

AGRO CHEM PUNJAB LIMITED



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SY		DPY	NA
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AGROCHEM

Report Junction

AGROCHEM

13th

ANNUAL REPORT

(1997-98)


AGRO CHEM PUNJAB LIMITED

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BOARD OF DIRECTORS

Sh. Kewal S. Dhillon	Chairman
Sh. Ravinder Krishan	Director
Sh. Sajjan Singh Dhillon	Director
Sh. Bhupal Singh Ghuman	Director
Sh. Pradeep Marwaha	Director
Sh. G. S. Sodhi	Director

AUDITORS

Mehrotra Sharma and Associates
Chartered Accountants
1278, Sector-21-B,
Chandigarh.

BANKERS

Punjab National Bank
Bank of Baroda

REGISTERED OFFICE

Dhillon Complex, Manimajra
Chandigarh (U.T.) - 160 101
Phone. No. 553846, 554480

WORKS

Village	:	Singhpura
Block	:	Derabassi
District	:	Patiala
State	:	Punjab

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AGRO CHEM PUNJAB LIMITED

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 13th Annual General Meeting of Shareholders of the Company will be held on 30th September, 1998 on Wednesday at 9:30 A.M. at Registered Office of the Company, Dhillon Complex, Manimajra, Chandigarh to transact the following business.

ORDINARY BUSINESS :

1. To receive, approve and adopt Balance Sheet as at 31.03.1998 and Profit & Loss Account of the Company for the period ended on that date alongwith the Reports of Directors' and Auditors there on.
2. To appoint a Director in place of Sh. Pradeep Marwaha who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sh. Kewal Singh Dhillon who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remunerations.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modifications following resolution as ORDINARY RESOLUTION

"RESOLVED THAT" Shri G.S. Sodhi be and is hereby appointed as a Director of the company who was appointed as additional Director by Board of Directors on 28.07.98 as per provisions of Sections 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of Companies Act, 1956 proposing his candidature to the office of Director and that he shall be liable to retire by rotation."

By order of the Board
for AGROCHEM PUNJAB LIMITED

PARDEEP MARWAHA
Director

Place: Chandigarh
Date : 29.07.1998

NOTES :

1. A member entitled to attend and vote at the Meeting is entitled to appoint proxy to attend and vote, instead of himself/herself and proxy so appointed need not be a member of the Company. Proxy in order to be effective, must reach the registered office of the Company not less than 48 hours before the time fixed for the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 29th September, 1998 to 30th September, 1998.
3. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is enclosed.
Explanatory statement pursuant to section 173(2) of the Companies Act 1956

ITEM NO.5

Shri G.S. Sodhi has been appointed as additional Director of The Company by Board of Directors as their meeting held on 29.07.98. His appointment terminates at the ensuing Annual General Meeting. The Company has received a notice, pursuant to Section 257 of the Companies Act, 1956 proposing his candidature to the office of the Director.

**AGRO CHEM PUNJAB LIMITED**

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This Resolution is put before Shareholders to seek their approval.

None of the Directors except Shri G.S. Sodhi is interested in the resolution.

By order of the Board
for **AGRO CHEM PUNJAB LIMITED**

Place: Chandigarh

Date: 29.07.1998

PARDEEP MARWAHA

Director

DIRECTORS' REPORT**To The Shareholders**

Your Directors are pleased to present Thirteenth Annual Report together with the Audited Accounts for the year ended 31st March, 1998

1. FINANCIAL RESULTS

(Rs in lacs)

PARTICULARS	As on 31.03.98	As on 31.03.97
i) Turnover (including Miscellaneous Income)	568.38	910.16
ii) Gross Profit (Loss) before Financial Charges and Depreciation.	(241.20)	260.09
iii) Financial Charges	189.52	183.99
iv) Operating Profit/ (Loss)	(430.73)	(76.10)
v) Depreciation & non-financial charges	41.88	58.59
vi) Income Tax previous year	0.59	
(v) Profit/(Loss)	(473.20)	17.51

2. OPERATIONS

The Turnover and Miscellaneous Income for the year under review has been reduced to Rs. 568.35 lacs as compared to 910.16 Lacs of previous year's turnover and Miscellaneous Income. The Company has suffered a loss of Rs. 473.20 lacs as compared to previous year's profit of Rs. 17.51 lacs. The reasons for the losses are increased cost of raw material and non realisation of receivables.

3. SICK COMPANY

The accumulated losses of the Company for the year under review has exceeded net worth and the Company has become a Sick Industrial Company under Section 3(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.



AGRO CHEM PUNJAB LIMITED

4. DIRECTOR

Shri Kewal Singh Dhillon and Shri Pradeep Marwaha Directors of the Company retire at ensuing Annual General Meeting and being eligible offer themselves for reappointment. Shri B.K. Vahi Managing Director has left the Company and Shri S.K. Gupta was appointed as Managing Director w.e.f. 31.03.1998 and he has also resigned from his office. Shri G.S. Sodhi has been appointed as Additional Director of the Company on 29.07.98.

5. AUDITORS

M/s Mehrotra Sharma & Associates, Chartered Accountants, Chandigarh retire at the conclusion of ensuing Annual General Meeting. They are eligible for reappointment and offer themselves for the same.

The Auditors report is self explanatory and does not require any explanation by the Board of Directors.

6. DEPOSITS

The Company has not received any deposits from the public this year and there are no unpaid and unclaimed deposits.

7. PERSONNEL

Informations pursuant to Section 217 (2 A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 are Nil.

The Management-Employees relations remained cordial throughout the year.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information as per section 217 (1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure which forms part of this Report.

9. ACKNOWLEDGEMENT

The Board of Directors wish to place on record their gratitude to the various agencies of Central and State Governments, Banks and Financial Institutions for co-operation extended by them.

By order of the Board
for AGRO CHEM PUNJAB LIMITED

Place: Chandigarh
Date :29.07.98

KEWAL SINGH DHILLON
chairman


AGRO CHEM PUNJAB LIMITED
ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217 (1) (e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules; 1988 and forming part of the Directors' Report for the year ended 31st March, 1998.

A. Power and Fuel Consumption

	1997-98	1996-97
1. Electricity		
(a) Purchased Units (In Lacs)	20.01	19.38
Total Amount (Rs. in lacs)	51.99	44.40
Rate/units (Rs.)	2.60	2.29
(b) Own Generation	2.77	2.40
2. Coal : (Steam used for generation of steam in boiler)		
Qty. (Tonnes)	-	-
Total Amount (Rs. in Lacs)	-	-
Averages/Tonne (Rs.)	-	-
3. Furnance Oil		
Qty. (Kilo Ltrs)	18.29	22.40
Total Cost (Rs. in Lacs)	13.01	17.28
Averages/Kilo Ltrs (Rs.)	7.11	7.71
4. Others/Internal Generation Steam Purchased		
Qty. (Tonnes)	-	-
Total Cost (Rs. in Lacs)	-	-
Averages/Kilo Ltrs. (Rs.)	-	-
B. Consumption per Unit of Production		
a. Product (Single Super Phosphate)		
Electricity	130.79	127.60
Coal	-	-
Furnance Oil	7.11	7.71
Steam	-	-

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per form B of the Annexure to the rules.

1. Research & Development (R&D)

(A) Specified areas in which R&D carried out by the company:

Nil

(B) Benefits derived as a result of the above R&D :

Nil


AGRO CHEM PUNJAB LIMITED

C.	EXPENDITURE ON R & D	1997-98	1996-97
	(i) Capital		
	(ii) Recurring		
	(iii) Total		
	(iv) Total R & D Expenditure as a percentage of total turnover		
2.	TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION		
	(a) Efforts in brief, made towards Technology Absorption, Adaptation and Innovations :		Nil
	(b) Benefits derived as a result of the above efforts e.s. product improvement, cost reduction, product development, import substitution etc. :		Nil
	(c) In case of imported Technology (Imported During the Last Five Years reckoned from the begining of the Financial Year) following information may be furnished :		
	(i) Technology imported		N/A.
	(ii) Year of Import		N/A.
	(iii) Has technology been fully absorbed :		N/A.
	(iv) If not fully absorbed, areas where : this has not taken place, reason thereof and future plan of action		N/A.
	III. Foreign Exchange Earnings and Outgo		
	(a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and service and export plans.		Nil
	(b) Total foreign exchange used		Nil
	(c) Total foreign exchange earned		Nil

By order of the Board
for **AGRO CHEM PUNJAB LIMITED**

Place : Chandigarh
Date : 29.07.1998

KEWAL SINGH DHILLON
Chairman