

AGRO CHEM PUNJAB LIMITED

BOARD OF DIRECTORS

Sh. Sajan Singh Dhillon
Sh. Pardeep Marwaha
Sh. Ashok Sikri

Chairman
Director
Director

AUDITORS

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

BANKERS

Punjab National Bank
Bank of BARODA

REGISTERED OFFICE

Dhillon Complex, Manimajra
Chandigarh (U.T.)-160101
Phone No.734480

WORKS

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

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Contents

NOTICE	03
Director's Report.....	05
Auditor's Report.....	15
Balance Sheet.....	18
Profit & Loss Account.....	19
Balance Sheet Abstract.....	26
Cash Flow Statement.....	27

AGRO CHEM PUNJAB LIMITED**NOTICE TO ANNUAL GENERAL MEETING**

Notice is hereby given that 18th Annual General Meeting of the members of the Company will be held on Tuesday, 30th September, 2003 at 10.00 A.M. at the Registered Office of the Company situated at Dhillon Complex Manimajra, Chandigarh, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Profit & Loss Account for the year ended 31st, March 2003 and the Balance Sheet as on that date and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Sh. Pardeep Marwaha, who retires by rotation and being eligible, offer himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

RESOLVED THAT Sh. Ashok Sikri be and is hereby appointed as a Director of the Company who was appointed as additional director by Board of Directors on 1.10.2002 as per provisions of Section 260 of the Companies Act, 1956 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.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Bold. AM**

RESOLVED THAT subject to provisions of the Securities Contracts (Regulation) Act, 1956, listing agreements with the Stock Exchanges and Guidelines/Rules of the Securities and Exchange Board of India and/or other applicable laws, rules, regulations and guidelines and subject further to such approvals and sanctions as may be required, the Board of Directors (hereinafter referred to as "The Board" Which term shall include a committee of directors) be and is hereby authorized to de-list Equity Shares of the company from the Stock Exchange at Ludhiana, Delhi and Mumbai at one time or from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to apply to such Stock Exchanges/SEBI and take all the required steps in terms of guidelines laid down by SEBI for voluntary delisting of the Equity Shares of the Company from Stock Exchanges of Ludhiana Stock Exchange, Delhi Stock Exchange and The Stock Exchange Mumbai and to decide/settle all the matters related to delisting of shares and also to do all such acts/deeds and things as may be required by the relevant Competent Authority for and on behalf of the Board".

RESOLVED FURTHER THAT the Board of Director . may authorise any of its Committee or any of its Directors to do all such acts/deeds and things to give effect to the above said resolution.

BY ORDER OF THE BOARD
For AGRO CHEM PUNJAB LTD.

Place : Chandigarh
Date : 01.09.2003

(PARDEEP MARWAHA)
DIRECTOR

AGRO CHEM PUNJAB LIMITED**NOTES :**

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not to be member of the company. The proxy, in order to be effective, must be received by the company not less than forty eight hours before the meeting. The proxy form is enclosed.
2. The Register of Members and the share Transfer Books of the Company shall remain closed from 29th day of September, 2003 to 30th September, 2003 (both days inclusive).
3. Explanatory statement pursuant to section 173(2) of the companies act, 1956 is annexed herewith

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No.4**

The Board of Directors has appointed Sh. Ashok Sikri as Additional Director to Broad base the board. Under Section 257 of the Companies Act, 1956 individual notice has been received proposing his candidature for the office of Director alongwith respective deposit.

None of the Directors is interested in the said resolution except appointee. The resolution is put before shareholders to seek their approval.

Item No.5

As the members are aware that the Company's Equity Shares are listed on 3 Stock Exchanges viz Ludhiana Stock Exchange, Delhi Stock Exchange and the Stock Exchange Mumbai.

The Board have considered that the Equity Shares of the Company are not being traded for the last 3-4 years at all the three stock exchanges and accordingly the listing of shares at these Stock Exchanges is not serving the desired purpose. The holders of Shares in the region of these three Stock Exchanges would be given an exit opportunity by the promoters of the Company as per the SEBI guidelines. SEBI has notified "Delisting of Securities Guidelines-2003" (The Guidelines). As per the guidelines, a company may seek voluntary delisting of its securities from all or some of the Stock Exchanges.

Further, the company had become a sick industrial Company within the meaning of Section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act, 1985 and was registered with Board for Industrial and Financial Reconstruction (BIFR) as case no.290/98. As per the order dated 4/12/2001 of BIFR, the Paid up Share Capital of the Company has been reduced by 90% to 10% from 3262400 Equity Shares of Rs.10/- each to 326240 Equity Shares of Rs.10/- each. As per the said order, the company has allotted 5600000 Equity Shares of Rs.10/- each for cash at par to Promoters. As per the revised allotment approved by BIFR 97% Shares are with public. Therefore it is not economical to continue with listing of securities.

In view of above the Board have recommends for voluntary delisting of its Shares from Stock Exchanges at Ludhiana, Delhi and Mumbai in terms of the guidelines laid down by SEBI which will also reduce paper working and Annual Listing Fees & accordingly recommends the resolution for approval.

None of the directors is concerned or interested in the above resolution.

BY ORDER OF THE BOARD
For AGRO CHEM PUNJAB LTD.

Place : Chandigarh
Date : 01.09.2003

(PARDEEP MARWAHA)
DIRECTOR

AGRO CHEM PUNJAB LIMITED**DIRECTOR'S REPORT**

To
The Members,

The Directors of your company have pleasure in presenting, The 18th Annual Report together with Audited Accounts of the Company for the year ending 31st March, 2003.

FINANCIAL RESULTS

The financial results of the company are as under :

S.No.	Particulars	As On 31/3/2003	As On 31/3/2002
1.	TURNOVER (Including Misc. Income)	1.96	0.73
2.	GROSS PROFIT/(LOSS) (Before Financial Charges and Depreciation)	(12.51)	(23.55)
3.	FINANCIAL CHARGES	0.48	34.96
4.	OPERATING PROFIT/ (LOSS)	(12.99)	(58.51)
5.	DEPRECIATION & OTHER NON FINANCIAL CHARGES	4.31	4.31
6.	PROFIT/(LOSS)	(17.30)	(62.82)

ORDER OF BIFR

The Company had become a sick Industrial Company within the meaning of Section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act, 1985 and was registered with Board for Industrial and Financial Reconstruction (BIFR) as case number 290/98. As per the order dated 4/12/2001 of BIFR, the Paid up Share Capital of the Company has been reduced by 90% from 3262400 Equity Shares of Rs.10/- each to 326240 Equity Shares of Rs.10/- each. As per the said order, the company has allotted 5800000 Equity Shares of Rs. 10/- each for cash at par to Promoters.

OPERATIONS

The operations of the company are closed at present.

PERSONNEL

None of the employee of the company is in receipt of remuneration for whole/part of the year exceeding the limit prescribed under section 217(2A) of the Companies Act 1956. The information's under Section 217(2A) of the Companies Act, 1956 are nil.

CORPORATE GOVERNANCE

In terms of schedule of implementation of Corporate Governance under clause 49 of Listing Agreement with Stock Exchange(s), The company has complied with the said provisions before 31st March, 2003.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Information's as per 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 given in annexure which forms part of this report.

AGRO CHEM PUNJAB LIMITED**DIRECTORS**

During the period under review Sh. Pardeep Marwaha retires by the rotation at the forth coming Annual General Meeting and being eligible, offer himself for reappointment. Sh. Ashok Siroi has been appointed as additional Director and Sh. Kewal Singh Dhillon has resigned from the office of Director during the period under review.

The Company has also received representation U/s 274(1)g of the Companies Act, 1956 from all the Directors regarding compliance thereof.

LISTING

The securities of the company are listed at Stock Exchanges at Mumbai, Delhi and Ludhiana. It is proposed to delist the securities from all the three stock exchanges.

AUDITORS REPORT

The auditors report on the accounts is self explanatory and requires no comments.

AUDITORS

The auditors M/s Mehrotra Sharma and Associates Chartered Accountants, Chandigarh retires at the conclusion of forth coming Annual General Meeting and being eligible, offer themselves for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2003 the application accounting standards had been followed along with proper explanation relating to material departures.
2. The Directors had selected such accounting policies and applied them consistently and made judgement and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the accounts for the financial year ended 31st March, 2003 on a 'going concern' basis.

FOREIGN EXCHANGE EARNINGS AND OUT GO

Your company has neither earned any foreign exchange nor incurred any expenditure of foreign exchange during the year under review.

ACKNOWLEDGEMENTS

The Board of Directors wish to record its gratitude to the Banks and Financial Institutions for their co-operation and to the Share Holders for trust reposed by them.

BY ORDER OF THE BOARD
For **AGRO CHEM PUNJAB LTD.**

Place : Chandigarh
Date : 01.09.2003

(SAJJAN SINGH DHILLON)
CHAIRMAN

AGRO CHEM PUNJAB LIMITED

ANNEXURE TO DIRECTORS REPORT

Information as per Section 217(1)(e) read with Companies (Disclosures of Particulars in the Reports of Board of Directors) Rules 1988 and forming part of the Directors Report for the year ended 31st March, 2003.

A. Power and Fuel Consumption			
1.	Electricity	2002-2003	2001-2002
	a) Purchased Units (In Lacs)	_____	_____
	Total Amount (Rs. In Lacs)	_____	_____
	Rate/Units(Rs.)	_____	_____
	b) Own Generation	_____	_____
2.	Coal: (Steam used for Generation of steam boiler)	_____	_____
	Qty.(Tonnes)	_____	_____
	Total Amount (Rs. In Lacs)	_____	_____
	Averages/Tonne (Rs.)	_____	_____
3.	FURNACE OIL		
	Consumed Qty. (Kilo Ltrs.)	_____	_____
	Consumed Cost (Rs. In Lacs)	_____	_____
	Averages/Kilo Ltrs (Rs.)	_____	_____
4.	Others/Internal Generation Steam Purchased		
	Qty. (Tonnes)	_____	_____
	Total Cost (Rs. In Lacs)	_____	_____
	Averages/kilo Ltrs (Rs.)	_____	_____
5.	Consumption per unit of Production	_____	_____
	A. Product (Single Super Phosphate)		
	Electricity	_____	_____
	Coal	_____	_____
	Furnace Oil	_____	_____
	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	_____	_____
B)	BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D:	_____	_____
C)	EXPENDITURE ON R&D		
	i) Capital	_____	_____
	ii) Recurring	_____	_____
	iii) Total	_____	_____
	iv) Total R&D Expenditure as a percentage of total turnover	_____	_____
2.	TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	_____	_____

AGRO CHEM PUNJAB LIMITED

A)	EFFORTS IN BRIEF MADE TOWARDS TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATIONS	Nil	Nil
B)	BENEFITS DERIVED AS A RESULT OF THE ABOVE EFFORTS E.G. PRODUCT IMPROVEMENT COST REDUCTION, PRODUCT DEVELOPMENT, IMPORT SUBSTITUTION ETC.	Nil	Nil
C)	IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST FIVE YEARS RECKNOED FROM THE BEGINNING OF THE FINANCIAL YEAR) FOLLOWING INFORMATION MAY BE FURNISHED:	Nil	Nil
	i) Technology Imported		
	ii) Year of Imported		
	iii) Had technology been fully absorbed	Nil	N.A.
	iv) If not fully absorbed, areas where this has not taken place reason there of and future plan of action	Nil	N.A.
III.	FOREIGN EXCHANGE EARNINGS AND OUT GO		
A)	ACTIVITIES RELATING TO EXPORTS, INITIATIVE TAKEN TO INCREASE EXPORTS. DEVELOPMENT OF NEW EXPORT MARKETS FOR PRODUCTS AND SERVICE AND EXPORT PLANS	Nil	Nil
B)	TOTAL FOREIGN EXCHANGE USED	Nil	Nil
C)	TOTAL FOREIGN EXCHANGE EARNED	Nil	Nil

Place : Chandigarh
Dated : 01.09.2003

By order of the Board
for AGRO CHEM PUNJAB LIMITED

SAJJAN SINGH DHILLON
CHAIRMAN