

20th
ANNUAL REPORT
(2004 - 05)



AGRO CHEM PUNJAB LIMITED

AGRO CHEM PUNJAB LIMITED

BOARD OF DIRECTORS

Sh. Sajjan Singh Dhillon
Sh. Pardeep Marwaha
Sh. A S Sidhu

Chairman
Director
Director

AUDITORS

Mehrotra Sharma and Associates
Chartered Accountants
127B, Sector-21B
Chandigarh.

BANKERS

Andhra Bank

REGISTERED OFFICE

Dhillon Complex, Manimajra
Chandigarh (U.T.)-160101
Phone No. (0172)-2742628

WORKS

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

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AGRO CHEM PUNJAB LIMITED

NOTICE TO ANNUAL GENERAL MEETING

Notice is hereby given that 20th Annual General Meeting of the Company will be held on Saturday, 31st December, 2005 at 9.00 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 2005 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 special resolution:

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, 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 delist Equity Shares of the company from the Stock Exchange at Ludhiana and Delhi at one time or from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to apply to such Stock Exchange/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 Exchange of Ludhiana stock Exchange and Delhi Stock Exchange and to decide/settle all the matter 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 Directors 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 : 01.12.2005

(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 twenty four hours before the meeting. The proxy form is enclosed.
2. The Register or Members and the share Transfer Books of the Company shall remain closed from 29th day of December, 2005 to 31st December, 2005 (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

As the company is in the process of seeking voluntary delisting of its securities from all or some of the stock exchanges, the indented resolution is sought to be approved on the same lines as already approved by share holders in the last AGM held on 30.09.2004.

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

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

Place : Chandigarh
Date : 01.12.2005

**(PARDEEP MARWAHA)
DIRECTOR**

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

To
The Members

The Directors of your company have pleasure in presenting, The 20th Annual Report together with Audited Accounts of the Company for the year ending 31st March, 2005.

FINANCIAL RESULTS

The financial results of the company are as under :

(Rs/Lacs)

S.No.	Particulars	As on 31/3/2005	As on 31/3/2004
1.	TURNOVER (Including Misc Income)	18.74	9.58
2.	Gross Profit /Loss (Before Financial Charges AND Depreciation)	9.37	4.51
3.	FINANCIAL CHARGES	0.01	0.09
4.	OPERATING PROFIT/(LOSS)	9.36	4.42
5.	DEPRECIATION & OTHER NON FINANCIAL CHARGES	0.00	4.31
6.	PROFIT/(LOSS)	9.36	0.12
7.	IT APPROPRIATION	0.00	0.00
8.	NET PROFIT/(LOSS)	9.36	0.12

OPERATIONS

The operations of the company are closed.

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 exchanges, the company has complied with the said provisions before 31st March, 2005.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Information 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. 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 at present listed at stock exchange at Delhi and Ludhiana.

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 retire 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, 2005 the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. The Directors had selected such accounting policies, applied them consistently and made judgment 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 been 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, 2005 on a 'Going Concern' basis.

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

ACKNOWLEDGEMENTS

The board of directors wish to record it's gratitude to the banks and concerned Government agencies for their co-operation and to the shareholders for trust reposed by them.

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

(PARDEEP MARWAHA)
DIRECTOR

Place : Chandigarh
Date : 01.12.2005

AGRO CHEM PUNJAB LIMITED**ANNEXURE TO DIRECTORS REPORT**

Information as per section 217(1)(e) read with companies (Disclosures of Particulars in the report of board of directors) Rules 1988 and forming part of the directors report for the year ended 31st March, 2005.

A.	Power and Fuel Consumption	2004-2005	2002-2004
1.	Electricity		
	a) Purchased Units (in Lacs)		
	Total Amount (Rs. In Lacs)		
	Rate/Unit(Rs.)	NIL	NIL
	b) Own Generation		
2.	Coal: (Steam used for Generation of Steam boiler)	NIL	NIL
	Qty. (Tonnes)	NIL	NIL
	Total Amount (Rs. In Lacs)	_____	_____
	Averages/Tones (Rs.)	_____	_____
3.	FURNACE OIL	NIL	NIL
	Consumed Qty. (Kilo KLtrs.)	_____	_____
	Consumed Cost (Rs. In Lacs)	_____	_____
	Averages/Kilo Ltrs (Rs.)	_____	_____
4.	Other/Internal Generation	NIL	NIL
	Steam Purchased	_____	_____
	Qty. (Tonnes)	_____	_____
	Total Cost (Rs. In Lacs)	_____	_____
	Averages/Kilo Ltrs (Rs.)	_____	_____
5.	Consumption per unit of Production	NIL	NIL
	A. Product (Single Super Phosphate)		
	Electricity	_____	_____
	Coal	_____	_____
	Furnace Oil	_____	_____
	Steam	_____	_____
II	TECHNOLOGY ABSORPTION	NIL	NIL
	Efforts made in technology absorption	_____	_____
	As per B of the Annexure to the Rules.		
1.	Research & Development (R & D)	NIL	NIL
A)	SPECIFIED AREAS IN WHICH (R & D) CARRIED OUT BY THE COMPANY	_____	_____
B)	BENEFITS DERIVED AS RESULT OF THE ABOVE R & D :	NIL	NIL
		_____	_____
C)	EXPENDITURE ON R & D	NIL	NIL
	i) Capital	_____	_____
	ii) Recurring	_____	_____
	iii) Total	_____	_____
	iv) Total R & D Expenditure as a percentage of total turnover	_____	_____
2.	TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	NIL	NIL
		_____	_____

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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 YEAR RECKONED 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	Nil
	iv) If not fully absorbed, areas where this has not taken Place reason there of and future plan action	Nil	Nil
III	FOREIGN EXCHANGE EARNING AND OUT GO		
A)	ACTIVITIES RELATING TO EXPORTS, INTIATIVE 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

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

Place : Chandigarh
Date : 01.12.2005

(PARDEEP MARWAHA)
DIRECTOR

AGRO CHEM PUNJAB LIMITED**REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE**

The report corporate Governance forms part of Director's report to the shareholders of the company. This report gives an insight into the organizational structure of the company.

VISION AND PHILOSOPHY ON THE CODE OF GOVERNANCE

It is the endeavour of the company to attain the goal of Corporate Governance.

BOARD OF DIRECTORS

Composition:

The present strength of board directors of the company is 3, comprising of one promoter director and two independent directors having diversified professional experience. All the directors are non-executive directors and there is no whole time directors in the company. Detail of Directors of the company is as below:-

Executive (Promoters)	:	Nil
Non-Executive (Promoters)	:	1
Non-Executive (Independent)	:	2
Nominee Director	:	Nil
Total	:	3

Chairman of the company is non-executive.

The particulars relative to the Directors as on 31.03.2004 are given below:-

S.No.	Name	Designation	Nature of Directorship
1.	Sh. Sajjan Singh Dhillon	Chairman	Promoter
2.	Sh. Pardeep Marwaha	Director	Independent
3.	Sh. A.S. Sidhu	Director	Independent

CONDUCT OF BOARD MEETING:

The meeting of the board are ordinarily required to be held at least once in quarter and four times in a year. During the year, the board met 9 times on the following dates.

S.No.	Date of Meeting	Place of Meeting	Total Number of Directors on the Board	Number of Directors Present	Number of Directors for whom leave of absence granted
1.	30/04/2004	Chandigarh	3	3	Nil
2.	19/05/2004	Chandigarh	3	3	Nil
3.	31/07/2004	Chandigarh	3	3	Nil
4.	28/08/2003	Chandigarh	3	3	Nil
5.	01/09/2004	Chandigarh	3	3	Nil
6.	02/09/2004	Chandigarh	3	3	Nil
7.	30/10/2004	Chandigarh	3	3	Nil
8.	31/12/2004	Chandigarh	3	3	Nil
9.	31/01/2005	Chandigarh	3	3	Nil