the listing requirements. The Board's current strength is 6 members, who are eminent personalities from various walks of life having rich experience in the field of marketing, finance and administration.

Besides the Chairman, who is an Executive Promoter Director, the Board comprises of 1 Executive Director and 4 Non-Executive, Independent Directors.

The details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting, number of other directorships and other committee memberships are given below:

**Number of Board Meetings**

The Board meets at regular intervals to discuss and decide on various issues, including strategy related matters pertaining to the business of the Company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation in the Meetings of the Company. Apart from this, the Meeting of the Board is also convened or the approval of the Board is obtained through Circulation of Resolution to all the Directors in case some urgent/special situation arises. Such Circular Resolution is also confirmed in the next Board Meeting.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the Meeting of the Board.

During the year 2012-2013, the Board met 4 (Four) times. Details of these Meetings are as follows:

<b>Sr. No.</b>	<b>Date of the Board Meeting</b>
1.	26/05/2012
2.	11/08/2012
3.	06/11/2012
4.	04/02/2013

# Bhageria Dye Chem Ltd.

The Company has held at least one Board meeting in every three months. The maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

As mandated by Clause 49, none of the Directors are members of more than 10 Board level committees, nor are they Chairman of more than five committees in which they are members.

Table 1 gives the details of the Board as on March 31, 2013.

Table 1: Composition of the Board of 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:

Sr No.	Name of Director	Category	No. Of Board Meeting attended during the year 2012-13	Attendance at last AGM held on September, 01, 2012	No. Of Other Directorships of Companies Held As on 31/3/13		No. of Membership of Outside Committees Held As on 31/3/13	
					Public	Private	Member	Chmn.
1.	Mr. Suresh Bhageria	Executive/ Chairman	4	Yes	---	3	---	---
2.	Mr. Vinod Bhageria	*M.D./ Executive	4	Yes	---	2	---	---
3.	Mr. O. P. Bubna	Non-Executive	3	Yes	---	---	---	---
4.	Dr. Shyam Agarwal	Non-Executive	1	Yes	---	---	---	---
5.	Mr. P. S. Dalvi	Non-Executive	3	Yes	---	---	---	---
6.	Mr. Surendra Gupta	Non-Executive	1	Yes	1	---	---	---

\*M.D stands for Managing Director.

As mandated by Clause 49, the Independent Directors on BDCL's Board:

- Apart from receiving Sitting fees, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior Management, its subsidiaries and associates, which 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 or executives, or were not partners or executives during the preceding three years of any of the following:
  - 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, service 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. owning two per cent or more of the block of voting shares;
- Are not less than 21 years of age.

## Information Supplied to the Board

The Board has complete access to all information with the Company.

All Board meetings are governed by a structured agenda which is backed by comprehensive background information. Inter-alia, the following information is regularly provided to the Board, as part of the agenda papers well in advance of the Board meetings, or is tabled in the course of the Board meeting.

- Detailed Business Review.
- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and its operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.

- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property and any other acquisition.
- Significant labour problems and their proposed solutions. Any significant development on Human Resources / Industrial Relations front, like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer, etc.
- Details of investment of surplus funds available with the Company.
- Details of any merger or demerger actions.
- Details of dealings in Company's share by members of Board/ senior management.
- Details of commercial dealings by firms/ companies in which members of the Board/ senior management or their relatives hold shares with the Company.
- Details of Inter Corporate Loans, Investments and Guarantees made/ given by the Company.
- Detailed status on the Business Risks being faced by the Company and their mitigation plan.
- Changes in Shareholding Pattern of the Company.
- Details of transactions with Related Parties.

The Board has an effective post meeting follow up procedure. The Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliance.

### **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:

### **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, external and internal auditors, the adequacy of internal control systems.
- Reviewing the Company's financial and risk management policies.

# ***Bhageria Dye Chem Ltd.***

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- 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 4 times meeting during the year on 26/05/2012, 11/08/2012, 06/11/2012 and 04/02/2013.

Attendance record at the meetings of the Audit Committee of Directors during financial year 2012–13:

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

<b>Name of the Members</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
MR. O. P. BUBNA	CHAIRMAN	4
MR. P. S. DALVI	MEMBER	4
DR. SHYAM AGARWAL	MEMBER	4

The Chairman of the Committee was present at the Annual General Meeting held on 01/09/2012 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 4 [Four] times during the year ended March 31, 2013.

Mr. Shri Nath Tiwari, Company Secretary 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 composition of the Shareholders' Committee and details of the meetings attended by the Directors are given below:

<b>Name of the Members</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
MR. O. P. BUBNA	CHAIRMAN	4
MR. P. S. DALVI	MEMBER	4
DR. SHYAM AGARWAL	MEMBER	4

The following table shows the nature of complaints received from the shareholders during the year 2012-13.

<b>Nature of complaints</b>	<b>No. of complaints received and resolved during the year 2012 – 13</b>
Non receipt of Dividend Warrant	6
Non receipt of Annual Report	1
Non receipt of Share Certificate	4
Total	11

There were no complaints pending as on 31st March, 2013.

## **REMUNERATION COMMITTEE:**

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

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## 24th Annual Report 2012-13

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 2012-13:

Director	Sitting Fees ₹	Salary & allowances ₹	Perquisites ₹
Mr. Suresh Bhageria	---	1053000	---
Mr. Vinod Bhageria	---	1053000	---
Mr. O. P. Bubna	7500	---	---
Dr. Shyam Agarwal	2500	---	---
Mr. P. S. Dalvi	7500	---	---
Mr. S. S. Gupta	2500	---	---

The Company does not have any stock option plans and hence such instrument does not form 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 INSIDER TRADING

In compliance of the SEBI (Prevention of Insider 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:

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.  
The Company has not made any issues during the current financial year.
3. Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other statutory authority on any matter related to capital market, during the last three years:  
The Company has complied with the requirements of the Stock Exchange, SEBI, and other Statutory Authorities on all matters relating to Capital Markets during the last three years.

### 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 endeavor 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.

**4. Mechanism for evaluating non-executive Board Members:**

There is no policy framed for evaluation of non-executive Directors.

**5. Whistle Blower Policy:**

No Employee of the Company has been denied access to the Audit Committee of the Board of Directors.

**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](http://www.bhageriagroup.com).

**CEO 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:**

All the members of the Board and senior Management Personnel of the Company have affirmed due observation of the code of the conduct, framed pursuant to clause 49 of the Listing Agreement with Stock Exchange is so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2013.

Place : Mumbai

Date : May 17, 2013.

**Suresh Bhageria**  
Chairman

### GENERAL SHAREHOLDERS INFORMATION:

ANNUAL GENERAL MEETING	: 24th Annual General Meeting.
DAY & DATE	: Saturday, 31st August, 2013.
TIME	: 11 A. M.
VENUE	: Lalit Restaurant Hall, Near Rly. Station, Goregaon (West), Mumbai 400 062.

### FINANCIAL CALENDAR:

* Financial reporting for the quarter ended June 30, 2013	: Mid of August, 2013.
* Financial reporting for the quarter ended Sept.30, 2013	: Mid of November, 2013.
* Financial reporting for the quarter ended Dec. 31, 2013	: Mid of February, 2014.
* Financial reporting for the Year ended March 31, 2014	: Audited Results by end of May, 2014.

### DATE OF BOOK CLOSURE

: 27/08/2013 to 30/08/2013 [Both days inclusive].

### DIVIDEND PAYMENT DATE

: On or After 06/09/2013

### 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 5 working days.

### SHARE TRANSFER SYSTEM:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTAs office. RTA does the verification and processing of documents. In order to comply with the requirements of SEBI Circular Nos. CIR/MIRSD/8/2012 dated July 5, 2012 to effect transfer of shares within 15 days, 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 15 days.

### TRANSFER UNDER PHYSICAL AND DEMAT MODE:

M/s. SHAREX DYNAMIC [ INDIA ] PRIVATE LIMITED  
[ Unit : BHAGERIADYE 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. Shri Nath Tiwari, Company Secretary

### ADDRESS FOR CORRESPONDENCE:

BHAGERIADYE-CHEM LIMITED  
A1/101, Virwani Ind. Estate, Western Express Highway,  
Goregaon [ East ], Mumbai – 400 063.  
E-mail : info@bhageriagroup.com  
Telephone No. 40436666

### LISTING:

BSE Limited, Mumbai. The annual listing fee for the year 2013-14 has been paid.

### STOCK CODE OF THE COMPANY:

BSE Limited, Mumbai  
Scrip Name : BHAGERIADYE-CHEM LIMITED  
Scrip Code : 530803.  
Electronic Mode : INE354C01019.

### DEPOSITORY CONNECTIVITY: NSDL and CDSL.

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

# Bhageria Dye Chem Ltd.

## DEMATERIALIZATION OF SHARES:

As on March 31, 2013, 74,36,149 Shares representing 93.39% of total Equity Shares were held in dematerialized form with NSDL and CDSL.

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

## GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

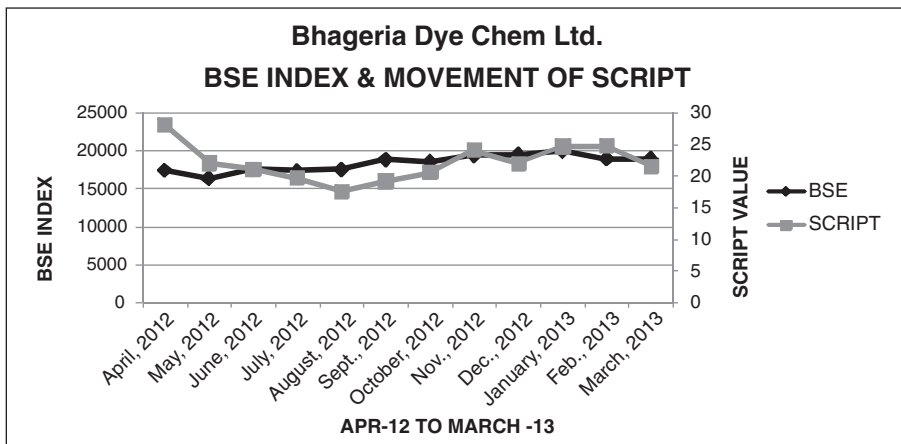
Financial Year	Date	Time	Venue
31.03.2010	14.08.2010	11 A.M.	Lalit Restaurant Hall, Goregaon [W], Mumbai - 400 062.
31.03.2011	20.08.2011	11 A.M.	---- DO ----
31.03.2012	01.09.2012	11 A.M.	---- DO ----

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.

## STOCK PRICE DATA : [ TAKEN FROM BSE SITE ].

Stock Market price data for the year

Month	Company's Share		Closing	
	High (₹)	Low (₹)	Closing (₹)	BSE Sensex
April, 2012	28.15	24.10	28.00	17,318.81
May, 2012	28.35	20.05	22.00	16,218.53
June, 2012	23.60	20.00	21.00	17,429.98
July, 2012	22.55	19.00	19.60	17,236.18
August, 2012	21.50	17.50	17.50	17,429.56
Sept., 2012	19.70	17.25	19.15	18,762.74
October, 2012	22.50	18.20	20.50	18,505.38
Nov., 2012	24.10	19.30	24.05	19,339.90
Dec., 2012	26.25	20.90	21.90	19,426.71
January, 2013	30.25	21.10	24.65	19,894.98
Feb., 2013	26.75	23.45	24.70	18,861.54
March, 2013	23.90	18.70	21.50	18,835.77





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## *24th Annual Report 2012-13*

### SHAREHOLDING PATTERN AS ON MARCH 31, 2013:

Category	No. of shares held	% of shareholding
Promoters	32,13,799	40.36
Private Bodies Corporate	11,28,769	14.18
Indian Public	34,49,632	43.32
NRI/OCBs	1,70,550	2.14
Total	79,62,750	100

### DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2013:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	1792	1,61,887	2.03%
501-1000	422	81,724	1.03%
1001-2000	359	1,30,369	1.64%
2001-3000	203	1,76,881	2.22%
3001-4000	162	3,90,059	4.90%
4001-5000	27	1,83,109	2.30%
5001-10000	50	20,82,821	26.16%
10001 & above	24	47,55,900	59.73%
Total	3039	79,62,750	100%

### PLANT LOCATION:

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

Registered Office:  
A1/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [ East ],  
Mumbai - 400 063  
May 17, 2013.

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

**Suresh Bhageria**  
Chairman

**CEO CERTIFICATION**

The Board of Directors  
Bhageria Dye Chem Limited,  
Mumbai

**Re: Financial Statements for the year 2012-13 – Certification by CEO**

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

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2013 and to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violating the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
- i. There have been no significant changes in internal control over financial reporting during the year;
  - ii. There have been no significant changes in accounting policies during the year; and
  - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Suresh Bhageria  
Chairman

Place: Mumbai

Date: May 17, 2013

**AUDITORS' CERTIFICATE**

To  
The Members,  
BHAGERIADYE-CHEM LIMITED,

We have examined the compliance of conditions of Corporate Governance by BHAGERIADYE-CHEM LIMITED, for the year ended on March 31, 2013, 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

**Gaurav Sarda**  
Partner  
M. No. 110208

**Mumbai.**

**Date: May 17, 2013.**

## **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.

### **INDUSTRY STRUCTURE, OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:**

The Indian economy has been more sluggish, but we are hopeful that the new initiatives by the government of India, to bolster growth and attract investment will have encouraging results. The roller coaster ride of Indian economy turned on downward slope in the last couple of years. Factors like unmanageable inflation, higher cost of commodities, unprecedented depreciation of Indian rupee against US dollar, reined in liquidity and inflated cost of borrowing tested the much talked about strong fundamentals of Indian economy.

During the year under review the company's sales increased by more than 100%. However, the general outlook with respect to the Industry in India is of caution under immense competitive pressure.

### **EXPORTS:**

In the chemical industry today, competition is the driving force. Competition that is not just national but increasing on a global scale. The coming years will see India as a major player in the world's chemical intermediate market, of which we are proud to be a part.

The Exports of the Company constituted around 36.28% 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 steady growth in the last two years as also continuing in the current year.

### **PERFORMANCE OF THE COMPANY:**

During the year under review, sales of the Company increased by more than 100%, resulting in net profit of ₹126.25 lacs during the current financial year.

Our commitment is to strategically plan and coordinate our Company's activities to be an effective low cost source of supply, while maintaining the required quality of the product. Over a period of time we have identified new opportunities and developed our product line with our own indigenous technology, such that we can customize our offer to meet the unique needs of our customers.

Chemicals are an indispensable part of human life and we hope that our commitment will continue to drive the Company, as we move towards the 21st century.

### **EMPLOYEES -OUR ASSETS:**

**BDCL** recognizes the importance of the quality and competence of its workforce towards sustained growth of the Company. The management allocates sufficient attention in training the workforce to ensure that they are well equipped to take up challenging projects, and ensure their timely delivery by sticking to target schedules. The Company offers a host of measures like incentives to the employees directly involved in timely completion of such projects. Employee development activities such as workshops, presentations etc. had been organised during the year for continual capacity building and capability enhancement of employees.

The Company has, under its employment 17 officers and workmen.

The Company:

- Delegates power to employees to implement the Company's policy on health, safety, environment and loss control.
- Encourages associates to participate in the framing personnel policies and motivates them to give same level of commitment for continuous improvement performance.
- Has in place an attractive policy of performance linked incentive to encourage and reward employee performance.
- Ensures compliance with the policy through a process of training and competence, review and audit.
- Provides appropriate resources and PPEs to its employees.

During the year, the Company did not experience any strikes or lockouts.

### **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

# *Bhageria Dye Chem Ltd.*

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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 Company has earned a profit of ₹ 126.25 lacs.
- b. The Company spent ₹ 59.53 lacs on Capital Expenditure during the year.
- c. The Investment in Working Capital was ₹ 1889.74 lacs
- d. The Term Borrowings decreased by ₹ 157.59 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:  
A1/101, Virwani Industrial Estate,  
W. E. Highway,  
Goregaon [ East ],  
Mumbai - 400 063  
May 17, 2013.

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

**Suresh Bhageria**  
Chairman

## INDEPENDENT AUDITOR'S REPORT

**To the Members of BHAGERIA DYE CHEM LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of BHAGERIA DYE CHEM LIMITED, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss Account and Cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

### **Management Responsibility for the Financial Statement**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the Accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 (The Act). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to explanation given to us, the financial statements give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In case of Balance sheet, of the state of affairs of the company as at March 31, 2013;
- (b) In case statement of Profit & Loss, of the "Profit" 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2003 (as Amended) issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of audit, we set out in the Annexure, a statement on the matters specified in paragraph 4 & 5 of the order.
2. As required by section 227(3) of the Companies Act, 1956, we report that:
  - (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by the law have been kept by the company so far as it appears from our examination of the books.
  - (c) In our opinion, the balance sheet & Statement of Profit & Loss dealt with by the report complies with the Accounting Standards issued by the Institute of Chartered Accountants of India, referred to in Section 211 (3C) of the Companies Act, 1956.
  - (d) The balance sheet and Statement of Profit & Loss account dealt with by this Report are in agreement with the books of accounts.
  - (e) On the basis of written representation received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For SARDA & PAREEK  
Chartered Accountants  
FRN 109262W

**Gaurav Sarda**

Partner

Membership No: 110208

**Place: Mumbai**

**Date: May 17, 2013**

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)

1. Fixed Assets:

- a. The Company has maintained computerized records of Fixed Assets, giving details & situation of fixed assets.
- 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. 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. Loans & Advances 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 unsecured loan from parties covered in the register maintained under section 301 of the Companies Act, 1956 & Accordingly clause 4(iii) (e) to (g) of the said order is not applicable.

4. In respect of internal control:

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:

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.

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 an in - house internal audit division which is commensurate with the size & nature of Business.

8. The Central Government has 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 and the company has complied with its requirement.

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. 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 2013, for a period of more than six months from the date of becoming payable.
- b. There are no disputed statutory dues of Income tax/ sales tax/ service tax/ Custom duty/ wealth tax/ Excise Duty/ Cess.

10. The company has no accumulated losses as at 31.03.2013 and it has not incurred any cash losses in the financial year ended on that date.

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 not 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 there is no term loan taken by the company during the year.
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 not made any preferential allotment 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  
FRN No. 109262 W

**GAURAV SARDA**

Partner

Membership No. 110208

**PLACE: MUMBAI**

**DATE: May 17, 2013**

# Bhageria Dye Chem Ltd.

## Balance Sheet as at 31 March, 2013

(₹ in Lacs)

Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	796.28	796.28
(b) Reserves and surplus	4	1,508.67	1,456.46
		<b>2,304.95</b>	<b>2,252.74</b>
<b>2 Non-current liabilities</b>			
(a) Deferred tax liabilities (net)	23.5	44.87	35.02
		<b>44.87</b>	<b>35.02</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	5	909.37	1,066.96
(b) Trade payables	6	1,861.86	1,248.02
(c) Other current liabilities	7	190.38	133.43
(d) Short-term provisions	8	10.33	6.46
		<b>2,971.94</b>	<b>2,454.87</b>
	<b>TOTAL</b>	<b>5,321.75</b>	<b>4,742.63</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	442.20	455.31
(ii) Fixed assets held for sale	22.4	17.16	17.16
		<b>459.36</b>	<b>472.47</b>
(b) Long-term loans and advances	10	0.70	0.70
		<b>0.70</b>	<b>0.70</b>
<b>2 Current assets</b>			
(a) Inventories	11	1,208.12	780.38
(b) Trade receivables	12	2,406.31	1,667.20
(c) Cash and cash equivalents	13	139.84	706.79
(d) Short-term loans and advances	14	1,060.73	1,088.64
(e) Other current assets	15	46.68	26.44
		<b>4,861.68</b>	<b>4,269.45</b>
	<b>TOTAL</b>	<b>5,321.75</b>	<b>4,742.63</b>

### See accompanying notes forming part of the financial statements

In terms of our report attached.

#### For SARDA & PAREEK

Chartered Accountants

FRNo. 109262 W

Gaurav Sarda

Partner

Membership No. 110208

Place : Mumbai

Date : 17th May' 2013

#### For and on behalf of the Board of Directors

Suresh Bhageria

Chairman

Vinod Bhageria

Managing Director

Rakesh Kachhadiya

Chief Financial Officer

Place : Mumbai

Date : 17th May' 2013

Shri Nath Tiwari

Company Secretary



## 24th Annual Report 2012-13

### Statement of Profit and Loss for the year ended 31 March, 2013

(₹ in Lacs)

Particulars	Note No.	For the year ended 31 March, 2013	For the year ended 31 March, 2012
1 Revenue from operations (gross)	16	13,887.76	6,687.75
Less: Excise duty		964.94	403.74
Revenue from operations (net)		<u>12,922.82</u>	<u>6,284.01</u>
2 Other income	17	25.74	26.65
<b>3 Total revenue (1+2)</b>		<b><u>12,948.56</u></b>	<b><u>6,310.66</u></b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	18.a	8,338.76	3,845.36
(b) Purchases of stock-in-trade	18.b	1,204.87	1,856.76
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18.c	253.10	(343.50)
(d) Employee benefits expense	19	137.55	104.09
(e) Finance costs	20	145.81	144.91
(f) Depreciation and amortisation expense	9	72.64	80.30
(g) Other expenses	21	2,619.02	689.44
<b>Total expenses</b>		<b><u>12,771.73</u></b>	<b><u>6,377.35</u></b>
<b>5 Profit / (Loss) before tax (3-4)</b>		<b><u>176.82</u></b>	<b><u>(66.69)</u></b>
<b>6 Tax expense:</b>			
(a) Current tax expense		46.00	-
(b) Deferred tax		9.85	(22.79)
(c) Excess/Short Provision for taxation		(5.27)	3.22
		<u>50.57</u>	<u>(19.57)</u>
<b>7 Profit / (Loss) for the year (5-6)</b>		<b><u>126.25</u></b>	<b><u>(47.11)</u></b>
<b>8 Earnings per share (of Rs. 10/-each):</b>			
(a) Basic	23.4.a	1.59	(0.82)
(b) Diluted	23.4.b	1.59	(0.82)

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

**For SARDA & PAREEK**

Chartered Accountants

FRNo. 109262 W

**Gaurav Sarda**

**Partner**

Membership No. 110208

Place : Mumbai

Date : 17th May' 2013

**For and on behalf of the Board of Directors**

**Suresh Bhageria**

Chairman

**Vinod Bhageria**

Managing Director

**Rakesh Kachhadiya**

Chief Financial Officer

Place : Mumbai

Date : 17th May' 2013

**Shri Nath Tiwari**

Company Secretary

**Cash Flow Statement**

(₹ in Lacs)

<b>PARTICULARS</b>	<b>YEAR ENDED 31.03.2013</b>	<b>YEAR ENDED 31.03.2012</b>	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax and extraordinary items	176.82		(66.69)
Adjustments for			
Depreciation	72.64	80.30	
Interest received	(21.03)	(17.15)	
Interest Paid	<u>145.81</u>	<u>144.77</u>	<u>207.92</u>
Operating Profit before Working Capital Changes	374.24		141.23
Changes in Working Capital			
(Increase)/Decrease in Inventories	(427.74)	(282.22)	
(increase)/Decrease in Trade Receivable	(739.10)	726.01	
(increase)/Decrease in Short Term Loans & Advances	27.91	133.29	
(increase)/Decrease in Trade Payable	613.83	(285.56)	
(increase)/Decrease in Short Term Provision	-	(11.76)	
(increase)/Decrease in Short Term Borrowing	(157.59)	(180.83)	
(increase)/Decrease in Other Current Assets	(17.94)	18.52	
(increase)/Decrease in Other Current Liab.	<u>33.06</u>	<u>(95.31)</u>	<u>22.14</u>
Cash Generated from Operation	(293.33)		163.37
Corporate Tax on Dividend paid	-		(6.90)
Direct Taxes Paid (net of Refunds)	<u>(43.03)</u>		<u>(12.46)</u>
<b>CASH FROM OPERATING ACTIVITIES</b>	<b><u>(336.35)</u></b>		<b><u>144.01</u></b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
Purchase of Fixed Assets	(59.53)		(38.72)
Interest received	21.03		17.15
Loan given	-		(6.86)
<b>NET CASH FROM INVESTMENT ACTIVITIES</b>	<b><u>(38.51)</u></b>		<b><u>(28.43)</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Share Issue	-		1,350.00
Money received against share warrants	-		(787.50)
Loan raised form bank	-		5.42
Dividend paid (incl. Corporate Tax on dividend)	(46.27)		-
Interest paid (Net)	<u>(145.81)</u>		<u>(144.77)</u>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b><u>(192.08)</u></b>		<b><u>423.15</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(566.94)</b>		<b>538.73</b>
<b>Cash and cash Equivalents at the commencement of the year</b>	<b><u>706.79</u></b>		<b><u>168.06</u></b>
<b>Cash and cash Equivalents at the closure of the year</b>	<b><u>139.84</u></b>		<b><u>706.79</u></b>

See accompanying notes forming part of the financial statements

For SARD &amp; PAREEK

Chartered Accountants

FRNo. 109262 W

Gaurav Sarda

Partner

Membership No. 110208

Place : Mumbai

Date : 17th May' 2013

For and on behalf of the Board of Directors

Suresh Bhageria

Chairman

Vinod Bhageria

Managing Director

Rakesh Kachhadiya

Chief Financial Officer

Shri Nath Tiwari

Company Secretary

Place : Mumbai

Date : 17th May' 2013

**Notes forming part of the financial statements**

Note	Particulars
<b>1</b>	<p><b>Corporate information</b></p> <p>The main business is manufacturing and sale of chemicals and dyes ,Dye intermediate required for Dye manufacturer. The Company is also engaged in merchant export of related item.</p>
<b>2.1</b>	<p><b>Basis of accounting and preparation of financial statements</b></p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>2.2</b>	<p><b>Use of estimates</b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>2.3</b>	<p><b>Inventories</b></p> <p>Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p>
<b>2.4</b>	<p><b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b></p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
<b>2.5</b>	<p><b>Cash flow statement</b></p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
<b>2.6</b>	<p><b>Depreciation and amortisation</b></p> <p>Depreciation has been provided on the written down method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.</p>
<b>2.7</b>	<p><b>Revenue recognition</b></p> <p><u>Sale of goods</u></p> <p>Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.</p> <p>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</p> <p>Interest income is accounted on accrual basis.</p>

## Notes forming part of the financial statements

Note	Particulars
	<p>Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.</p> <p>Revenues from maintenance contracts are recognised pro-rata over the period of the contract.</p>
<b>2.8</b>	<b>Fixed assets</b> <p>Fixed assets, except assets held for sale are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.</p> <p>Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.</p> <p><u>Capital work-in-progress:</u></p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.</p>
<b>2.9</b>	<b>Foreign currency transactions and translations</b> <p><u>Initial recognition</u></p> <p>Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.</p> <p>Measurement of foreign currency monetary items at the Balance Sheet date</p> <p>Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.</p>
<b>2.10</b>	<b>Employee benefits</b> <p>Employee benefits include provident fund and gratuity fund.</p> <p><u>Defined contribution plans</u></p> <p>The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><u>Defined benefit plans</u></p> <p>For defined benefit plans in the form of gratuity fund is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.</p> <p><u>Short-term employee benefits</u></p> <p>The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and leave compensation which are expected to occur within twelve months after the end of the period in which the employee renders the related service.</p>

**Notes forming part of the financial statements**

Note	Particulars
<b>2.11</b>	<p><b>Borrowing costs</b></p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
<b>2.12</b>	<p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a late</p>
<b>2.13</b>	<p><b>Taxes on income</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of una</p>
<b>2.14</b>	<p><b>Impairment of assets</b></p> <p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
<b>2.15</b>	<p><b>Provisions and contingencies</b></p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>

# Bhageria Dye Chem Ltd.

## Notes forming part of the financial statements

### Note 3 Share capital

(₹ in Lacs)

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of ₹ 10/- each with voting rights	8,000,000	800.00	8,000,000	800.00
(b) Issued Equity shares of ₹ 10/- each with voting rights	7,962,750	796.28	7,962,750	796.28
(c) Subscribed and fully paid up Equity shares of ₹ 10/-each with voting rights	7,962,750	796.28	7,962,750	796.28
<b>Total</b>	<b>7,962,750</b>	<b>796.28</b>	<b>7,962,750</b>	<b>796.28</b>

Refer Notes (i) to (iv) below

Notes:

(i) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount to various stakeholders of the company.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus / Buy Back	Closing Balance
Equity shares with voting rights Year ended 31 March, 2013				
- Number of shares	7,962,750	-	-	7,962,750
- Amount (₹ in lacs)	796.28	-	-	796.28
Year ended 31 March, 2012				
- Number of shares	3,462,750	4,500,000	-	7,962,750
- Amount (₹ in Lacs)	346.28	450.00	-	796.28

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Bhageria Trade Invest Pvt. Ltd.	861,817	10.82%	861,817	10.82%
Alken Management And Financial Serv	400,000	5.02%	-	-

(iv) The Company is a stand alone company and does not have any holding company.

**Notes forming part of the financial statements**

**Note 4 Reserves and surplus**

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Capital reserve		
Opening balance	81.42	81.42
Less: Utilised / transferred during the year	-	-
Closing balance	<b>81.42</b>	<b>81.42</b>
(b) Securities premium account		
Opening balance	1,091.61	191.61
Add : Premium on shares issued during the year	-	900.00
Closing balance	<b>1,091.61</b>	<b>1,091.61</b>
(c) General reserve		
Opening balance	265.00	335.00
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:	-	(70.00)
Closing balance	<b>265.00</b>	<b>265.00</b>
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	18.43	41.82
Add: Profit / (Loss) for the year	126.25	(47.11)
Add: Transfer from General Reserve	-	70.00
Less:		
Proposed Dividend to equity shareholders (₹ 0.8 per share)		
(P.Y. ₹ 0.5 per share)	63.70	39.81
Corporate Tax on Proposed Dividend	10.33	6.46
Transferred to:		
General reserve	-	-
Closing balance	<b>70.64</b>	<b>18.43</b>
<b>Total</b>	<b>1,508.67</b>	<b>1,456.46</b>

**Note 5 Short-term borrowings**

Particulars	As at 31 Mar, 2013	As at 31 Mar, 2012
(a) Other loans and advances from Banks Secured	909.37	1,066.96
<b>Total</b>	<b>909.37</b>	<b>1,066.96</b>

**Notes:**

**(i) Details of security for the secured short-term borrowings:**

Particulars	Nature of security	As at 31 Mar, 2013	As at 31 Mar, 2012
<b>Other loans and advances from Banks</b>			
Bank (Bill Discounting)	i) Demand Promisary Note by the Company, cash credit agreement and against hypothication of stocks of raw material, finished goods, stores & spares, fixed deposit receipts and Book debts. ii)	752.31	902.63
Loan ( Packing Credit Loan)	First charge on the Fixed Assets of the company Present & Future. iii)	149.57	149.73
Motor Car Loan	Personal Guarantee of some of the Directors of the company.	7.49	14.60
<b>Total</b>		<b>909.37</b>	<b>1,066.96</b>

# *Bhageria Dye Chem Ltd.*

## Notes forming part of the financial statements

### Note 6 Trade payables

(₹ in Lacs)

Particulars	As at 31 Mar, 2013	As at 31 Mar, 2012
Trade payables: Acceptances	1,861.86	1,248.02
<b>Total</b>	<b>1,861.86</b>	<b>1,248.02</b>

### Note 7 Other current liabilities

Particulars	As at 31 Mar, 2013	As at 31 Mar, 2012
(a) Advances from Customers	72.03	32.10
(b) Unpaid dividends	11.57	11.79
(c) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	17.09	25.86
(ii) Others		
Proposed Dividend	63.70	39.81
Electricity Payable	20.19	19.43
Salary Payable	4.58	2.23
Other Payable	1.23	2.22
<b>Total</b>	<b>190.38</b>	<b>133.43</b>

### Note 8 Short-term provisions

Particulars	As at 31 Mar, 2013	As at 31 Mar, 2012
(a) Provision - Others:		
(i) Provision for tax on proposed dividends	10.33	6.46
<b>Total</b>	<b>10.33</b>	<b>6.46</b>



**Notes forming part of the financial statements**

**Note 9 Fixed assets**

(₹ in Lacs)

A.	Tangible assets	Gross block				Balance as at 31 March, 2013
		Balance as at 1 April, 2012	Additions	Disposals	Other adjustments	
	(a) Land Leasehold	13.16	-	-	-	13.16
	(b) Buildings Residential Building	1.44	-	-	-	1.44
	Godown	6.06	-	-	-	6.06
	Office Building	24.47	-	-	-	24.47
	Factory Building	70.98	-	-	-	70.98
	(c) Plant and Equipment Owned					
	SAFETY EQUIPMENTS	0.90	-	-	-	0.90
	PLANT & MACHINERY	682.74	59.53	-	-	742.27
	LAB EQUIPMENTS	4.99	-	-	-	4.99
	E.T.P	341.85	-	-	-	341.85
	GENRATOR	0.52	-	-	-	0.52
	(d) Furniture and Fixtures Owned	47.96	-	-	-	47.96
	(e) Vehicles Owned	80.93	-	-	-	80.93
	(f) Office equipment Owned					
	Office Equipment	1.66	-	-	-	1.66
	Computer	15.74	-	-	-	15.74
	<b>Total</b>	<b>1,293.41</b>	<b>59.53</b>	<b>-</b>	<b>-</b>	<b>1,352.94</b>
	Previous year	1,254.69	38.72	-	-	1,293.41

# Bhageria Dye Chem Ltd.

## Notes forming part of the financial statements

### Note 9 Fixed assets (contd.)

(₹ in Lacs)

A.	Tangible assets	Accumulated depreciation and impairment				Net block		
		Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
	(a) Land							
	Leasehold	2.56	0.14	-	-	2.70	10.47	10.61
	(b) Buildings							
	Owned							
	Residential Building	0.59	0.04	-	-	0.63	0.81	0.85
	Godown	2.79	0.16	-	-	2.95	3.11	3.27
	Office Building	10.73	0.69	-	-	11.42	13.05	13.74
	Factory Building	60.03	1.09	-	-	61.12	9.86	10.95
	(c) Plant and Equipment							
	Owned							
	SAFETY EQUIPMENTS	0.85	0.01	-	-	0.86	0.04	0.05
	PLANT & MACHINERY	504.24	29.77	-	-	534.01	208.26	178.50
	LAB EQUIPMENTS	4.07	0.14	-	-	4.21	0.78	0.92
	E.T.P	152.89	28.97	-	-	181.86	159.99	188.96
	GENRATOR	0.45	0.01	-	-	0.46	0.07	0.08
	(d) Furniture and Fixtures							
	Owned	39.37	1.56	-	-	40.93	7.03	8.59
	(e) Vehicles							
	Owned	44.08	9.54	-	-	53.62	27.31	36.85
	(f) Office equipment							
	Owned							
	Office Equipment	0.61	0.16	-	-	0.77	0.88	1.04
	Computer	14.85	0.36	-	-	15.21	0.53	0.89
	<b>Total</b>	<b>838.10</b>	<b>72.64</b>	<b>-</b>	<b>-</b>	<b>910.74</b>	<b>442.20</b>	<b>455.31</b>
	Previous year	757.80	80.30	-	-	838.10	455.31	496.89

#### Depreciation and amortisation relating to continuing operations:

A.	Particulars	For the year ended 31 March, 2013 Amount in ₹	For the year ended 31 March, 2012 Amount in ₹
	Depreciation and amortisation for the year on tangible assets.	72.64	80.30
	Depreciation and amortisation relating to continuing operations	72.64	80.30

**Notes forming part of the financial statements**

**Note 10 Long-term loans and advances**

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Security deposits Secured, considered good	0.70	0.70
<b>Total</b>	<b>0.70</b>	<b>0.70</b>

**Note 11 Inventories**

**(At lower of cost and net realisable value)**

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Raw materials	815.24	128.72
Goods-in-transit	184.32	168.25
	999.55	296.97
(b) Work-in-progress (Refer Note below)	151.70	111.15
	151.70	111.15
(c) Finished goods (other than those acquired for trading)	40.76	248.62
	40.76	248.62
(d) Stock-in-trade (acquired for trading)	7.92	109.78
	7.92	109.78
(e) Stores and spares	8.19	13.87
	8.19	13.87
<b>Total</b>	<b>1,208.12</b>	<b>780.38</b>

**Note: Details of inventory of work-in-progress**

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
Vinyl Sulphone	133.07	98.05
Vinyl Sulphone (O.A.V.S.)	18.64	13.10
	<b>151.70</b>	<b>111.15</b>

# Bhageria Dye Chem Ltd.

## Notes forming part of the financial statements

### Note 12 Trade receivables

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	7.54	-
Doubtful	-	-
Other Trade receivables		
Unsecured, considered good	2,398.77	1,667.20
<b>Total</b>	<b>2,406.31</b>	<b>1,667.20</b>

### Note 13 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Cash on hand	5.24	2.56
(b) Balances with banks		
(i) In current accounts (*Net of liabilities)	(109.15)	271.07
(ii) In deposit accounts	232.18	421.37
(iii) In earmarked accounts		
- Unpaid dividend accounts	11.57	11.79
<b>Total</b>	<b>139.84</b>	<b>706.78</b>

### Note 14 Short-term loans and advances

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Loans and advances to employees		
Unsecured, considered good	-	0.10
(a) Advances to suppliers		
Unsecured, considered good	677.39	848.00
(b) Prepaid expenses - Unsecured, considered good	23.84	12.73
(c) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	204.88	108.27
(ii) Service Tax credit receivable	10.26	5.41
(iii) VAT receivable	40.07	41.15
(d) Others (specify nature)		
Secured, considered good		
DEPB Receivable	14.80	72.98
Duty Draw Back Receivable	89.49	-
<b>Total</b>	<b>1,060.73</b>	<b>1,088.64</b>

**Notes forming part of the financial statements**

**Note 15 Other current assets**

(₹ in Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Accruals		
(i) Interest accrued on deposits	31.90	13.64
(b) Others		
Wealth Tax	-	0.32
Income Tax / TDS (Net of Provision)	14.78	12.48
<b>Total</b>	<b>46.68</b>	<b>26.44</b>

**Note 16 Revenue from operations**

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Sale of products	13,693.55	6,441.72
(b) Sale of services	47.61	-
(c) Other operating revenues	146.60	246.03
Total	13,887.76	6,687.75
Less:		
(d) Excise duty	964.94	403.74
<b>Total</b>	<b>12,922.82</b>	<b>6,284.01</b>

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(i) <u>Sale of products comprises:</u>		
Manufactured goods		
Vinyl sulphone Ester	4,385.50	2,966.34
Vinyl sulphone (O.A)	961.34	645.35
H Acid (Dry Powder)	3,023.99	62.13
Gamma Acid	1,482.99	-
Others	2,377.45	781.35
<b>Total - Sale of manufactured goods</b>	<b>12,231.28</b>	<b>4,455.16</b>
Traded goods	1,462.27	1,986.55
<b>Total - Sale of traded goods</b>	<b>1,462.27</b>	<b>1,986.55</b>
<b>Total - Sale of products</b>	<b>13,693.55</b>	<b>6,441.72</b>
(ii) Sale of services comprises:		
Service (job work)	47.61	-
<b>Total - Sale of services</b>	<b>47.61</b>	<b>-</b>
(iii) Other operating revenues comprise of:		
Duty drawback and other export incentives	128.68	144.17
Net gain on foreign currency transactions and translation (other than considered as finance cost)	17.92	101.86
<b>Total - Other operating revenues</b>	<b>146.60</b>	<b>246.03</b>

# Bhageria Dye Chem Ltd.

## Notes forming part of the financial statements

### Note 17 Other income

(₹ in Lacs)

	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a)	Interest income (Refer Note (i) below)	21.03	17.15
(c)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	4.71	9.50
	<b>Total</b>	<b>25.74</b>	<b>26.65</b>

	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(i)	Interest income comprises: Interest from banks on: deposits	21.03	17.15
	<b>Total - Interest income</b>	<b>21.03</b>	<b>17.15</b>
(ii)	Other non-operating income comprises: Miscellaneous income [net of expenses directly attributable.]	4.71	9.50
	<b>Total - Other non-operating income</b>	<b>4.71</b>	<b>9.50</b>

### Note 18.a Cost of materials consumed

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Opening stock	128.72	184.18
Add : Purchases	8,846.37	3,651.46
Add : Ice Expenses	124.82	96.77
Add : Consumption of Stores and Spare Parts	54.09	41.67
Less: Closing stock	815.24	128.72
Cost of material consumed	8,338.76	3,845.36
<u>Major Material consumed comprises:</u>		
ANILINE	1,067.61	598.75
ETHYLENE OXIDE	757.96	662.26
CHLORO SULPHONIC ACID	575.48	425.97
NAPHTHALENE REFINED	843.94	-
BETANAPHTHOL	696.60	62.20
CAUSTIC SODA FLAKES	1,134.81	-

### Note 18.b Purchase of traded goods

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Traded good	1,204.87	1,856.76
<b>Total</b>	<b>1,204.87</b>	<b>1,856.76</b>

**Notes forming part of the financial statements**

**Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Inventories at the end of the year:		
Finished goods	40.76	248.62
Work-in-progress	151.70	111.15
Stock-in-trade	7.92	109.78
Goods in Transit	184.32	168.25
	<b>384.70</b>	<b>637.79</b>
Inventories at the beginning of the year:		
Finished goods	248.62	92.41
Work-in-progress	111.15	171.86
Stock-in-trade	109.78	30.02
Goods in Transit	168.25	-
	<b>637.79</b>	<b>294.29</b>
Net (increase) / decrease	<b>253.10</b>	<b>(343.50)</b>

**Note 19 Employee benefits expense**

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Salaries and wages	130.03	97.42
Contributions to provident and other funds	1.30	1.25
Staff welfare expenses	6.22	5.41
<b>Total</b>	<b>137.55</b>	<b>104.09</b>

**Note 20 Finance costs**

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Interest expense on:		
(i) Borrowings		
a) Interest paid to bank	107.60	111.98
b) Interest on Term loan	1.23	1.53
(ii) Others		
- Others (Bank Charges and other interest)	36.98	31.40
<b>Total</b>	<b>145.81</b>	<b>144.91</b>

# Bhageria Dye Chem Ltd.

## Notes forming part of the financial statements

### Note 21 Other expenses

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Repairs and maintenance - Buildings	12.08	5.11
Repairs and maintenance - Computer	2.07	1.48
Repairs and maintenance - Machinery	14.16	7.92
Repairs and maintenance - Others	3.28	0.61
Insurances	6.22	3.27
Postage & Telegram	5.88	3.49
Communication	4.27	4.21
Job work Charges	1,892.37	85.25
Travelling and conveyance	15.58	24.82
Power & Fuel	211.62	180.14
Director's Remuneration	21.06	21.06
Printing and stationery	14.78	2.76
Pollution exps.	9.36	6.79
Security Charges	5.85	5.45
Vehicle Expenses	4.02	5.18
Freight and forwarding	304.34	255.06
Sales commission	26.29	8.83
Business promotion	14.00	7.55
Donations and contributions	19.50	20.76
Legal and professional	4.03	6.18
Payments to auditors (Refer Note (i) below)	2.50	2.50
Miscellaneous expenses	25.76	31.00
<b>Total</b>	<b>2,619.02</b>	<b>689.44</b>

### Note

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	2.00	2.00
For taxation matters	0.50	0.50
For company law matters	-	-
For other services	-	-
<b>Total</b>	<b>2.50</b>	<b>2.50</b>



**Notes forming part of the financial statements**

(₹ in Lacs)

**Note 22 Additional information to the financial statements**

Note	Particulars	As at 31 March, 2013	As at 31 March, 2012
22.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	Commitments		
	(a) Local Body Authority	4.18	-
22.2	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b> The management is currently in the process of indentifying 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 the respect of amount payable to such Micro, Small, and Medium Enterprises as at March 31, 2012 has not been made in the financial statements, However, in view of the Management impact of the interest, if any, that may be payable in accordance with the Act is not expected to be material.		

Note	Particulars	As at 31 March, 2013	As at 31 March, 2012
22.3	Details of fixed assets held for sale Plant and machinery	17.16	17.16
	<b>Total</b>	<b>17.16</b>	<b>17.16</b>

Note	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
22.4	Value of imports calculated on CIF basis : Raw materials / Trading	1,364.77	623.24
22.5	Expenditure in foreign currency : Other matters	-	-
22.6	Details of consumption of imported and indigenous items		
	<u>Imported</u>		
	Raw materials	1,094.94 (346.42)	13.15% 9.01%
	<u>Indigenous</u>		
	Raw materials	7,243.81 (3498.94)	86.85% 90.99%
	<b>Total</b>	<b>8,338.76</b> (3,845.36)	<b>100.00%</b> 100.00%
	Note: Figures / percentages in brackets relates to the previous year.		
23.7	Earnings in foreign exchange Export of goods calculated on FOB basis	4,654.12	3,448.67

**Note 23 Disclosures under Accounting Standards**

**Note 23.1 (a) Defined Contribution Plan**

**Contribution to Defined Contribution Plan, recognised are changed off the year are as under :**

Particulars	Current Year	Previous Year
1 Employer's Contribution to providend Fund & Pension Scheme	129,702.00	125,435.00
2 Employer's Contribution to Employee State Insurance	192,792.00	85,807.00

## Notes forming part of the financial statements

### Note 23.1 (b) 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.

	Particular	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	664,198.00	2,214,266.00
	Current Service Cost	63,824.00	239,341.00
	Interest Cost	75,624.00	-
	Actuarial (Gain)/Loss	66,029.00	-
	Benefit Paid	127,010.00	-
	Defined Benefit obligation at year end	742,665.00	2,453,607.00
b.	Reconciliation of opening and closing balances of fair value of plan assets		
	Fair value of plan assets at the beginning of the year	1,239,264.00	1,278,056.00
	Expected return on plan assets	111,534.00	102,245.00
	Actuarial (gain)/loss	5,527.00	-
	Employer contribution	106,468.00	-
	Benefits paid	127,010.00	-
	Fair value of plan assets at year end	1,335,783.00	1,239,264.00
	Actual return on plan assets	117,061.00	-141,037.00
c.	Reconciliation of fair value of assets and obligation		
	Fair value of plan assets as at 31st march, 2013	1,335,783.00	1,239,264.00
	Fair value of obligation as at 31st march, 2013	742,665.00	2,453,607.00
	Unfunded net liability recognized in balance sheet	-	-
d.	Expenses recognized during the year		
	Current service cost	63,824.00	113,852.00
	Interest cost	75,624.00	-
	Expected return on plan assets	111,534.00	102,245.00
	Actuarial (gain)/loss	60,502.00	-
	Net Cost	88,416.00	11,607.00
e.	Investment details	% invested as at 31st March 2013	% invested as at 31st March 2012
	L.I.C. Company Gratuity (Cash Assumption) Policy	100%	100%
f.	Actuarial assumptions		1994-96 (Ultimate)
	Mortality Table (L.I.C.)		
	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%

### Notes

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.

During the year there was a change in the gratuity liability of the company, leading to revision in the opening balance of the defined benefit obligation

**Notes forming part of the financial statements**

**Note 23 Disclosures under Accounting Standards (contd.)**

Note	Particulars
23.2	<p>Segment information</p> <p>The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in one segment i.e. manufacturing and Trading in Chemicals and dyes and Dyes intermediates. . Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are Africa and Others.</p>

Particulars
The geographic segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately:

(₹ in Lacs)

Geographic Segment	Revenues For the year ended 31 March, 2013
Domestic (Including jobwork)	8,144.01 (2,743.95)
Export (including Incentives)	4,778.81 (3,540.06)
Note: Figures in bracket relates to the previous year	

(₹ in Lacs)

Note	Particulars	
23.3	<b>Related party transactions</b>	
23.3.a	<b>Details of related parties:</b>	
	Description of relationship	Names of related parties
	Key Management Personnel (KMP)	Suresh Bhageria Vinod Bhageria O.P. Bubna Dr. Shayam Agrawal P.S. Dalvi S.S.Gupta
	Relatives of KMP	
	Company in which KMP / Relatives of KMP can exercise significant influence	
	Note: Related parties have been identified by the Management.	
<b>Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:</b>		
23.3.b		KMP
	Director Remuneration	21.06 (21.06)
	Director Sitting Fees	0.20 (0.28)
Note: Figures in bracket relates to the previous year		

# Bhageria Dye Chem Ltd.

## Notes forming part of the financial statements

### Note 23 Disclosures under Accounting Standards (contd.)

(₹ in Lacs)

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
23.4 <b>Earnings per share</b>		
<b>Basic</b>		
23.4.a Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	126.25	(47.11)
Weighted average number of equity shares of Rs. 10/- each outstanding during the year	7,962,750	5,740,284
Earnings per share from continuing operations - Basic	<b>1.59</b>	<b>(0.82)</b>
<b>Diluted</b>		
23.4.b Profit / (loss) attributable to equity shareholders (on dilution)	126.25	(47.11)
Weighted average number of equity shares for Basic EPS	7,962,750	5,740,284
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive		
Weighted average number of equity shares - for diluted EPS		
Earnings per share, excluding extraordinary items - Diluted	1.59	(0.82)
Total operations	1.59	(0.82)

Particulars	As at 31 March, 2013	As at 31 March, 2012
23.5 <b>Deferred tax liability / (asset)</b>		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	44.87	61.97
Others		
Tax effect of items constituting deferred tax liability	44.87	61.97
<u>Tax effect of items constituting deferred tax assets</u>		
On Account of Unabsorbed Losses	-	(26.95)
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	-
Tax effect of items constituting deferred tax assets	-	(26.95)
<b>Net deferred tax liability / (asset)</b>	<b>44.87</b>	<b>35.02</b>

### Note 24 Previous year's figures

Particulars	
24	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

### In terms of our report attached.

**For SARDA & PAREEK**  
Chartered Accountants  
FRNo. 109262 W

**Gaurav Sarda**  
Partner  
Membership No. 110208

Place : Mumbai  
Date : 17th May' 2013

### For and on behalf of the Board of Directors

**Suresh Bhageria**  
Chairman

**Rakesh Kachhadiya**  
Chief Financial Officer

Place : Mumbai  
Date : 17th May' 2013

**Vinod Bhageria**  
Managing Director

**Shri Nath Tiwari**  
Company Secretary

# *Bhageria Dye Chem Ltd.*

## ATTENDANCE SLIP

Regd. Office :

A1/101, 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 24th Annual General Meeting at Lalit Restaurant Hall, Near Rly. Station, Goregaon (W), Mumbai - 400 062 on Saturday, the 31st Day of August, 2013 at 11.00 A.M.

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

# *Bhageria Dye Chem Ltd.*

## PROXY FORM

Regd. Office :

A1/101, 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 24th Annual General Meeting of the company.

Ledger Folio / DPID No. \_\_\_\_\_ of shares held \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

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.

