

29th Annual Report 2002-03



नेशनल फर्टिलाइजर्स लिमिटेड

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NATIONAL FERTILIZERS LIMITED

NATIONAL FERTILIZERS LIMITED

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BOARD OF DIRECTORS

P.S. Grewal
Chairman & Managing Director

S.C. Chhatwal
Director (Finance)

G.S. Mangat
Director (Marketing)

R. Jayamani
Director (Technical)

Ms. Suman Swarup
Jt. Secy. & Fin. Advisor
Deptt. of Fertilizers

Balvinder Kumar
Jt. Secretary (A&M)
Deptt. of Fertilizers

S. Gopalan
Director

A.S. Sidhu
Director

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MANAGEMENT TEAM

REGISTERED OFFICE :

Scope Complex, Core-III
7, Institutional Area, Lodhi Road,
New Delhi-110003

CORPORATE OFFICE :

A-11, Sector-24
District Gautam Budh Nagar
NOIDA (U.P.) 201301

BOARD LEVEL

P.S. Grewal	<i>Chairman & Managing Director</i>
S.C. Chhatwal	<i>Director (Finance)</i>
G.S. Mangat	<i>Director (Marketing)</i>
R. Jayamani	<i>Director (Technical)</i>

CORPORATE HEADS

Vigilance	Ajay Mankotia	<i>Chief Vigilance Officer</i>
Personnel, Industrial Relations, Administration & Public Relations	N.K. Gupta	<i>Executive Director</i>
Corporate Planning	Y.K. Mattoo	<i>Chief General Manager</i>
Technical	V.K. Goel	<i>Chief General Manager</i>
Ind. Products/Agr. Services	M.L. NMarendran	<i>Chief General Manager</i>
Management Services	T.P. Malik	<i>General Manager</i>
Personnel & Administration	V.K. Sharma	<i>General Manager (HR)</i>
Finance & Accounts	S.C. Dhawan	<i>General Manager</i>
Marketing	K.B. Sachdeva	<i>General Manager</i>
Materials Management	H.S. Mann	<i>Dy. General Manager</i>
Company Sectt. and Legal	A.K. Maitra	<i>Company Secretary</i>

UNITS HEADS

Nangal UNIT	R.K. Dixit	<i>Chief General Manager</i>
BATHINDA UNIT	C.M. Nagpaul	<i>Chief General Manager</i>
PANIPAT UNIT	V.K. Bansal	<i>Chief General Manager</i>
VIJAIPUR UNIT - I & II	V.K. Grover	<i>Chief General Manager</i>

BANKERS

State Bank of India
Bank of India
Union Bank of India
Punjab National Bank
State Bank of Hyderabad

AUDITORS

H.S. Rustagi & CO
New Delhi
V.C. GAUTAM & CO
New Delhi



NATIONAL FERTILIZERS LIMITED

(A Govt. of India Undertaking)

Regd. Office : Scope Complex, Core-III,
7 Institutional Area, Lodhi Road, New Delhi-110003

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting of the Members of the National Fertilizers Ltd. will be held on 'Friday', the 26th September, 2003 at 3.30 P.M. at SCOPE Auditorium, SCOPE Complex, Core-VIII, 7, Institutional Area, Lodhi Road, New Delhi-110003, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2003 and the Profit & Loss Accounts for the year ended on that date together with the Reports of the Directors' and the Auditors thereon.
2. To consider declaration of dividend.
3. To appoint a director in place of Shri Balvinder Kumar, Director, who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** : -

"RESOLVED THAT pursuant to the provisions of Section 224(8)(aa) and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors be and are hereby authorised to fix the remuneration of Auditors to be appointed by the Comptroller and Auditor General of India and to reimburse out-of-pocket expenses incurred by them for carrying out the audit, of the financial year 2003-2004."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** : -

"RESOLVED THAT Shri S. Gopalan, who was appointed as a Director of the Company pursuant to Article 76(5) of the Articles of Association of the Company and Section 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 in writing, proposing his candidature for the office of a Director, under the provisions of Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :-

"RESOLVED THAT Shri A.S. Sidhu, who was appointed as a Director of the Company pursuant to Article 76(5) of the Articles of Association of the Company and Section 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 in writing, proposing his candidature for the office of a Director, under the provisions of Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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7. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :-

“RESOLVED THAT Smt. Suman Swarup, who was appointed as a Director of the Company pursuant to Article 76(5) of the Articles of Association of the Company and Section 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 in writing, proposing her candidature for the office of a Director, under the provisions of Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

By Order of the Board of Directors

Place : New Delhi
Date : 01.09.2003

(A.K. Maitra)
Company Secretary

Regd. Office :

SCOPE Complex, Core-3, 7 Institutional Area, Lodhi Road, New Delhi-110 003.

NOTES

1. Section 619 of the Companies Act, 1956 provides for appointment of Auditors of the Company by the Comptroller and Auditor General (CAG) of India. Further, Section 224 (8)(aa) of the said Act provides that the remuneration of the Auditor appointed under Section 619 of the Act ibid by the CAG shall be fixed by the Company in general meeting, or in such manner as the Company in general meeting may determine.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company. Proxy Form should be lodged with the Company at its Registered Office not later than forty eight hours (48 hours) before the scheduled time of the meeting (blank Proxy Form is enclosed).
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 17th September, 2003 to Friday, the 26th September, 2003 (both days inclusive).
4. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Item No. 5 to 7 is given below and forms part hereof.
5. Only Members carrying the Attendance Slips or holders of valid proxies registered with the Company will be permitted to attend the meeting.
6. The Dividend, if declared, at the Annual General Meeting of the Company will be paid to those members whose names appear :-
 - a) as beneficial owners' as at the end of the business on 16.09.2003 as per the beneficial owners' position to be Downloaded by M/s. NSDL and CDSL in respect of shares held in electronic form and
 - b) as Members in the Register of Members of the Company after giving effect to all valid transfers in physical form lodged with the Company on or before 16.09.2003.
 - c) Members are hereby informed that the dividend which remain unclaimed/unencashed over a period of 7 years are to be transferred by the Company to the Investor Education and Protection Fund constituted by the Central Government under Section 205(A) and 205(C) of the Companies Act, 1956.



The following are the details of dates of dividends declared by the Company and respective due dates of transfer of unclaimed dividend to such fund of the Central Government.

Dividend Year	Date of declaration of Dividend	Due date of transfer to the Government
1997-98	30.09.1998	06.11.2005
1998-99	29.09.1999	05.11.2006
1999-00	27.09.2000	03.11.2007
2000-01	28.09.2001	04.11.2008
2001-02	27.09.2002	03.11.2009

Further, no claim of the shareholders will be entertained for the unclaimed dividends which have been transferred to the credit of the Investor Education and Protection Fund of the Central Government under the provisions of Section 205(C) of the Companies Act, 1956.

In view of the above, the shareholders are advised to send all the unencashed dividend warrants pertaining to the above period to the Company for revalidation and encash them before the due date for transfer to the aforesaid fund.

7. Members holding shares in physical form are requested to notify immediately change in their address, if any, with Pin Code to the Company Secretary or Registrar & Share Transfer Agents, M/s MAS Services Pvt. Ltd., AB-4, Safdarjung Enclave, New Delhi-110029, quoting their Folio Number, Banker's Name and Account Number.
8. Members desirous of getting any information about the accounts and operation of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the meeting so that the information required can be made available at the meeting.
9. Members holding shares in the electronic form are advised that address/bank details as furnished to the Company by the respective depositories viz. NSDL and CDSL will be printed on the dividend warrants.
10. Members are requested to bring the copies of Notice, Annual Accounts and attendance slip at the time of the meeting to quote their Folio Nos. in all correspondence.

By Order of the Board of Directors

Place : New Delhi
Dated : 01.09.2003

A.K. Maitra
Company Secretary

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Annexure to the Notice

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

The following explanatory statement sets out the material facts relating to the business mentioned in Item No. 5 to 7 of the accompanying Notice dated 28th August, 2003 :

ITEM NO. 5

Aged about 69 years, Shri Gopalan is a Gold Medalist in Chemical Engineering. He is also an Associate Member of the Indian Institute of Chemical Engineers and Fellow of the Economic Development Institute of the World Bank, Washington DC., USA. Shri Gopalan is a retired Executive Director of IDBI. He had been on the Board of several companies during his service with IDBI and later also. His current directorships include The Madras Stock Exchange Ltd., SM Dyechem Ltd., National Capsules Ltd., Kongarar Integrated Fibres Ltd. and Pioneer Distilleries Ltd. He is also Chairman of Audit Committee of SM Dyechem Ltd., National Capsules Ltd. and Pioneer Distilleries Ltd. Shri Gopalan had been a Director of the Company for the period August 1999 to August, 2002. He has been re-appointed as Part-time Director of the Company w.e.f. 27th March, 2003. He has contributed significantly for the benefit of the Company. Having been appointed as Additional Director by virtue of Section 260 of the Companies Act, 1956 read with Article 76(5) of the Articles of Association of the Company, Shri Gopalan holds office till the ensuing Annual General Meeting. In terms of Section 257 of the Companies Act, the Company has received a notice in writing proposing his candidature for the office of Director of the Company.

None of the Directors of the Company except Shri S. Gopalan is in any way concerned or interested in the resolution.

The Board of Directors commends the resolution for approval of the shareholders.

ITEM NO. 6

Aged about 64 years, Shri A.S. Sidhu is a retired IAS Officer. Shri Sidhu has served as Deputy Commissioner, Patiala, State Transport Commissioner, Punjab, Member Senate Punjabi University, Patiala, Member Punjab Public Service Commission. Presently, Shri Sidhu is also a Member Senate of Punjabi University, Patiala. He has been appointed as part-time Director of the Company w.e.f. 27th March, 2003. Since the date of his joining the Board of NFL, he has contributed significantly for the benefit of the Company. Having been appointed as Additional Director by virtue of Section 260 of the Companies Act, 1956 read with Article 76(5) of the Articles of Association of the Company, Shri Sidhu holds office till the ensuing Annual General Meeting. In terms of Section 257 of the Companies Act, the Company has received a notice in writing proposing his candidature for the office of Director of the Company.

None of the Directors of the Company except Shri A.S. Sidhu is in any way concerned or interested in the resolution.

The Board of Directors commends the resolution for approval of the shareholders.

ITEM NO. 7

Aged about 58 years. Smt. Suman Swarup is a senior IAS Officer and is presently posted as Addl. Secretary & Financial Advisor with the Ministry of Chemicals & Fertilizers, Govt. of India. She is also a Director of Madras Fertilizers Limited, a Public Sector Undertaking. She is also a Director of Madras Fertilizers Limited, a Public Sector Undertaking. She is also a Member of Central Institute of Plastics Engineering & Technology, Chennai. She has been appointed as a part-time Director of the Company w.e.f. 30.04.2003. Since the date of her joining the Board of NFL, she has contributed significantly for the benefit of the Company. Having been appointed as Additional Director by virtue of Section 260 of the Companies Act, 1956 read with Article 76(5) of the Articles



of Association of the Company, Smt. Swarup holds office till the ensuing Annual General Meeting. In terms of Section 257 of the Companies Act, the Company has received a notice in writing proposing her candidature for the office of Director of the Company.

None of the Directors of the Company except Smt. Suman Swarup is in any way concerned or interested in the resolution.

The Board of Directors commends the resolution for approval of the shareholders.

By Order of the Board of Directors

Place : New Delhi
Dated : 01.09.2003

(A.K. Maitra)
Company Secretary

Regd. Office :
Scope Comlex, Core-3, 7 Institutional Area, Lodhi Road, New Delhi-110 003.



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DIRECTORS' REPORT