SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

BHARAT FERTILISER INDUSTRIES LTD.

MUMBAI



20th. ANNUAL REPORT
(2004 - 2005)

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

BHARAT FERTILISER INDUSTRIES LTD.

BOARD OF DIRECTORS	Shri Yogendra D. Patel *Chairman & Managing Director* Smt. Anjni Y. Patel *Joint Managing Director* Shri Kantilal N. Jethwa Director Shri Ashwin M. Patel Director (Up to 30-09-2004) *Shri Suresh M. Bhadrecha* Director *Shri G. V. Dandile* *Director (From 30-09-2004)*
AUDITORS	M/s. Chandulal M. Shah & Co. 304, Maker Bhavan No. 3, 21, New Marine Lines, Mumbai - 400 020
BANKER	Oriental Bank of Commerce
PLANT	Village : Kharivali, Taluka : Wada, Dist. : Thane
REGISTERED OFFICE	Bharat Fertiliser House, 12, Nanabhai Lane, Fort, Mumbai : 400 023
REGISTRARS FOR SHARE TRANSFERS AND DEMATERIALISATION	M/s. Intime Spectrum Registry Pvt. Ltd. 260, A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (W), Mumbai : 400 080

Annual General Meeting on Thursday, the 29th September,2005 at 3.30 p.m. at Sardar Patel Baug, Shri Vile Parle Patidar Mandal, Parleshwar Road, Vile Parle (East), Mumbai - 400 057.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Company will be held as detailed below :

Day	Thursday
Date	29th September 2005
Venue	Sardar Patel Baug Shri Vile Parle Patidar Mandal Parleshwar Road Vile Parle (East) Mumbai 400 057
Time	3.30 P.M.

The Agenda will be as under

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2005, Profit and Loss Account for the Accounting year from 1st April, 2004 to 31st March, 2005, Directors' Report and the Auditors' Report thereon.

2. To appoint a Director in place of Shri Kantilal N. Jethwa who retires by rotation and being eligible, offers himself for reappointment.

3. To appoint Auditors to hold office from the conclusion of this 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 modifications the following resolution as an ordinary resolution: -

"RESOLVED THAT Shri G. V. Dandile who was appointed as an additional director of the company pursuant to Section 260 of the Companies Act, 1956, and holds office until the conclusion of this Annual General Meeting be and is hereby appointed as a Director of the company liable to retirement by rotation".

5. a. Alternation in the Objects Clause of the Memorandum of Association of the Company.

   b. Sale/Lease in part or in full or otherwise dispose of whole or substantially the whole of the undertaking of the company as going concern together with all assets and liabilities of the undertaking of the company situate at Village:Kharivali, Tal:Wada,Dist: Thane

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

To take note of the result to be submitted by the Scrutinizer for the special Resolution proposed under Item No. 5(a) and Ordinary resolution under item No.5(b) to be passed separately through postal ballot pursuant to the provisions of Sections 192A and all other applicable provisions of the Companies Act,1956 for the above mentioned items Nos. 5(a) and 5(b) above under section 17 and section 293 (1) (a) of the Companies Act, 1956 respectively.

By Order of the Board

YOGENDRA D. PATEL
MANAGING DIRECTOR.

Place : Mumbai
Dated : 13th August, 2005.

Registered Office:
Bharat Fertiliser House
12 Nanabhai Lane, Fort
Mumbai 400 023.

Report Junction.com

NOTES

1) A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2) The register of Member and Share Transfer Books of the Company will remain closed from Monday, the 19th September, 2005 to Thursday, the 29th September, 2005 (both days inclusive),
3) Members are requested to bring copy of the Annual Report along with their registered address, if any.
4) Members are requested to immediately notify the Company. Change in their registered address, if any.
5) In terms of the directive from Stock Exchange, Mumbai, the company has appointed common agent for share registry work and dematerialisation work. The name and address of the Registrars are as under :

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

INTIME SPECTRUM REGISTRY LIMITED
Registrars for share transfers and Dematerialisation
C-13 Pannalal Silk Mills Compound
LBS Marg, Bhandup West
Mumbai 400078.

The shareholders are requested to contact the Registrars for necessary assistance in the matter of share transfers and dematerialisation.

6) Shareholders are requested to send their queries in respect of Financial Accounts of the Company for the year ended 31st March, 2005 at least a week in advance so as to enable the management to keep the information ready at the time of Annual General Meeting.

Explanatory statement as required by Section 173(2) of the Companies Act 1956

The following explanatory statement relating to Items no.4 of the accompanying Notice sets out all Material facts as required under section 173 of the Act :

Item No. 4

Shri G.V.Dandile who was working as General Manager of the company for the last over 35 years has been elevated as the Director of the company from 30th September, 2004 He was appointed as an Additional Director by the Board at its Meeting held on 30th September, 2004 as per Section 260 of the Companies Act 1956 and Articles of Association from the Company. He holds office of Director until the conclusion of 20th Annual General Meeting. Notice pursuant to Section 257 of the Companies Act 1956 has been received by the company from a member signifying his intention to purpose the resolution contained in the Notice.

None of the Directors is interested in the resolution. The resolution is commended for adoption by the members.

By Order of the Board

YOGENDRA D. PATEL
MANAGING DIRECTOR.

Place : Mumbai
Dated : 13th August, 2005.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees , shareholders, creditors, consumers, institutional and other term lenders and places due emphasis on regulatory compliance.

2. BOARD OF DIRECTORS:

The present strength of Board of Directors is FIVE. Mr. Yogendra D. Patel, is CHAIRMAN & MG. DIRECTOR., Mrs. ANJNI Y. PATEL, Jt. Mg. Director. Out of 5 Directors, 3 Directors are non –Executive and Independent. The position of the Board of Directors thus meets with the stipulated requirements.

However, during the financial year ended on 31/3/2005, 6 board meetings were held on 21/05/2004, 30/07/2004, 13/08/2004, 30/09/2003, 29/10/2004 and 28/01/2005.

The Company's last Annual General Meeting was held on 30/09/2004.

The Board's compsosition and categories as on 31/03/2005 and the attendance of each Director at Board Meeting and last Annual General Meeting are as under:-

Name of Director	Category	No. of Directorship In Other Cos.	No of Board Committee For which Chairperson	Nos.of Board Meetings Attended	Whether Attended Last A.G.M.
Shri.Yogendra D. Patel	Chairman & Mg. Director	7	7	6	Yes
Smt. Anjni Y. Patel	Joint Mg. Director	7	Nil	7	Yes
Shri. Ashwin M. Patel	Non-Executive Director	Nil	Nil	3	No
Shri. Kantilal N. Jethwa	Non-Executive Director	1	Nil	6	Yes
Shri. Suresh M. Bhadrecha	Non Executive Director	Nil	Nil	6	No
Shri. G.V. Dandile	Non Executive Director	Nil	Nil	3	Yes

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

3. COMMITTEES OF THE BOARD:-

A. AUDIT COMMITTEE;

BROAD TERMS OF REFERENCE.

The Audit Committee of the Board was constituted in the meeting of the Board of Directors held on 02/01/2003 in conformity with the requirements of Clause 49 of the Listing Agreement, as well as Section 292A of the Companies Act,1956. The terms of reference and the role of Audit Committee are set out in the Listing Agreement and Section 292A of the CompaniesAct,1956.

The Audit Committee consisted of following members : -

1. Shri S.M. Bhadrecha
2. Shri G.V. Dandile
3. Shri Kantilal N. Jethwa

The Audit Committee meetings were held on 21/05/2004, 30/07/2004, 29/10/2004, and 28/01/2005 and all the member Directors of Audit Committee, Shri Suresh M. Bhadrecha, Chairman of the Audit Committee, Shri Ashwin M. Patel (2 meetings), Shri. G.V. Dandile (2 meetings) and Shri Kantilal N. Jethwa were present.

Quorum: Two Independent Directors.

Chairman of the Committee: Shri S.M. Bhadrecha , Director acts as Secretary of the Committee.

The terms of the reference of the Audit Committee are as under:-

1. To review quarterly, half-yearly and annual financial results of the company before submission to the Board.
2. Appointment of Cost Auditor and payment of his remuneration/out of pocket expenses.
3. To hold periodic discussions with the Statutory Auditors concerning the accounts of the company, internal control systems, scope of audit and observations of the auditors.
4. To make recommendations to the Board on any other matters relating to financial management of the company including Audit Report.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

Remuneration Committee.

Since Managerial remuneration had been approved by the shareholders upto September 2006, the remuneration committee has not been constituted and same will be constituted as and when it is required.

The sitting fees for attending each Board Meeting /Committee Meeting is Rs.1000/- per meeting.

B. SHAREHOLDERS/INVESTOR GRIEVANCE COMMITTEE:

FUNCTION

The Board of BHARAT FERTILISER INDUSTRIES LTD has constituted a Shareholders/Investor Grievance Committee consisting of three members, Chaired by an independent Non-Executive Director. The Committee meets at frequent intervals to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates, non receipt of declared dividend and to review of the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of Share Transfer/transmissions approved by the committee are placed at the Board Meetings from time to time.

COMPOSITION

The composition of the Shareholders/Investor's Grievance Committee is as under:-

S.No.	Name	Chairman/Member	No of meeting attended.
1.	Shri K. N. Jethwa	Chairman - Non-Executive	4
2.	Shri A. M. Patel	Member - Non-Executive	2
3.	Shri S. M. Bhadrecha	Member - Non-Executive	4
4.	Shri. G. V. Dandile	Member - Non-Executive	2

NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Shri K. N. Jethwa,

Director,

Bharat Fertiliser Industries Limited,

Bharat Fertiliser House, 12 Nanabhai Lane, Fort,

Mumbai-400 023.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

DETAILS OF SHAREHOLDERS COMPLAINTS RECEIVED, NOT SOLVED AND PENDING TRANSFERS.

The total number of complaints received during the year 1.4.2004 to 31.3.2005 :

Thirty Two

These complaints were attended promptly to the satisfaction of the complainants.

ANNUAL GENERAL MEETINGS HELD;

Location and time, where the last three Annual General Meetings were held as given below:-

Financial year	Date	Location	Time
2001-2002	30/09/2002	Sardar Patel Baug, Shri Vile Parle Patidar Mandal, Parleshwar Road, Vile Parel (E) Mumbai-400 057.	3.30 P.M.
2002-2003	30/09/2003	-do-	3.30 P.M.
2003-2004	30/09/2004	-do-	3.30 P.M.

Postal Ballot:

No Special Resolution was put through postal ballot during the previous year.

COMPLIANCE CERTIFICATE:

The Certificate/Comments regarding compliance of conditions of Clause 49 of the List Agreement from the Auditors of the Company is annexed hereto.

SHAREHOLDERS INFORMATION

Regd.Office: Bharat Fertiliser House, 12 Nanabhai Lane, Fort, Mumbai-400023.

Annual General Meeting: Date & Time: 29th September 2005 at 3.30 P.M.

Venue: Sardar Patel Baug, Vile Parle Patidar Mandal, Parleshwar Road, Vile Parel (E) Mumbai-400 057.

www.reportjunction.com

Financial Calender:

Financial Reporting for the quarter ending June 2004 : On or before July 2004.

Financial Reporting for the half year ending Sept. 2004 : On or before Oct. 2004.

Financial Reporting for the quarter ending Dec.2004 : On or before Jan. 2005.

Financial Reporting for the year ending Mar. 2005 : On or before April 2005.

Date of Book Closure: Monday, 19.09.2005 to Thursday, 29.09.2005 (both days inclusive)

Listing on Stock Exchange: Mumbai Stock Exchange
Code No. 318622

Registrar for Share Registry work and De-materialisation work:

M/s. Intime Spectrum Registry Limited,
C-13 Pannlal Sillk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai-400 0078.

Share Transfer System

Share transfer requests received in physical form are registered within 15 days from the date of receipt and Demat requests are normally confirmed within an average of 7 days from the date of receipt.

Share Transfer Record:

Year	2004-2005	2003-2004	2002-2003
Share Transferred	12200	28400	229003
No. of Transfers	75	130	150

www.reportjunction.com