

ANNUAL REPORT

2011-2012



THE PHOSPHATE COMPANY LIMITED

THE PHOSPHATE COMPANY LIMITED

BOARD OF DIRECTORS

Shri BINOD KHAITAN
Shri HEMANT BANGUR
Shri D. P. GOCULDAS
Shri P. K. BHANJACHAUDHURY
Shri M.D.DAMANI

- Director & Secretary

BANKERS

State Bank of India
State Bank of Mysore
Syndicate Bank

AUDITORS

Messrs Batliboi, Purohit & Darbari

REGISTERED OFFICE

14, Netaji Subhas Road, Kolkata-700001
Tel.033-2230 0771(3lines)
Fax.91-33-2243 6236
E.Mail-phosphate@vsnl.net

WORKS

45, Ramkrishna Road, Rishra,
Hooghly (W.Bengal)-712248
Tel.033-2672 1448/1497
Fax.91-33-2672 2270
E.Mail-pclsuper@vsnl.net

REGISTRAR & TRANSFER AGENT

Messrs Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, Kolkata-700001
E-mail : mdpl@cal.vsnl.net.in
Tel. : 033-2243 5029/5809

CONTENTS

	PAGE
Notice	2 - 5
Directors' Report	6 - 9
Auditors' Report	10 -11
Balance Sheet	12
Profit & Loss Sheet	13
Cash Flow Statement	14
Notes to Financial Statements	15 -23

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 MCC Chamber of Commerce & Industry, 15B Hemant Basu Sarani, Kolkata-700001 on Monday, the 13th August, 2012 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 year ended 31st March, 2012 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 Murali Dhar Damani, who retires by rotation and being eligible offers himself for re-election.
3. To appoint Auditors and to fix their remuneration.

Special Business

4. To consider and if thought fit to pass with or without modification as a SPECIAL RESOLUTION:-

"Resolved that pursuant to the provisions of Sections 198, 269, 309 and read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory amendment or modification thereto the Company hereby approves the re-appointment of Shri Murali Dhar Damani, as the whole-time Director of the Company designated as Director & Secretary, for a period of 2 years with effect from 27th July, 2012 on the terms and conditions including remuneration as are set out in the draft agreement to be entered into between the Company and Shri Murali Dhar Damani, as laid before the meeting and for the purpose of identification initialed by the Chairman, which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors of the Company to alter, vary and modify the terms and conditions of the said appointment and/or remuneration and/or agreement, in such manner as may be agreed upon by and between the Board of Directors and Shri Murali Dhar Damani as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 including any amendment thereof from time to time being in force".

"Resolved further that notwithstanding anything herein above stated, where in any financial year the Company has no profits or its profits are inadequate, the Company do pay Shri Murali Dhar Damani, remuneration by way of salary, perquisites and allowances not exceeding the ceiling/limit specified under Schedule XIII of the Companies Act, 1956".

"Resolved further that the Board of Directors of the Company be and is hereby authorised to do and perform such acts, deeds, matters, or things and take such steps as may be necessary, expedient, or desirable to give effect to the aforesaid Resolutions".

5. To consider and if thought fit to pass with or without modification as an ORDINARY RESOLUTION:-

"Resolved that Shri Pranab Kumar Bhanjachoudhury, 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 as a SPECIAL RESOLUTION:-

"Resolved that pursuant to section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs.5 Crore (Rupees Five Crore) divided into 5000000 Equity Shares of Rs.10/- each to Rs.10 Crore (Rupees Ten crore only) divided into 10000000 Equity Shares of Rs.10/- each by creation of further 5000000 Equity Shares of Rs.10/- each.

Further resolved that in the existing clause 5 of the Memorandum of Association of the Company, the words "The Authorised Share Capital of the Company is Rs.5 Crore (Rupees Five Crore only) divided into 5000000 Equity Shares of Rs.10/- each" be substituted by the words "The Authorised Share Capital of the Company is Rs.10 Crore (Rupees Ten Crore only) divided into 10000000 Equity Shares of Rs.10/- each."

"Further resolved that pursuant to provisions of Section 31 of the Companies Act, 1956 in Article 4 of the Articles of Association of the Company the words "The Authorised Share Capital of the Company is Rs. 5 Crore (Rupees Five Crore only) divided into 5000000 Equity Shares of Rs.10/- each" be substituted by the words "The Authorised Share Capital of the Company is Rs.10 Crore (Rupees Ten Crore only) divided into 10000000 Equity Shares of Rs.10/- each."

THE PHOSPHATE COMPANY LIMITED

"Resolved further that for the purpose of giving effect to these resolutions, the Board of Directors of the Company be and is hereby authorised to take such step, acts and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard."

7. To consider and if thought fit to pass with or without modification as an ORDINARY RESOLUTION:-

"Resolved that pursuant to section 258 and other applicable provisions of the Companies Act, 1956 the maximum number of directors of the Company be increased from seven to ten."

"Resolved further that in article 83(1) of Articles of Association of the Company the word 'seven' be and is hereby substituted by the word 'ten'."

Registered Office:
14, Netaji Subhas Road,
Kolkata-700001.
Dated: 22nd July, 2012

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 Dematerialized 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 1st August, 2012 to 13th August 2012 (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. Members who have not encashed their dividend warrant for F.Y.2006-07 are requested to write to the Company.
6. Pursuant to Section 205A 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 financial years 1994-95 to 1998-99 have been transferred and thereafter, there remain no unpaid or unclaimed for a period of 7 years to 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.
7. Members attending the meeting are requested to bring their Copy of the Annual Report with them to the meeting.
8. As per the provisions of the Companies Act, 1956, as amended, facility for making nomination is available to individual shareholder. The prescribed form can be obtained from the Company.
9. SEBI has made trading in shares of the Company compulsory in dematerialised form for all investors w.e.f. 27/2/2001 under ISIN:INE398C01016. Shareholders are requested to get their share holding dematerialised.
10. Ministry of Corporate Affairs vide its circular no.17/2011 dated 21/04/2011 & 18/2011 dt.29/04/2011 has taken Green Initiative in the Corporate Governance by allowing the companies to send various notices/documents including audited financial results, directors report, auditors report, general meeting notices to the members through electronic mode to the registered email addresses of the shareholders.

THE PHOSPHATE COMPANY LIMITED

Members are therefore requested to register their email addresses with the Company at its Registered Office and also keep a note to inform any change in your email address.

11. As per SEBI's circular in respect of transaction involving transfer of shares in physical form of a listed company, it is mandatory for the transferee(s) to furnish copy of PAN card for registration of transfer of Shares.
12. Details of Director seeking appointment/re-appointment;
 - i. **Shri M.D.Damani** is a B.Com; D.M. (Cal.) and a Fellow Member of the Institute of Company Secretaries of India. He has worked at Senior Management levels handling various corporate functions. He is associated with the Company since long and presently is the whole-time director designated as Director & Secretary of the Company.
 - ii. **Shri Pranab Kumar Bhanjachoudhury** is a MA Economics & CAIIB. He is an eminent banker and had held senior status with State Bank of India over his working career of more than 35 years with the bank and thereafter he joined Centurion Bank as vice president & Regional Head and there after was an advisor to the Bank.

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

Item no.4

At the General Meeting of the Company held on 3rd September, 2009 the Members had approved the appointment and terms of remuneration of Shri M.D.Damani as Director & Secretary for a period of three years w.e.f. 27.07.2009. With regard to his wide experience and qualifications, the Board of Directors of the Company, in its meeting held on 22nd June, 2012 has re-appointed Shri Damani as Director & Secretary of the Company for a further period of two years effective from 27th July 2012 subject to the approval of the Members. Accordingly, an agreement is proposed to be entered into between the Company and Shri Damani, in respect of his appointment, inter-alia, containing the following remuneration.

Salary : - Rs.45,000/- — Rs.60,000/- p.m. subject to annual increments as decided by the Board from time to time.

Exgratia : - As applicable to other executive staff,

Perquisites :

Category 'A'

- (i) House Rent Allowance: @ 15% of Salary,
- (ii) Medical Expenses : For himself and family members equal to one month's salary in a year and accumulable over a period of three years,
- (iii) Leave Travel Assistance: For himself and family members' equivalent to one month's salary,
- (iv) Club Fees: Fee for a Single Club, which will not include Admission or Life Membership Fee,
- (v) Personal Accident Insurance: Premium not exceeding Rs.6,000/- per annum,
- (vi) Leave: On full remuneration in accordance with the leave rules of the Company and encashment of due leave at the end of tenure.

Category 'B'

Contributions to Provident Fund @ 12% of Salary, to Superannuation Fund @ 15% of Salary and to Gratuity Fund as per actuarial valuation based on 15 days salary for each completed year of service.

Category 'C'

A telephone connection at his residence. Long distance personal calls shall be billed by the Company.

In the event of loss or inadequacy of profits of the Company in any year during the term of Shri Damani's appointment, he shall be entitled by way of minimum remuneration to the salary and perquisites as hereinabove mentioned.

THE PHOSPHATE COMPANY LIMITED

Notwithstanding anything herein contained the Board may at any time during the term of this Agreement at its absolute discretion and without any further reference to the members of the Company in General Meeting may increase Shri Damani's remuneration and/or perquisites and vary other terms subject to the limits laid down in Schedule XIII of the Act and any Statutory amendments or modification thereof.

The above may be treated as an abstract of the terms and conditions governing the appointment and remuneration of Shri Damani as Director & Secretary, pursuant to Section 302 of the Companies Act, 1956.

The Directors commend the resolution for approval of the members.

None of the Directors, except Shri Damani, is in any way regarded as concerned or interested in the aforesaid resolution.

Item no. 5

Shri Pranab Kumar Bhanjachoudhury was appointed as an Additional Director of the Company on 12th November, 2011 and he will hold office upto the date of this Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Shri Bhanjachoudhury as a Director of the Company,

The Board, considers it in the interest of the Company to avail the services of Sri Bhanjachoudhury and accordingly commend the resolution for your approval.

None of the Directors except Shri Bhanjachoudhury is concerned or interested in the aforesaid resolution.

Item no. 6

The Company is in the business of manufacturing of fertiliser and at present the Authorised Capital of the Company is Rs. 5,00,00,000 and the Paid-up Capital is Rs. 1,73,24,800. The Company has achieved significant growth in its financial parameter and hence additional capital is required to augment with growth. It is proposed to increase the Authorised Capital to Rs. 10,00,00,000. The increase in Authorised Capital to the proposed level of Rs. 10 crores if adopted by the share holders would enable the Board of Directors of your Company, at such appropriate time or times as the Board may decide to issue and allot further share to augment the resources for Company's requirement. Consequent upon alteration of the Capital Clause of Memorandum of Association of the Company in accordance with the provisions of section 16 of the Companies Act, 1956 the existing Articles of Association is also required to be amended as proposed in item of the accompanying notice in accordance with the provisions of Section 31 of the Companies Act, 1956.

Your Directors commend adoption of the proposed resolution.

None of the Directors is concerned or interested in the aforesaid resolution.

A copy of the Memorandum and Articles of Association together with the proposed changes are available for inspection at Company's Registered Office between 11.AM to 1 P.M. on any working day.

Item no.7

At present Article of Association of the Company, the maximum number of Directors shall not be more than seven. Considering the growth of the Company and scope of fertiliser industry, the Company may be required to appoint more directors. In view of the above, it is proposed to alter Article of Association of the Company to provide that the Company shall have maximum number of ten directors as mentioned in the resolution.

Your Directors commend adoption of the proposed resolution.

None of the Directors is concerned or interested in the aforesaid resolution.

A copy of the Memorandum and Articles of Association together with the proposed changes are available for inspection at Company's Registered Office between 11.AM to 1 P.M. on any working day.

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 year ended on 31st March, 2012

	₹ in lacs	
	This year	Previous year
FINANCIAL RESULTS		
Turnover & Other Incomes	7,502	4,767
Operating Profit (EBITDA)	587	170
Finance Cost	368	130
Depreciation	46	32
Net Profit (PBT)	173	8
Tax Provisions	13	7
Profit after tax	160	1

OPERATION

Nutrient Based Subsidy (NBS) Policy has given boost to SSP industry in general and to your Company in particular. On All India Basis Production of SSP fertiliser rose by over 16% to 43 lakhs tons yearly.

Your Company has achieved higher Turnover and Profits during last financial year. Production of Single Super Phosphate fertiliser is up by 86% at 67514 tons compared to 36305 tons in preceding year. Similarly, sale of fertiliser is 71696 tons up from 34291 tons. Operating Profit or EBITDA has arisen to Rs. 587 lacs, compared to Rs. 170 lacs in previous year.

The Company continues to keep on hold the Production of Sulphuric Acid, as the overall business dynamics do not warrant resumption of production.

In order to conserve resources, payment of dividend is not been considered.

Govt. of India has indicated that the subsidy should be given directly to farmers in place of fertiliser manufacturers. In this direction a lot of work has been done by Govt., manufacturers, wholesalers and retailers, but still a lot more is needed from wholesalers and retailers to make this happen. This scheme will absolve Fertiliser Industry from blockage of Capital and the allegation of overcharging in the guise of inefficiency of Fertiliser Industry.

OUTLOOK

Honourable Finance Minister, has observed in his Budget Speech on the floor of LOKSABHA "In case of the potassic – phosphate (P&K) fertiliser, use of Single Super Phosphate (SSP) will be encouraged through greater extension work. This fertiliser is manufactured entirely in the domestic sector. Enhanced production would bring down our dependence on imports in the P&K sector"

Price of all phosphatic and potassic (P&K) fertilisers are rising abnormally due to a) Rise in price of inputs like Rock phosphate and Sulphur / Sulphuric Acid; b) Steep depreciation in the value of Indian Rupee making imported raw material costlier; c) Increase in movement cost of Raw materials and Finished goods. Incidentally, price of Nitrogenous ('N' or 'Urea') fertiliser is controlled by Govt. and their prices are almost static by allowing higher subsidy for increase in cost. This may skew demand in favour of Urea or Nitrogenous (N) fertiliser at the cost of soil health and agricultural productivity.

Healthy increase in Minimum Support Price (MSP) for all agricultural Commodities bodes well for Farming community and in turn to Agriculture input industry. However, poor availability of irrigation water, shortage of farm labour, high fertiliser prices and fewer mechanization of farming practices due to fragmented land holdings are some of the challenges to be faced.

In view of Govt. of India's intent for phasing out subsidy /sale of powder Super phosphate by May 2013, we are happy to inform that modernization of our Granulation Plant is going in full force. Till date Company has incurred Rs. 288 lacs entirely from internal resources and estimated another Rs. 200 lacs would be further incurred to modernize main plant, alternate fuel line with matching infrastructure. Teething problems in the main plant and synchronization with powder plant is time consuming, but progressing well.

THE PHOSPHATE COMPANY LIMITED

As reported last year to augment the Company's increased working capital as well as long term fund requirement, your Directors are looking into various possibilities and would in due course put before you for your approval.

RISK & CONCERN

Your Company's product is agro input, the demand of which is dependent on good monsoons and fair climatic conditions besides Government policy.

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

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 are given in an annexure and forms a part of this Report.

FIXED DEPOSITS

Your Company has not accepted any deposit from the public under Section 58A of the Companies Act, 1956 and the Deposit Rules during the year under review.

INDUSTRIAL RELATIONS

The relation with the employees remained cordial.

PARTICULARS OF EMPLOYEES

As per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are given as per Annexure and forms a part of this Report.

DIRECTORS

Shri M.D.Damani retires by rotation and being eligible, offers himself for re-appointment.

Shri Dilip Pratapsingh Goculdas has been appointed to fill in casual vacancy caused by resignation of Shri G.D.Bangur.

Shri Pranab Kumar Bhanjachoudhury has been appointed as an additional Director w.e.f 12th November, 2011 and he holds office upto the date of ensuing Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received from a member proposing his candidature for the office of Director.

Particulars of the director seeking appointment / re-appointment are appended in the notes forming part of the notice for the ensuing General Meeting

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 judgments 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.

CORPORATE GOVERNANCE

Your Company does not fall under the provisions of the revised clause 49 of Listing Agreement. However, Corporate Governance practices are being followed by the Company.

COMPULSORY DEMAT

Trading in your company's shares has been made compulsory in dematerialized form as notified by SEBI. Your Company's International Security Identification Number (ISIN) is INE398C01016. Annual Custody Fees for 2012-13 have been paid to NSDL and CDSL.

THE PHOSPHATE COMPANY LIMITED

LISTING OF EQUITY SHARES

Equity Shares of your Company are listed with The Calcutta Stock Exchange Ltd. under scrip code no.10026031 and annual listing fee has been paid for the year 2012-13. Application made for listing with Bombay Stock Exchange through The Calcutta Stock Exchange is pending.

COST AUDIT

During the year under review only fertiliser has been manufactured and the Central Government has approved the appointment of M/s S.Gupta & Co., Cost Accountants for conducting Cost Audit. Since there was no production of Sulphuric Acid an application is being moved to the Ministry of Corporate Affairs, New Delhi, requesting to keep in abeyance Cost Audit Order on your Company's product Sulphuric Acid till the production re-commences.

INSURANCE

All the properties of the Company are adequately insured.

SECRETARIAL AUDIT & RECONCILIATION OF CAPITAL

As stipulated by SEBI, a firm of Chartered Accountants carried out secretarial audit & reconciliation of total admitted capital every quarter and their reports were submitted to the Calcutta Stock Exchange.

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.

ADEQUACY OF INTERNAL CONTROLS

The Company has adequate internal control system commensurate to its size and business. M/s R.D.Daga & Co., Chartered Accountants, has been appointed Internal Auditors to conduct internal audit on the company's activities.

CEOs' CERTIFICATE

A certificate from the Chief Executive of the Company on the Financial Statements of the Company, in terms of clause 49 of the Listing Agreement was placed before the Board and taken on record.

COMPLIANCE OFFICER & MEANS OF COMMUNICATION

Shri M. D. Damani, Director & Secretary, is the Compliance Officer
He is available at the Registered Office of the Company at
14 Netaji Subhas Road, Kolkata-700001.

Tel : 033-22300771-3, Fax : 033-22436236, Mob : 09681096817,

Email:phosphate@vsnl.net

Registrar & Share Transfer Agents - M/s Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, Kolkata-700001, E.mail-mdpl@cal.vsnl.net.in,

Tel. : 91-033-2243 5029/5809

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 State Bank of India, State Bank of Mysore, Syndicate Bank, Central Government, State Government, Shareholders, Customers, Dealers, Vendors & Auditors for the continuous support and assistance.

On behalf of the Board of Directors of
The Phosphate Co. Ltd.

Kolkata

Dated : 22nd July,2012

BINOD KHAITAN

Director

THE PHOSPHATE COMPANY LIMITED

ANNEXURE TO DIRECTORS' REPORT

A. 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.

I. CONSERVATION OF ENERGY

Disclosure of Particulars with respect to conservation of energy

A. Power and Fuel Consumption		This Year		Previous Year
1. Electricity:				
(a) Purchased:				
Units	'000KWH	2012888		1110920
Total	Rs./Lacs	136.71		72.17
Rate/Unit	Rs./KWH	6.79		6.50
(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	---		---
2. Coal (Specify & Where Used):				
Quantity	Tonnes	---		---
Total Cost	Rs./Lacs	---		---
Average Rate	Rs./Tonne	---		---
3. Furnace Oil :				
Quantity	KL	---		---
Total Cost	Rs./Lacs	---		---
Average Rate	Rs./KL	---		---
4. Others/Internal Generation :				
Electricity	'000KWH	---		---
Furnace Oil	(LTRS/MT)	---		---
Electricity	(KWH/MT)	---		---
Furnace Oil	(LTRS/MT)	---		---
Superphosphate	26.74	---		27.08
Sulphuric Acid	---	---		---
Granulated Fertiliser	---	---		---
Sodium Silico Fluoride	35.86	---		---

II. FOREIGN EXCHANGE EARNINGS & OUTGO

Earnings	Rs./Lacs	Nil	Nil
Outgo	Rs./Lacs	3226.54	1019.41

B. Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975

Name	Age	Designation/ Nature of Duty	Remuneration	Qualification & Experience	Date of Commencement of Employment	Previous Employment held with	% of Equity held
Shri Suresh Bangur	58	Chief Executive (Production & Development)	Rs. 12,32,849/-	B. Com 39 yrs.	15th Oct., 1982	M/s. Raj Luxmi Associates	4.41

NOTES :

1. Remuneration includes Salary, House rent Allowance, Contribution to Provident fund, Superannuation Annuity policy, Leave Travel Assistance, Club Membership fee, Reimbursement of medical expenses and other perquisites evaluated on the basis of Income Tax Act, 1961 & Rules framed thereunder.
2. Gratuity has not been included in remuneration.
3. Nature of Employment : Non Contactual.
4. Terms & Conditions - As per Company's Rules.

Kolkata

Dated : 22nd July, 2012

On behalf of the Board
BINOD KHAITAN
Director

THE PHOSPHATE COMPANY LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF THE PHOSPHATE COMPANY LIMITED

We have audited the attached Balance Sheet of THE PHOSPHATE COMPANY LIMITED as at March 31, 2012 and also the Profit and Loss Account & Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows :

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;
- iii. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. On the basis of the written representations received from the Directors as on March 31, 2012, which have been taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956, in the manner so required, the profit of the year and net assets position as on March 31, 2012, give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a. in the case of the Balance Sheet of the State of Affairs of the Company as at 31st March, 2012,
 - b. in the case of the Profit and Loss Account of the profit for the year ended on that date and,
 - c. in the case of Cash Flow Statement of the cash flows for the year ended on that date.

For BATLIBOI, PUROHIT & DARBARI

Firm Reg. No. 303086E

Chartered Accountants

HEMAL MEHTA

Partner

Membership No. : 063404

Kolkata

Dated : 22 June, 2012

THE PHOSPHATE COMPANY LIMITED

ANNEXURE TO THE AUDITORS' REPORT

Referred to in our report of even date to the members of THE PHOSPHATE COMPANY LIMITED on the accounts for year ended 31st March, 2012.

1. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. The company has not disposed of any substantial part of its fixed assets during the year.
2. The management has conducted physical verification of inventory at reasonable intervals. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory and no material discrepancy were noticed on physical verification.
3. a. The Company has taken inter-corporate loan unsecured from a party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 390.15 lacs and the year-end balance of inter corporate loan from such party was Rs. 350.00 lacs. The Company has not granted any loan to any body covered in the register maintained under Section 301 of the Companies Act, 1956.
b. In our opinion, the rate of interest and other terms and conditions on which inter corporate loans has been taken from a Company, is not prima facie, prejudicial to the interest of the Company.
c. The Company is regular in repaying the principal amount as stipulated and has been regular in the payment of interest.
4. In our opinion and according to the information and explanations given to us there are adequate internal Control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
5. Based on our audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 have been so entered. In our opinion and according to the information and explanations given to us, there are no transactions with such parties exceeding a value of Rupees five lacs in respect of each party during the year.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. As explained to us the Company is maintaining Cost records pursuant to the order made by the Central Government under Section 209 (1)(d) of the Companies Act, 1956. However, we are not required to carry out and have not carried out any detailed examination of such accounts and records.
9. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, VAT, Custom Duty, Excise Duty and cess applicable to it with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, VAT, custom duty and excise duty were outstanding at the year end for a period of more than six month from the date they become payable.
According to the records of the Company there are no dues outstanding of sales tax on account of any dispute, other than the following :
10. The Company does not have accumulated losses at the end of the financial year and it has not incurred cash losses in the current financial year and immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management we are of the opinion that the Company has not defaulted in repayment of dues to banks.
12. According to the information and explanations given to us and based on the documents and records produced to us the Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
14. The Company does not deal or trade in shares securities and other investments.
15. According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion, the term loans have been applied for the purpose for which they were raised.
17. We have been informed by the management that the funds raised on short-term basis have not been used for long-term investments and vice-versa.
18. The Company has not made any preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company does not have any outstanding debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and information and explanations given by the management we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For BATLIBOI, PUROHIT & DARBARI
Firm Reg. No. 303086E
Chartered Accountants
HEMAL MEHTA
Membership No. : 063404

Kolkata 22 June, 2012

THE PHOSPHATE COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

	Schedule	31st March, 2012 ₹	31st March, 2011 ₹
EQUITY & LIABILITIES			
SHAREHOLDERS FUND			
Share Capital	2	1,73,24,800	1,73,24,800
Reserves & Surplus	3	3,88,27,147	2,33,95,829
Non-current liabilities			
Long-Term Liabilities	4	13,26,06,642	6,65,36,658
Deferred Tax Liabilities (Net)	5	21,94,783	9,06,113
Long Term Provisions	6	20,96,581	18,74,191
Current Liabilities			
Short Term Borrowings	7	22,94,42,169	14,36,73,742
Trade Payables		5,84,24,357	9,07,36,847
Other Current Liabilities	8	64,75,249	21,96,511
	Total	<u>48,73,91,728</u>	<u>34,66,44,691</u>
ASSETS			
Fixed Assets			
Tangible Assets	9	11,28,48,329	11,82,15,134
Capital Work-in-Progress		2,88,41,679	—
Non-Current Investments	10	26,000	26,000
Long Term Loans and Advances	11	67,05,741	63,83,281
Current Assets			
Inventories	12	5,32,71,009	8,76,62,686
Trade Receivables	13	25,57,54,692	11,36,23,342
Cash and Cash Equivalents	14	1,79,11,255	1,43,22,326
Short Term Loans and Advances	15	1,20,33,023	64,11,922
		<u>48,73,91,728</u>	<u>34,66,44,691</u>

Significant Accounting Policies

Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For **BATLIBOI, PUROHIT & DARBARI**

Firm Reg. No. 303086E

Chartered Accountants

HEMAL MEHTA

Partner

Membership No. : 063404

7, Waterloo Street, Kolkata 700 069

Dated : 22 June, 2012

M. D. DAMANI
Director & Secretary

BINOD KHATTAN
HEMANT BANGUR
P. K. BHANJACHOUHURY

Directors

THE PHOSPHATE COMPANY LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

	Note No.	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
INCOME			
Revenue from Operations			
Sales of Products and Subsidy thereon		75,28,96,769	47,59,71,695
Less : Excise Duty		32,78,556	77,611
		74,96,18,213	47,58,94,084
Other Operating Income	16	3,53,792	2,693
Other Income	17	1,99,742	7,43,314
	Total	75,01,71,747	47,66,40,091
EXPENSES			
(Increase)/Decrease of Finished Goods	18	3,40,25,073	(1,84,32,257)
Cost of Materials Consumed	19	53,31,36,740	22,04,85,936
Goods Purchase for Trading		—	19,97,73,152
Employees Benefits Expense	20	1,31,79,038	91,43,424
Manufacturing & Other Expenses	21	11,10,65,156	4,58,41,671
	Total	69,14,06,007	45,68,11,926
Profit before Interest, Depreciation & Tax (EBIDTA)		5,87,65,740	1,98,28,165
Finance Cost	22	3,68,42,618	1,58,01,581
Depreciation		52,03,134	37,84,768
Less : Transfer from Revaluation Reserve		(5,60,768)	(5,60,768)
Profit before extraordinary items		1,72,80,756	8,02,584
Extraordinary items		—	(1,82,57,898)
Add : Transfer from General Reserve		—	1,82,57,898
Profit before Tax		1,72,80,756	8,02,584
Tax Expense :			
Current Tax	23	—	—
Deferred Tax		12,88,670	6,85,466
Profit for the year		1,59,92,086	1,17,118
Earnings per Equity Share of Rs. 10			
Basic and Diluted	24	9.23	0.07

Significant Accounting Policies

Notes referred to above form an integral part of the Profit & Loss Account.

This is the Balance Sheet referred to in our Report of even date.

For **BATLIBOI, PUROHIT & DARBARI**

Firm Reg. No. 303086E

Chartered Accountants

HEMAL MEHTA

Partner

Membership No. : 063404

7, Waterloo Street, Kolkata 700 069

Dated : 22 June, 2012

M. D. DAMANI
Director & Secretary

BINOD KHAITAN
HEMANT BANGUR
P. K. BHANJACHOU DHURY

Directors

THE PHOSPHATE COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)

	31st March, 2012		31st March, 2011	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities				
Net Profit before Tax and Extraordinary Items :		1,72,80,756		8,02,584
Adjustments for :				
Depreciation	46,42,366		32,24,000	
Investments	—		—	
Fixed Assets	(1,99,742)		(74,66,575)	
Interest / Dividend	3,52,77,555	3,97,20,179	1,29,62,005	87,19,430
Operating Profit before Working Capital Changes		5,70,00,935		95,22,014
Adjustments for :				
Trade and other Receivables	(14,79,20,900)		(5,02,69,760)	
Inventories	3,43,91,677		(3,03,87,960)	
Trade Payable	(2,80,33,752)	(14,15,62,975)	10,89,56,824	2,82,99,104
Cash generated from Operations		(8,45,62,040)		3,78,21,118
Interest paid	(3,61,48,085)		(1,36,78,448)	
Direct Tax paid	(1,54,011)		55,553	
Deferred Revenue	—	(3,63,02,096)	—	(1,36,22,895)
Cash Flow before extra ordinary items		(12,08,64,136)		2,41,98,223
Payment under Voluntary Retirement Scheme		—		—
Net cash flow from operating activities		(12,08,64,136)		2,41,98,223
B. Cash Flow from investing activities				
Purchase of Fixed Assets	(3,47,02,351)		(3,85,78,381)	
Sales of fixed assets	62,24,085		1,35,81,889	
Purchase of Investments	—		—	
Sale of Investments	—		—	
Interest Received	8,70,530		7,16,443	
Net Cash used in Investing Activities		(2,76,07,736)		(2,42,80,049)
C. Cash Flow from financing activities				
Proceeds from issue of Share Capital	—		—	
Proceeds from long term / short term Borrowing	15,20,60,801		1,04,72,821	
Net Cash used in financing activities		15,20,60,801		1,04,72,821
Net increase in cash and cash equivalents		35,88,929		1,03,90,995
Cash and cash equivalents as at 1-4-11 (Opening balance)		1,43,22,326		39,31,331
Cash and cash equivalents as at 31-3-12 (Closing balance)		1,79,11,255		1,43,22,326

This is the Cash Flow Statement referred to in our Report of even date

For **BATLIBOI, PUROHIT & DARBARI**

Firm Reg. No. 303086E

Chartered Accountants

HEMAL MEHTA

Partner

Membership No. : 063404

7, Waterloo Street, Kolkata 700 069

Dated : 22 June, 2012

M. D. DAMANI

Director & Secretary

BINOD KHAITAN

HEMANT BANGUR

P. K. BHANJACHOU DHURY

Directors

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies :

i. Basis of Accounting :

The Financial Statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles in India, the Provisions of the Companies Act, 1956 and the applicable accounting standards referred to in Section 211 (3C) of the Companies Act, 1956. Accounting policies have been followed consistently.

ii. Fixed Assets & Depreciation :

Depreciation on Fixed Assets have been charged to Accounts on Written Down Value Method except on Plant & Machinery installed during the financial year 1980-81 onwards on Straight Line Method in accordance with the rate specified in Schedule XIV (as amended) of the Companies Act, 1956.

iii. Investments :

Investments are stated at Cost unless there is a permanent diminution in Value.

iv. Inventories valuation :

Raw materials, Stores & Spare Parts and Packing Materials at Cost; Finished Goods at Cost or net realisable value whichever is lower.

v. Sales :

Sales at invoice value (including Excise, VAT Freight on fertiliser) & Subsidy.

vi. Retirement Benefit :

a) The Company contributes to E.P.F.O and approved Gratuity Fund.

b) Leave Encashment benefit accrued on retirement / superannuation of employees is provided on actuarial basis.

vii. Foreign Currency transaction :

Transactions in foreign exchange are accounted at the exchange rates prevailing on the date of the transactions. The expenses / gains on account of exchange difference on payment is recognised in the Profit & Loss Account.

	31st March, 2012	31st March, 2011
	₹	₹
2a. SHARE CAPITAL		
AUTHORISED		
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
ISSUED, SUBSCRIBED & PAID UP :		
17,32,480 Equity Shares of Rs. 10/- each (of the above Equity Shares 9,84,360 of Rs 10/- each allotted as fully Paid-up by way of Bonus Shares by Capitalisation of Share Premium & General Reserve)	1,73,24,800	1,73,24,800
TOTAL	1,73,24,800	1,73,24,800

b. The details of the shareholders holding more than 5% shares

Name of the Shareholder	No.	%	No.	%
Life Insurance Corporation of India	189240	10.92	189240	10.92%
Joonktole Tea & Industries Ltd.	138680	8.00	138680	8.00

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	31st March, 2012	31st March, 2011
	₹	₹
c. Reconciliation of the number of shares outstanding at the end of the year		
Equity shares at the beginning of the year	17,32,480	17,32,480
Add : Shares Issued	Nil	Nil
Less : Shares Buy Back	Nil	Nil
Equity shares at the end of the year	17,32,480	17,32,480
3. RESERVES & SURPLUS		
a. Reserve on Revaluation of Fixed Assets		
As per last Balance Sheet	1,56,56,027	1,62,16,795
Less : Transferred to Profit & Loss A/c.	5,60,768	5,60,768
Sub-total	<u>1,50,95,259</u>	<u>1,56,56,027</u>
b. General Reserve		
As per last Balance Sheet	1,65,35,533	3,47,93,431
Less : Transferred to Profit & Loss A/c.	—	1,82,57,898
Sub-total	<u>1,65,35,533</u>	<u>1,65,35,533</u>
c. Profit & Loss Account		
As per last Balance Sheet	(87,95,731)	(89,12,849)
Add : Profit for the year	1,59,92,086	1,17,118
Sub-Total	<u>71,96,355</u>	<u>(87,95,731)</u>
Total	<u>3,88,27,147</u>	<u>2,33,95,829</u>
4. Long Term Liabilities :		
Secured Loans :		
a. Corporate Term Loan from a Bank	87,50,000	1,37,50,000
b. Vehicle Loans from Banks	6,60,004	10,50,020
a. Secured by equitable mortgage of immovable property and exclusive first charge on fixed assets & pari passu second charge on Current Assets		
b. Secured by first charge by way of hypothecation of cars purchased under the scheme		
Terms of repayment (a) in 12 quarterly installments w.e.f. Jan, 10 (b) in equal monthly instalments over the term of loans - 3 years		
Unsecured Loans		
(Repayable latest by December 2014)		
From Limited Companies	11,45,00,000	4,34,40,000
Dealers Deposits	86,96,638	82,96,638
Total	<u>13,26,06,642</u>	<u>6,65,36,658</u>
5. Deferred Tax Liability (Net)		
Deferred Tax Liability		
Related to time difference of Depreciation on fixed assets	1,81,67,000	1,79,85,847
Deferred Tax Asset		
Lossed / Unabsorbed depreciation under Income Tax	1,59,72,217	1,70,79,734
Total	<u>21,94,783</u>	<u>9,06,113</u>

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	31st March, 2012	31st March, 2011
	₹	₹
6. LONG TERM PROVISIONS		
Provisions for Leave Encashment	<u>20,96,581</u>	<u>18,74,191</u>
Total	<u>20,96,581</u>	<u>18,74,191</u>
7. SHORT TERM BORROWINGS		
Secured		
Cash Credit from Banks	7,19,75,542	6,49,25,472
Buyers Credit in Foreign Currency from Banks (Secured by hypothecation by way of pari-passu first charge of all existing and future stocks of Raw Materials, Finished Goods, Stores, present and future Book Debts and colaterally pari-passu second charge on fixed assets and equitable mortgage on immovable property)	3,91,66,627	7,87,48,270
Unsecured		
From Limited Companies	11,83,00,000	Nil
Total	<u>22,94,42,169</u>	<u>14,36,73,742</u>
8. OTHER CURRENT LIABILITIES		
Interest accrued but not due	1,35,721	1,96,394
Interest accrued and due	62,95,844	19,56,433
Dividend unpaid / unclaimed	43,684	43,684
Total	<u>64,75,249</u>	<u>21,96,511</u>
10. NON-CURRENT INVESTMENTS		
Other than trade - In Government or Trust Securities :		
6 year National Savings Certificate (VIII Issue) deposited as Security with Collector of Customs	6,000	6,000
6 year National Savings Certificate (VIII Issue) deposited as Security with Sales Tax Department, Udaipur	20,000	20,000
Total	<u>26,000</u>	<u>26,000</u>
11. LONG TERM LOANS & ADVANCES		
(Unsecured considered good)		
Security Deposits	48,60,357	46,91,908
Advance for Taxation (net of provisions) Rs. 10,12,705, previous year Rs. 10,12,705)	18,45,384	16,91,373
Total	<u>67,05,741</u>	<u>63,83,281</u>
12. INVENTORIES		
(As valued and certified by the Management)		
Raw materials	3,43,65,801	3,52,84,151
Packing Materials	6,14,077	14,30,425
Stores & Spare Parts	1,14,84,120	99,77,862
Finished Goods	68,07,011	4,09,70,248
Total	<u>5,32,71,009</u>	<u>8,76,62,686</u>

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	31st March, 2012	31st March, 2011
	₹	₹
15. LOANS AND ADVANCES		
(Unsecured Considered Good)		
Advance recoverable in Cash or in kind or for value to be received	1,17,78,633	61,69,512
Advance with Central Excise	2,54,390	2,42,410
Total	<u>1,20,33,023</u>	<u>64,11,922</u>
16. OTHER OPERATING INCOME		
Scrap Sales	3,53,792	2,693
Total	<u>3,53,792</u>	<u>2,693</u>
17. OTHER INCOME		
Profit on sale of fixed assets	1,99,742	34,700
Liability no longer required	Nil	1,81,521
Rent	Nil	5,27,093
Total	<u>1,99,742</u>	<u>7,43,314</u>
18. INCREASE/(DECREASE) IN FINISHED GOODS		
Closing stock	68,07,011	4,09,70,248
Less : Opening Stock	(4,09,70,248)	(2,24,12,513)
Balance	(3,41,63,237)	1,85,57,735
Add : Increase / (Decrease) in Excise Duty	1,38,164	(1,25,478)
Total	<u>(3,40,25,073)</u>	<u>1,84,32,257</u>
19. COST OF MATERIALS CONSUMED		
Raw Materials		
Rock Phosphate	37,43,95,429	14,91,30,090
Sulphuric Acid	11,89,38,637	6,00,09,144
Spend Acid	2,21,74,416	45,56,681
Others	16,86,168	2,74,430
Packing Materials	1,59,42,090	65,15,591
Total	<u>53,31,36,740</u>	<u>22,04,85,936</u>
20. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages, Bonus, Gratuity etc.	1,09,35,161	72,69,458
Staff Welfare	12,54,481	11,41,211
Contribution to :		
Provident & Other Funds	9,04,809	6,58,677
Employees State Insurance	84,587	74,078
Total	<u>1,31,79,038</u>	<u>91,43,424</u>

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	31st March, 2012	31st March, 2011
	₹	₹
23. CURRENT TAX		
In view of brought forward losses and unabsorbed depreciation, there is no current tax payable		
24. EARNING PER SHARE (EPS)		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	1,59,92,086	1,17,118
Weighted Average number of Equity Shares used as denominating for calculating EPS	17,32,480	17,32,480
Basic and Diluted earning per share	9.23	0.07
Face Value per Equity Share	10.00	10.00
25. COMMITMENT		
Commitment of Capital Expenditure not provided for in the accounts estimated at Rs. 67,00,000/- (Previous year Rs. 22,00,000/-)		
26. CONTINGENT LIABILITIES		
Contingent Liabilities not provided for in respect of :		
i. Guarantee Rs. 1,99,660/- (Previous year Rs. 1,99,660/-)		
ii. Income Tax matter under appeal Rs. 51,22,889/- C.I.T. (A) order allowing full relief received, effect to the Order by A/O is pending (Previous year Rs. 51,22,889/-)		
iii. Performance Commitment Rs. Nil (Previous year Rs. 50,70,000/-)		
27. SATISFACTION OF CAR LOAN		
Petition is pending with Company Law Board, Kolkata Bench		
28. DISCLOSURE AS PER AS15 (REVISED)		
	31st March, 2012	
	Gratuity (Funded)	Leave Encashment (Non Funded)
Valuation of Obligations at the beginning of the year	49,59,781	18,74,191
Expected Return on Plan Asset	2,63,788	—
Interest Cost	3,90,875	1,47,286
Current Service Cost	2,68,940	31,317
Benefits Paid	(1,47,691)	(66,240)
Actuarial Gain / (Loss)	3,25,133	1,10,027
Value of Plan Asset at year end	57,99,000	—
Value of Obligation at the end of the year	57,97,038	20,96,581
Balance recognised in the accounts	57,99,386	20,96,581

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

	31st March, 2012		31st March, 2011	
	₹		₹	
29. EXPENDITURE IN FOREIGN CURRENCY				
Purchase of Raw Materials (C & F value)		32,26,54,393		10,19,40,807
30. VALUE OF RAW MATERIALS, STORES & SPARE PARTS CONSUMED				
a. Raw Materials	%		%	
Imported	72.39	37,43,95,429	69.70	14,91,30,089
Indigenous	27.61	14,27,99,221	30.30	6,48,40,256
b. Stores & Spare Parts				
Imported	—	—	—	—
Indigenous	100.00	79,91,156	100.00	24,37,591

31A. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS-18)

a. Shri M. D. Damani	Director & Secretary		
b. Remuneration			
Salaries		5,31,900	4,82,900
Contribution to Provident Fund & Superannuation Policy		1,41,320	1,28,140
Other Perquisites		1,67,525	1,53,175

B. TRANSACTION WITH ASSOCIATES / RELATED PARTIES

	Loan Received in lacs	Loan Repaid in lacs	Interest Paid in lacs
a. Art Finance & Trade Pvt. Ltd. (Previous year)	31.00 90.65	69.15 30.50	4.27 6.04
b. Kettiewell Bullen & Co. Ltd. (Previous year)	330.00 50.00	100.00 50.00	9.32 0.86
c. Madhav Trading Corporation Ltd. (Previous year)	100.00 Nil	Nil Nil	0.37 Nil
d. Gloster Ltd. (Previous year)	Nil 600	Nil 600.00	Nil 25.96

32. In absence of informations relating to micro small and medium enterprises, information relating to current indebtedness as required under Schedule VI, Part I of the Companies Act, 1956 are not ascertainable.

THE PHOSPHATE COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

33. FOREIGN CURRENCY EXPOSURE

The Company, commensurate with its forex risk management policy towards imports, buyers credit and import contracts enters into foreign currency forward contracts and currency options contracts to manage its exposure in foreign exchange rate variations.

Particulars	31st March, 2012	31st March, 2011
	Amount US\$	Amount US\$
I Exposure		
a. Payable for imports made	7,56,000	5,14,500
b. Payable for buyers credit availed	7,81,527	17,64,212
c. Payable for import contract executed	9,87,000	3,38,200
II Hedging		(Euro)
a. FORWARDS purchased	13,85,000	Nil
b. OPTIONS purchased	4,59,000	Nil

34. Previous year's figures have been rearranged and regrouped wherever necessary.

Signatures to the notes on Accounts.

For **BATLIBOI, PUROHIT & DARBARI**

Firm Reg. No. 303086E

Chartered Accountants

HEMAL MEHTA

Partner

Membership No. : 063404

7, Waterloo Street, Kolkata 700 069

Dated : 22 June, 2012

M. D. DAMANI
Director & Secretary

BINOD KHAITAN
HEMANT BANGUR
P. K. BHANJACHOUHURY

Directors



THE PHOSPHATE COMPANY LIMITED

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

NAME AND ADDRESS

[Empty box for Name and Address]

ADMISSION SLIP

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

FOLIO NO. : _____
DPID : _____
CLID NO. : _____

HOLDING

MEMBER

PROXY

NAME OF THE PROXY (IN CAPITAL LETTERS)

ANNUAL GENERAL MEETING ON 13.08.2012 at 11.30 A.M.
Somany Conferenc Hall
MCC Chamber of Commerce
15B, Hemant Basu Sarani,
Kolkata - 700 001.

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

PROXY FORM

FOLIO NO. : _____
DPID : _____
CLID NO. : _____

HOLDING

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 13th August, 2012 and at any adjournment thereof

Signed this day of 2012

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

AFFIX REVENUE STAMP

FOR OFFICE USE ONLY

PROXY NO.	DATE OF RECEIPT

Signature

BOOK-POST

If undelivered please return to :

THE PHOSPHATE COMPANY LIMITED

14, Netaji Subhas Road, 3rd floor

Kolkata - 700 001