



Catalysing better tomorrows.....

VASUNDHARA RASAYANS LIMITED

Annual Report 2010-11

BOARD OF DIRECTORS

SHRI. PRAKASH CHAND JAIN
SHRI. SANJAY KUMAR JAIN
SHRI. SUNIL KUMAR JAIN
SHRI. RAJESH POKERNA
SHRI. RAJESH KUMAR JAIN
SHRI. PRAVIN P.MAJMUMDAR
SHRI. RAJIV PRITIDAS KAKODKAR
Dr. PARAG ASHOK SHARMA

MANAGING DIRECTOR
EXECUTIVE DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

BANKERS

STATE BANK OF INDIA
DADAR BRANCH, MUMBAI

AUDITORS

M/S. AGARWAL GUPTA NOKARI &
RUSTAGI ASSOCIATES
12, Waterloo Street
KOLKATA - 700 069

REGISTERED OFFICE

SHED NO.42, PHASE II, IDA,
MALLAPUR,
HYDERABAD - 500 076.

FACTORY

C-104, MIDC Industrial Area
Mahad, (Dist. Raigad)
MAHARASHTRA.

REGISTRAR & SHARE TRANSFER AGENT

CIL SECURITIES LTD
214 Raghavaratna Towers
Chirag Ali Lane, Abids
HYDERABAD_500001

VASUNDHARA RASAYANS LIMITED**NOTICE**

NOTICE IS HEREBY GIVEN THAT the 24th Annual General Meeting of the Members of VASUNDHARA RASAYANS LIMITED will be held at its Registered Office of the company at Shed No.42, Phase II, IDA, Mallapur, Hyderabad – 500 076 on Thursday, 29th day of September, 2011 at 11.30 A.M. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint Director in place of Shri Rajiv Pritidas Kakodkar who retires by rotation, and is eligible for reappointment.
3. To appoint Auditors to hold the Office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

To consider and if deemed fit to pass with or without any modification(s) the following resolution as Ordinary Resolution.

Resolved that pursuant to the provisions of sections 198, 269, 309 and other applicable provisions, if any, of the companies Act 1956 read with schedule XIII thereto, but subject to ratification and approval of the shareholders of the company in the ensuing General meeting, consent be and is hereby accorded to the appointment of Shri Prakash Chand Jain as Managing Director of the Company with effect from 23-8-2011 for a period of 5 years, with payment of remuneration at Rs. 40,000 per month to him.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

1. Shri Prakash Chand Jain office as Managing Director expires on 19-3-2011 Taking in view of his continued valuable services to the company, he was appointed as Managing Director for a period of 5 years with effect from 23-8-2011 at the Board meeting held on 23-8-2011 The above appointment is however subject to the approval of the share holders in the ensuing General meeting. accordingly is placed before the members for the regularization of appointment of Shri Prakash Chand Jain as a Managing Director of the Company for a period of 5 years with effect from 23-8-2011 with payment of remuneration of Rs. 40,000 per month

Non of the Directors of the Company except Shri Prakash Chand Jain is interested in the above resolution.

REGISTERED OFFICE

Shed No.42, Phase II, IDA,
Mallapur, Hyderabad - 500 076,
Andhra Pradesh.

BY ORDER OF THE BOARD OF DIRECTORS**(PRAKASH CHAND JAIN)**
MANAGING DIRECTOR**RAJESH POKERNA**
WHOLE TIME DIRECTOR

Dated this 23rd August, 2011

**=====
VASUNDHARA RASAYANS LIMITED
=====****NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself and a proxy need not be a member of the Company. The proxies in order to be effective must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
2. The register of members and share transfer book of the Company will remain closed from Monday 26th September, 2011 to Thursday 29th, 2011 (both days inclusive).
3. Members are requested to:
 - i) Intimate change, if any, in their registered addresses at an early date.
 - ii) Quote Investor Registration No./Counter Receipt No./Regd.Folio No. in all their correspondence.
 - iii) Bring their copies of the Annual Reports and the Attendance Slips with them at the Annual General Meeting.
 - iv) Write to the Company's Registrars & Share Transfer Agents, M/s CIL Securities Ltd enclosing their share certificates for consolidation into one folio for better services, if they have more than one folio in identical order of name(s).
4. "Pursuant to the provision of section 205A(5) of the companies Act, 1956 Dividend for the financial year ended 2008-09, 2009-2010 which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205(c) of the Companies Act. 1956. The member who have not en-cashed the Dividend Warrants so for the financial years ended 31.3.2009 and 31.3.2010 are requested to make their claim to the Company at its Registered office. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim lie in respect thereof"

REGISTERED OFFICE

Shed No.42, Phase II, IDA,
Mallapur, Hyderabad - 500 076,
Andhra Pradesh.

BY ORDER OF THE BOARD OF DIRECTORS

(PRAKASH CHAND JAIN)
MANAGING DIRECTOR

RAJESH POKERNA
WHOLE TIME DIRECTOR

Dated this 23rd August, 2011

VASUNDHARA RASAYANS LIMITED

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 24th Annual Report and Audited Accounts of your Company for the year ended 31st March, 2011.

1. YOUR COMPANY'S SUMMARISED FINANCIAL RESULTS ARE AS UNDER:

(Rupees in thousands)

	CURRENT YEAR ENDED 31.03.2011	PREVIOUS YEAR ENDED 31.03.2010
Turnover	136807	170648
Other Income	6997	1412
Gross Profit/(Loss) before interest, depreciation & taxation	18859	20982
Interest	6532	3073
Profit before depreciation & taxation	12327	17909
Depreciation	8139	5502
Profit/(Loss) before Taxation	4188	12407
Provision for Taxation	820	3084
Deferred tax	874	169
Proposed Dividend	1589	3178
Tax on Proposed Dividend	264	527
Net Profit after Taxation	641	5446

2. OPERATIONS

During the year under review the turnover of the Company Rs. 1368.07 Lacs in comparison to the previous year's figure at Rs. 1706.48 Lacs

The company has achieved net profit after tax which is reported at Rs. 24.94 lacs in comparison to profit of Rs.91.51 lacs in the previous year. The turnover have reduced due to strike by workers for about 3 months. The Friedel Craft facility have started operation and this would help to generate required raw material for the main plant as well as to generate revenues by its operation. This along with other measures to improve the volume and efficiency of the plant would help to improve the performance as well as profitability this year.

3. DIVIDEND

Your Directors are propose 5% dividend during the year.

4. FINANCIAL ACTIVITIES

Even though the company needs more working capital to meet with the production and supply gainst orders in hand, the company is managing with its present level of working capital facilities.

5. DIRECTORS

In accordance with the provision of the Companies Act, 1956 and the Articles of Association of the Company Shri Rajiv Pritidas Kakodkar, Director, retires by rotation at the ensuing Annual General Meeting of your Company and being eligible, offers himself for re-appointment. Further Shri Prakash Chand Jain was appointed as Managing Director for a period of 5 years at the board meeting held on 23.8.2011 with effect from same date 23.8.2011 and the resolution is put approval and regularization by shareholders at the ensuring Annual General Meeting.

**=====
VASUNDHARA RASAYANS LIMITED
=====****6. AUDITORS**

M/s Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting. The Auditors have furnished a certificate, under section 224(1) of the Companies Act, 1956, of their eligibility for reappointment. therefore Your Directors recommend M/s Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants for appointment as your Company's Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

7. CORPORATE GOVERNANCE

Your Company is committed to business integrity, high ethical values and professionalism in all its activities. As an essential part of this commitment, the Board of Directors support high standards in corporate governance. A separate report on Corporate Governance along with the certificate of the Auditors, M/s Agarwal, Gupta, Nokari & Rustagi Associates, confirming compliance of the conditions of corporate governance, as stipulated under clause 49 of Listing Agreements entered into with the Stock Exchanges is annexed.

8. DEPOSITS

During the year under review, your Company has not accepted any deposits.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

Additional information on conservation of Energy, Technology absorption and foreign exchange earnings and outgo as required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is set out in Annexure and forms part of this report.

10. PARTICULARS OF EMPLOYEES

None of the employees is drawing remuneration in excess of the ceiling laid down under the provision of Section 217 (2) (A) of the Companies Act, 1956 as amended read with the Companies (particulars of Employees) Rules, 1975.

11. DIRECTORS RESPONSIBILITY STATEMENT

In compliance of recently introduced Section 217 (2AA) in the Companies Act, 1956, your Directors state that:

- i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii) That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state-of-affairs of the Company as at 31st March, 2011 and of the Profit of the Company for the year ended on that date;
- iii) That 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 safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Annual Accounts have been prepared on a going concern basis.

12. ACKNOWLEDGEMENTS

The Directors wish to place on record their sincere thanks and gratitude to the State Bank of India for their continued assistance and co-operation, and the customers for their continued support and patronage.

For and on behalf of Board of Directors

Dated this 23rd August, 2011

(PRAKASH CHAND JAIN)
MANAGING DIRECTOR

RAJESH POKERNA
WHOLE TIME DIRECTOR

ANNEXURE TO THE DIRECTOR'S REPORT

Information under Section 217(i)(e) of Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of Director's Report for the year ended 31st March, 2011.

A. CONSERVATION OF ENERGY

The basic engineering design of the Plant is based on optimum consumption and provision has been made to conserve energy to the maximum possible extent which would reduce the liability on energy bills.

B. TECHNOLOGY ABSORPTION

i) RESEARCH AND DEVELOPMENT

1. Specific areas in which R&D carried out by the Company:
Improvement and up gradation in quality, productivity and process efficiency, Development of new applications for utilization of our products and development of new products.

2. Benefits derived as a result of the above R&D:

Improvement in quality of products, production efficiency and wider application of products manufactured by the Company.

3. R & D Expenditure:

a) Capital : NIL
b) Recurring expenditure : NIL

4. Future plan of action:

Improvement in quality of products and process, production efficiency, better product mix, reduction in power and fuel consumption and wider application of the products manufactured by the Company.

ii) TECHNOLOGY ABSORPTION, ADAPTATION AND INTIMATION

For the Company's existing product line there is no technical collaboration.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO

Outgo: Rs. NIL

Earnings: Rs. 99567703

VASUNDHARA RASAYANS LIMITED

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Code of Corporate Governance:

Vasundhara Rasayans Limited is committed to business integrity and high ethical values. The Company firmly believes in good corporate governance as implementation of the principles of Corporate Governance would encourage the process of collective thinking and bring about professionalisation of corporate management. It would also partially decentralise the responsibility of decision-making. All stakeholders, including shareholders, employees, creditors, customers, suppliers, Government and public at large will benefit by the transparency in and professionalisation of corporate management.

2. Board of Directors: Composition of the Board

The total strength of the Board is eight.

Directors' Attendance record and directorship

Sl. No.	Name of the Director	Promoter/ Executive/ Independent/ Nominee	No. of Board meetings during the year		Attendance at the last AGM	No. of Director-ships of other Companies.	Member/ Chairman of committees other than the Company.
			Held	Attended			
1	Shri. Prakash Chand Jain	C & M.D.	12	12	Yes	4	-
2	Shri.Sanjay Kumar Jain	E.DIRECTOR	12	12	Yes	2	-
3	Shri.Sunil Kumar Jain	WHOLE TIME DIRECTOR	12	10	No	3	-
4	Shri.Rajesh Pokerna	WHOLE TIME DIRECTOR	12	9	Yes	2	-
5	Shri.Rajesh Kumar Jain	DIRECTOR	12	-	No	2	-
6	Shri.PravinPMajumdar	DIRECTOR	12	-	No	-	-
7	Shri.RajivPritidas Kakodkar	DIRECTOR	12	-	No	-	-
8	Dr. Parag Ashok Sharma	DIRECTOR	12	-	No	-	-

Details of Board Meetings:

During the financial year 2010-2011 (12) Board Meetings were conducted as under:

SL.No.	Meeting Date
01	28.04.2010
02	10.05.2010
03	27.07.2010
04	21.08.2010
05	30.08.2010
06	30.09.2010
07	30.09.2010
08	28.10.2010
09	22.11.2010
10	28.01.2011
11	04.03.2011
12	15.03.2011

3. Audit Committee:

The Audit Committee was constituted on 1st, August 2003 with the powers, terms of reference and role of the committee as per the requirements of the Clause 49 of the Listing Agreements with the Stock Exchanges. The Audit Committee also complies with the relevant provisions of the Companies Act, 1956.

Composition

The Audit Committee was reconstituted by the Board of Directors comprising of the members followed by Shri. Prakash Chand Jain, Shri.Sunil Kumar Jain and Shri.Rajesh Pokerna on 07.10.2005. The representatives of the Internal Auditors and Statutory Auditors will be permanent invitees.

- a) 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.
- b) Recommending the appointment and removal of external auditor, fixation Of audit fee and also approval for payment of any other services.
- c) Reviewing with management the annual financial statements before Submission to the Board.
- d) Review with the management, external and internal auditors, the internal audit report and the report of the external auditors.
- e) Review of the adequacy and effectiveness of Internal Audit Function, the internal control system of the Company, compliance with the Company's policies and applicable laws and regulations.

The Audit Committee may also review such matters as considered appropriate to it or referred to it by the Board.

Details of Audit Committee Meetings:

During the financial year 2010-11 the Audit Committee has met 3 (three) times. The attendance of the Members at these meetings is as follows:

<u>Name of the Director</u>	<u>No. Of Meetings</u>	<u>No. Of Meetings attended</u>
1. Prakash Chand Jain	3	3
2. Sunil Kumar Jain	3	3
3. Rajesh Pokerna	3	3

The minutes of the Audit Committee Meetings are duly noted by the Board at the Board Meetings.

4. Remuneration Committee

The Remuneration committee was constituted during the financial year 2003-04 to take the responsibility of reviewing, recommending the directors' remuneration based on their individual performances. The Committee also sees to determine remuneration policy of the Company.

Composition

The Remuneration Committee was reconstituted on 07.10.2005 with Shri Sunil Kumar Jain as Chairman, Shri.Rajesh Pokerna and Shri.Sanjay Kumar Jain as other members.

5. Share Transfer & Shareholders'/Investors' Grievances Committee

The Company is having a "Shareholders'/Investors' Grievances Committee" in line with the amended listing agreement. The Committee is responsible for all matters concerning the share transfers, transmission, issue of duplicate share certificates and attending to the grievances of the shareholders.