



THE PHOSPHATE COMPANY LIMITED

**ANNUAL REPORT
2001-2002**

THE PHOSPHATE COMPANY LIMITED

BOARD OF DIRECTORS

Shri G.D.Bangur, *Chairman*
Shri C.D.Bangur, *Managing Director*
Shri Binod Khaitan
Shri N.A.Bhaduri
Shri M.D.Damani, *Director & Secretary*

BANKERS

State Bank of India, Kolkata
ICICI Bank Limited, Kolkata

AUDITORS

Messrs Batliboi, Purohit & Darbari

REGISTERED & CORPORATE OFFICE

14, N.S.Road, Kolkata-700001
Tel : 033-220 0771 (3 lines)
Fax : 91-33-2436236

WORKS

45, Ramkrishna Road,
Rishra, Hooghly (W.Bengal)-712248

THE PHOSPHATE COMPANY LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of the Members of the Company will be held at Somany Conference Hall of Merchants' Chamber of Commerce, 15B Hemant Basu Sarani, Kolkata-700001 on Monday, the 16th September, 2002 at 11.30 A.M. to transact the following business:-

- 1) To receive and adopt the Profit and Loss Account of the Company for the period ended 31st March, 2002 and Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
- 2) To elect a Director in place of Shri Binod Khaitan, who retires by rotation and being eligible offers himself for re-election.
- 3) To appoint Auditors and to fix their remuneration.

Registered Office :
14, Netaji Subhas Road,
Kolkata-700001
Dated: 29th July, 2002

By Order of the Board

M.D.Damani
Director & Secretary

NOTES

1. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**
2. Members who hold shares in Dematerialised form are requested to bring their Client ID and DP ID nos. for easier identification of attendance at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from the 12th day of September 2002 to the 16th day of September 2002 (both days inclusive).
4. A member desirous of obtaining any information concerning the accounts and operation of the Company is requested to send his queries to the Company at least 7 days before the date of the Meeting, so that the information required by the Member is made available at the Meeting.
5. Pursuant to Section 205 A of the Companies Act, 1956, as amended:-
 - a) All unclaimed/unpaid dividends upto the Financial Year 1993-94 have been transferred to the General Revenue Account of Central Government. Members concerned are requested to claim the amount from the Registrar of Companies, West Bengal.
 - b) Unclaimed dividend for the year 1994-95 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government and no payment shall be made in respect of any such claim.
 - c) Members, who have not encashed their dividend warrants for the aforesaid periods, may please write immediately to the Company at its Registered Office.
6. Members attending the Meeting are requested to bring their Copy of the Annual Report with them to the Meeting.
7. As per the provisions of the Companies Act, 1956, as amended, facility for making nomination is available to individual shareholders. The prescribed form can be obtained from the Company.
8. SEBI has made trading in shares of the Company compulsory in dematerialised form for all investors w.e.f. 27/02/2001. Share holders are requested to get their share holding dematerialised.
9. Details of Director seeking appointment/re-appointment.

Shri Binod Khaitan, aged 58 years is a Commerce Graduate & M.B.A. (Geneva) is on the Board of Directors of the Company since December 1990. He is an eminent businessman with wide experience and associated with leading social and charitable organisations. He holds directorships in Electro Steel Casting Ltd., Art Finance & Trade Ltd. and Adelina Investment Pvt. Ltd.

THE PHOSPHATE COMPANY LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

The Directors present their Annual Report together with the Audited Accounts of the Company for the period (nine months) ended 31st March, 2002.

FINANCIAL RESULTS

	Rs. in Lacs.
Sales & Other Incomes	1785.19
Operating Profit before Interest & Depreciation	135.28
Interest	93.49
Gross Profit (Loss)	41.79
Depreciation	52.36
Profit/(Loss)	(10.57)
Less: Extra Ordinary Items	64.47
Add: Excess Tax Provision written back	7.35
Balance of Previous year brought forward	(219.56)
Balance Carried forward	(287.25)

DIVIDEND

Your Directors regret their inability to recommend any dividend owing to adverse results.

OPERATION & PERFORMANCE

As reported earlier suspension of operation was lifted w.e.f. 18.9.2001. The critical equipments exposed to high corrosion over a long shutdown period needed major repairs and maintenance at high cost & normal operation resumed thereafter. Imposition of Special Additional Duty (SAD) on imported Raw materials has increased the input cost of your Company's product. Due to abundant supply and tremendous selling pressure of DAP the price of SSP remained under pressure and further reduction of subsidy from March, '02 in the Budget without upward revision of the selling price by the State Government, has further effected the bottomline. Moreover, the final announcement of subsidy payable on Single Super Phosphate from 1.4.2002 is still awaited. However, the demand of the Company's 'LAXMI' Brand Super Phosphate was reasonably good throughout the Rabi season. Fortunately, substantial release of long outstanding subsidy and timely release of ad-hoc amount of current subsidy by the Central Government has eased the working capital requirements to some extent. Looking at the demand and supply of the SSP, the Company's main product, the management is hopeful that with the expected rational and growth oriented policy of the Central Government and the steps taken for reduction in cost of production, improved results are expected in future.

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

Information regarding conservation of Energy, Technology Absorption and Foreign exchange Earnings and Outgo in terms of Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure and forms part of this Report.

PARTICULARS OF EMPLOYEES

There is no employee in the Company in the receipt of remuneration exceeding the limits specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

SECRETARIAL COMPLIANCE CERTIFICATE

Your Company has a whole-time Secretary, however in view of proviso of sub-section (1) of Section 383A of the Companies Act, 1956 read with amended Rule 2(3) of Companies (Appointment and Qualification of Secretaries) Rules, 1988, a certificate from a secretary in whole time practice is attached to this Report as a matter of abandon caution.

**THE PHOSPHATE COMPANY LIMITED**

Registered Office : 14, N. S. Road, Kolkata-700 001

NAME AND ADDRESS

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ANNUAL GENERAL MEETING

Somany Conference Hall
Merchant's Chamber of Commerce
15B, Hemant Basu Sarani,
Calcutta - 700 001.

ADMISSION SLIP

**PLEASE HAND OVER THIS ADMISSION
SLIP AT THE ENTRANCE OF THE MEETING
HALL**

FOLIO NO. /
DP ID / CL ID NO.

HOLDING

☐

MEMBER

☐

PROXY

NAME OF THE PROXY (IN CAPITAL
LETTERS)

I hereby register my presence at the meeting.

Signature of the Member/Proxy

THE PHOSPHATE COMPANY LIMITED

Registered Office : 14, N. S. Road, Kolkata-700 001

I/We

of

in the district of being a member/members of **The Phosphate Co. Ltd.**

hereby appoint of

in the district of

or failing him of

in the district of

as my/our Proxy to vote for me/us on my/our behalf on the Annual General Meeting of the Company to be held
on Monday, the 16th September 2002 and at any adjournment thereof.

Signed this day of 2002

PROXY FORM MUST REACH COMPANY'S
REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE
THE COMMENCEMENT OF THE MEETING

FOR OFFICE USE ONLY

PROXY NO.

DATE OF RECEIPT

AFFIX ONE
RUPEE
REVENUE
STAMP

Signature

THE PHOSPHATE COMPANY LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance to Section 217(2AA) of the Companies Act, 1956, the Board of Directors hereby state :

1. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are 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.
3. that the Directors have 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. that the Directors have arranged preparation of the Annual Accounts on a going concern basis.

INDUSTRIAL RELATIONS

Relations between Management and Employees at all levels remain cordial. A long term bipartite agreement with Labour Unions has been arrived at by peaceful and sincere negotiations.

DIRECTORS

Shri Binod Khaitan retires by rotation and being eligible, offer himself for re-appointment.

LISTING

Equity shares of your Company are listed at The Calcutta Stock Exchange Association Ltd. and annual listing fee has been paid for the year 2002-03.

AUDITORS

Messrs. Batliboi, Purohit & Darbari, Chartered Accountants, the Auditors of the Company also retire at the ensuing Annual General Meeting and are eligible for re-appointment.

SUBSIDIARY COMPANY

Phosphate Enterprise & Investment Limited has ceased to be a subsidiary of the Company since November, 2001..

ACKNOWLEDGEMENT

The Directors wish to record their appreciation of dedication and commitments of the employees and the teamwork displayed by them. Your directors are also thankful to I.I.B.I., S.B.I., Industrial Finance Branch, Central Government and State Government, Shareholders, Customers, Dealers and Overseas Suppliers & Vendors for the continuous support and assistance.

Kolkata
Dated: 29th July, 2002

On behalf of the Board
G. D. Bangur
Chairman

THE PHOSPHATE COMPANY LIMITED

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming a part of the Directors' Report.

1. CONSERVATION OF ENERGY

Energy measures taken:

- Regular Energy Audit by experienced Engineers.
- Monitoring of maximum demand regularly to control maximum KVA drawn from grid supply.

Disclosure of Particulars with respect to conservation of energy

A. Power and Fuel Consumption		This Year	Previous Year		
1. Electricity:					
(a) Purchased:					
Units	'000KWH	1,804	1,440		
Total	Rs./Lacs	80.85	76.00		
Rate/Unit	Rs./KWH	4.48	5.28		
(b) Own generation:					
(i) Through Diesel Generator					
Units	'000KWH	—	—		
Unit per litre of Diesel oil	'000KWH	—	—		
Cost/Unit	Rs. /KWH	—	—		
(ii) Through Steam Turbine/Generator					
	'000KWH	511	2,051		
2. Coal (Specify & Where Used):					
Quantity	Tonnes	—	—		
Total Cost	Rs./Lacs	—	—		
Average Rate	Rs./Tonne	—	—		
3. Furnace Oil :					
Quantity	KL	90	80		
Total Cost	Rs./Lacs	9.26	8.44		
Average Rate	Rs./KL	10,285	10,550		
4. Others/Internal Generation :		'000KWH	—		
B. Consumption per unit of Production		Electricity (KWH/MT)	Furnace Oil (LTRS/MT)	Electricity (KWH/MT)	Furnace Oil (LTRS/MT)
Superphosphate		24.18	—	25.60	—
Sulphuric Acid		44.53	—	58.72	—
Graunlated Fertiliser		6.76	11.38	7.28	10.24
Sodium Silico Fluoride		69.13	—	68.05	—

II. FOREIGN EXCHANGE EARNINGS & OUTGO

Earnings	Rs./Lacs	19.36	3.99
Outgo	Rs./Lacs	929.82	804.44

On behalf of the Board

G. D. BANGUR

Chairman