

# AMINES & PLASTICIZERS LIMITED

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

ReportJunction.com

**Annual Report**  
**1996-97**

**DIRECTORS**

K.K.SEKSARIA

NIRMAL SUCHANTI

DR.M.K. SINHA

S. S. RUIA

DIPAK HIMATSINGKA  
*Managing Director*

HEMANT KUMAR RUIA  
*Executive Director*

**BANKER**

STATE BANK OF INDIA

**AUDITORS**

D.BASU & COMPANY

LODHA & COMPANY

**REGISTERED OFFICE**

NOONMATI, GUWAHATI - 781 020, ASSAM

**REGISTRAR & SHARE TRANSFER AGENT**

SHAREPRO SERVICES

Satam Estate, 3rd Floor,  
Above Bank of Baroda,  
Cardinal Gracious Road,  
Chakala, Andheri (East),  
Mumbai - 400 099

## ANNUAL REPORT 1996-97

**NOTICE**

NOTICE is hereby given that Twentythird Annual General Meeting of the members of AMINES & PLASTICIZERS LTD will be held on Tuesday, 31st March, 1998 at 2.00 p.m. at the Registered Office of the Company at Noonmati, Guwahati 781 020, Assam to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 30th September 1997, the Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K.K. Seksaria who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

4. To appoint a Director in place of Mr. S.S. Ruia who has been appointed as Additional Director of the Company and pursuant to provisions of Section 260 of the Companies Act, 1956 holds office only up to the date of the forthcoming Annual General Meeting and in respect of whom a notice in writing has been received from a member of the Company proposing the candidature of Mr. S.S. Ruia for the office of Director and to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. S.S. Ruia be and is hereby appointed as Director of the Company liable to retire by rotation"

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

"RESOLVED THAT pursuant to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, approval of the Company be and is hereby accorded to the reappointment of Mr. Hemant Kumar Ruia as Whole time Director of the Company designated as Executive Director for a period of 5 years with effect from 1st April, 1997 on the terms, conditions and remuneration as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, vary, increase or modify the remuneration payable to Mr. Hemant Kumar Ruia in accordance with any statutory amendment, re-enactment and/or changes in the relevant provisions, rules, regulations, guidelines of the Companies Act, 1956 and Schedule XIII, in force from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be necessary to give effect to the above resolution"

6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 370 and other applicable provisions, if any, of the Companies Act, 1956 the Board of Directors of the Company be and is hereby authorised to give any guarantee(s) or provide any securities in connection with the loan(s) made by any other person(s) to or to any other person(s) by any body/bodies corporate provided that the aggregate of the guarantees given or securities provided by the company shall not exceed the sum of Rs. 15 (fifteen) crores at any one time".

Registered Office :  
Noonmati, Guwahati - 781 020  
Assam.  
Dated : 19th February, 1998

By Order of the Board  
FOR AMINES & PLASTICIZERS LIMITED  
P.S. GUPCHUP  
Company Secretary

**AMINES & PLASTICIZERS LIMITED****NOTES**

1. 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.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 27th March, 1998 to Tuesday 31st March, 1998 (both days inclusive).
3. Members are requested to intimate change of address, if any, to the Company's Registrar & Share Transfer Agent, Sharepro Services, Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099.
4. An explanatory statement as required under 173 of the Companies Act, 1956 in respect of Special Business at Item Nos.4 to 6 of the Notice is annexed hereto.

**Explanatory Statement pursuant to Section 173 of the Companies Act, 1956****Item No. 4**

The Board has appointed Mr. S.S. Ruia as Additional Director of the Company in its meeting held on 19th February 1998 pursuant to provisions of Section 260 of the Companies Act 1956. Mr.S.S. Ruia holds office upto the date of forthcoming Annual General Meeting. The Company has received a notice in writing under Section 257 of Companies Act, 1956 from a member of the Company proposing the candidature of Mr.S.S.Ruia for the office of Director.

Mr. S.S.Ruia has considerable experience in the industry and was earlier associated with our company as well as group companies. The Board feels it will be in the interest of the company to appoint Mr. S.S.Ruia as Director and hence recommends the passing of the Ordinary Resolution proposed at item No.4 of the notice.

Except Mr. S.S. Ruia no other Director of the Company is concerned or interested in the resolution.

**Item No.5**

Mr. Hemant Kumar Ruia was appointed as Whole Time Director of the Company designated as Executive Director with effect from 1st April 1992 for a period of 5 years. In its meeting held on 29th March, 1997 the Board reappointed Mr. Hemant Kumar Ruia as Executive Director with effect from 1st April, 1997 for a further period of 5 years. The terms and conditions of his reappointment and remuneration payable to him are as follows:

1. Salary : Rs.25,000/- per month with such annual increment as may be decided by the Board.
2. Commission : One percent of the net profits of the Company computed in the manner laid down in Section 309 of the Companies Act, 1956 subject to a ceiling of the annual salary.

The Commission will be calculated with reference to the net profit of the Company in a financial year and will be such sum as may be decided by the Board of Directors after approval of annual accounts of the relevant financial year in the Annual General Meeting, subject to the said ceiling.

3. Perquisites : Perquisites are classified into three categories A,B,C as follows.

**Category A****i) Housing I :**

The expenditure by the Company on hiring unfurnished accommodation will be subject to the following ceilings:

- a) Mumbai, Calcutta, Delhi and Chennai: 60% of the salary over and above 10% payable by the Executive Director.
- b) Other places : 50% of the salary over and above 10% payable by the Executive Director.

**Housing II :**

In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the Company.

**Housing III :**

In case no accommodation is provided by the Company, he shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

- ii) Gas, Electricity and Water at actuals.
- iii) Reimbursement of House maintenance expenses subject to a maximum of one month's salary per year.
- iv) Furnishing Allowance:  
One month's salary per year.
- v) Bonus @ 20% of the annual salary as may be decided by the Board.

## ANNUAL REPORT 1996-97



- vii) Medical Reimbursement- Expenses incurred for self and family subject to a ceiling of one months salary in a year or three months salary over a period of three years.
  - viii) Leave Travel Concession - For self and family once in a year according to the rules of the Company.
  - ix) Club fees : Fees of clubs, subject to a maximum of two clubs but this will not include admission and life membership fees.
  - ix) Personal Accident Insurance - Premium not to exceed Rs.4,000/- in a year.
- Explanation - Family means the spouse, the dependent children and dependent parents of the Executive Director.

## Category B

The Executive Director shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on perquisites specified above.

- a) Contribution to Provident Fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity payable as per the rules of the Company.
- c) Encashment of leave at the end of the tenure.

## Category C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites.

Earned Leave: On full pay and allowance as per the rules of the Company.

In case of loss or inadequacy of profits in any financial year, the Executive Director will be entitled to remuneration by way of salary and perquisites not exceeding the limits specified above.

The remuneration stated above, payable to the Executive Director shall not exceed the limits as specified in Schedule XIII of the Companies Act, 1956, from time to time.

Mr. Hemant Kumar Ruia will not be entitled to any sitting fees for attending meetings of the Board of Directors or Committees thereof.

He shall not be liable to retire by rotation.

The Company shall reimburse to the Executive Director, entertainment, travelling and all other expenses incurred by him for the business of the Company.

Subject to superintendence and control of the Board of Directors and Managing Director, he shall be responsible for the day-to-day management of the affairs of the Company.

The said re-appointment may be terminated by either party giving to the other party three months notice in writing.

The Board feels that it will be in the interest of the company to reappoint Mr. Hemant Kumar Ruia as Executive Director and hence recommends the passing of the Resolution.

No other Director of the company, except Mr. Hemant Kumar Ruia, may be deemed to be concerned or interested in the said Resolution at Item No. 5 of the notice.

The above may be treated as an abstract under Section 302 of the Companies Act, 1956 relating to the reappointment of Mr. Hemant Kumar Ruia as Executive Director.

## ITEM NO. 6

In the course of its business, the company is required to give guarantees or provide securities in connection with loan(s) made by any other person to or to any other person by bodies corporate. Pursuant to provisions of Section 370 of the Companies Act, 1956 giving of guarantee(s) or provision of security/securities requires authorisation by a special resolution by the company. Accordingly special resolution at item No.6 of the notice is proposed for approval of members. No Director of the company is concerned or interested in the Resolution except to the extent counter guarantees that may be issued in future in their favour.

Registered Office :  
Noonmati, Guwahati - 781 020  
Assam.  
Dated : 19th February, 1998

By Order of the Board  
FOR AMINES & PLASTICIZERS LIMITED  
P.S.GUPCHUP  
Company Secretary

Report  junction.com

“नैनं छिन्दन्ति शस्त्राणि नैनं दहति पावकः  
न चैनं क्लेदयन्त्यापो न शोषयति मारुतः”

*Your spirit shall continue to guide  
us forever*



*Bhagwati Prasad Himatsingka*  
*18<sup>th</sup> September 1926 - 9<sup>th</sup> April 1997*

**AMINES & PLASTICIZERS LIMITED****Contents**

	<b>Page Nos.</b>
Directors' Report.....	3
Auditors' Report.....	8
Balance Sheet .....	11
Profit & Loss Account .....	12
Schedules .....	13
Notes on Accounts .....	20
Balance Sheet Abstract .....	26
Cash Flow Statement .....	27



## ANNUAL REPORT 1996-97



## DIRECTORS' REPORT

With deep regret the Directors inform you about the sad and sudden demise of our respected Chairman Shri B. Himatsingka on April 9, 1997 at Calcutta. Shri B. Himatsingka was a promoter of your company and its founder Director. He had guided the affairs of the company since its inception and the company and its Board of Directors will miss the benefit of his vast knowledge, sound guidance and advice.

Your Directors place on record the valuable & untiring contribution late Shri B. Himatsingka has made to the Company. His foresight, vision and sincere dedication will continue to be a source of inspiration to the company for all times to come.

The Directors present to you the Twentythird Annual Report together with the Audited Statement of Accounts of the Company for the period ended 30th September, 1997.

## FINANCIAL RESULTS

For the period  
ended 30.9.97  
(Rs. in lacs)

Sales & Services		4862.42
Profit/(Loss) before Interest and Depreciation		(31.65)
Less : Interest	271.96	
Depreciation	44.52	316.48
Operating Profit/(Loss)		(348.13)
Balance brought forward from last year's account		(259.04)
Balance of Profit/(Loss) carried to Balance Sheet		(607.17)

## DIVIDEND

In view of the loss, the Directors regret their inability to recommend payment of dividend for the period under review.

## OPERATIONS

The Company extended its financial year from March 31, 1997 to September 30, 1997 and the results declared are for the period of 18 months from April 1, 1996 to September 30, 1997.

## CHEMICAL DIVISION

The production of Ethanolamines on the annualised basis was higher by 27% during the period under review as compared to the previous year. However there was no significant improvement in per unit realisations. The prices of raw materials remained firm and the company could not pass on any price increases to the customers as the selling prices remained soft. This was due to the constant threat of large scale imports with world market prices remaining stagnant and over capacities existing.

The production of Plasticizers on the annualised basis was higher by 25 % during the period under review as compared to the previous year.

The speciality chemicals plant was set up to commercialize technologies for speciality products developed at the in-house R&D centre of the company.

Your company has started receiving commercial orders both domestically and for exports for some of the products developed and manufactured in this plant.

## INDUSTRIAL GASES DIVISION

The capacity utilisation of this division continues to be very low and its performance was not satisfactory in spite of all the efforts put in. The company has continued its policy of reduction in operational costs of this division. It has completed formalities under its Voluntary Retirement Benefit Scheme. Efforts are continuing for increasing the utilisation of this division and the infra-structure built for the purpose.

The Company successfully executed a turnkey contract for setting up of Nitrous Oxide plant for a client in India.

## SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985

The Board regrets that on the basis of results for the period ended September 30, 1997 accumulated losses of the company have exceeded its net worth. The main reasons for losses are continuous reduction in import duties coupled with high interest charges and the unremunerative operations of Industrial Gases Division. The Company is taking necessary steps as required by Sick Industrial Companies (Special Provisions) Act, 1985 in this regard.

## FUTURE PROSPECTS

Your Company as a part of its strategy to plan for the future has been concentrating for the past several years in the development of products having both an export potential and growing requirements in the domestic market. These efforts have started bearing results and the Company is in the final stages of finalising large export orders on a contractual basis with certain international customers.

Further, your Company is also in the final stages of negotiations with one of the largest international majors for representing them in India for their proprietary technologies and products and also for

## AMINES & PLASTICIZERS LIMITED

manufacturing these for exports to them and on their behalf. Your Company is confident of concluding the above agreement within the current year.

The above would result in a change of Product Mix manufactured by the Company resulting in better price realisations with higher concentration on exports. With this the Company should improve its performance substantially.

During the current year, your Company has entered into a Turnkey Contract with M/s. Grasim Industries Limited, an Aditya Birla group company for the supply of proprietary technology and engineering, plant and equipment and other services for a novel process developed in-house by your Company. This also entails supply of a proprietary product manufactured in the plant set up last year under the Spread Programme of ICICI.

In addition, your Company has started receiving commercial orders for the new generation products developed and commercialised in our Speciality Chemical Plant, both from the domestic and export markets. Your Company has successfully booked its entire capacity of the Plasticizer plant with effect from January, 1998. This is expected to contribute further to the finances of the Company.

### RESEARCH & DEVELOPMENT

As a part of its growth strategy your company continues its efforts in developing technology for the manufacture of newer products in view of the fast changing scenario in the domestic market as also for exports.

Your Research and Development Centre is also pursuing its goal of increasing the efficiency recovery and productivity in the processes for its current range of products.

### EAP INDUSTRIES LIMITED

On application filed by EAP Industries Limited in Calcutta High Court, the court ordered that the matter be referred back to BIFR. Punjab National Bank and State Bank of India have moved Debts Recovery Tribunal and your company is taking necessary steps for obtaining stay in the matter.

### FIXED DEPOSITS

17 deposits amounting to Rs. 17.83 lacs remained unclaimed at the end of the accounting period. Since then 2 deposits for Rs.1.5 lacs were repaid.

### DIRECTORS

Shri K.K. Seksaria retires by rotation and being eligible offers himself for reappointment.

Shri S.S. Kanoria, Shri P.S.Vaidya & Shri A.P. Sarwan, Directors of your company resigned from the Board during the period under review. The Directors place on record their sincere appreciation of the valuable guidance & support received from them.

In the casual vacancy caused by the resignation of Shri P.S.Vaidya, the Board has appointed Dr. M.K. Sinha, former Chairman, State Bank of India, as Director of the company.

Shri S.S. Ruia has been appointed as Additional Director with effect from February 19, 1998 and holds office upto the date of the Annual General Meeting. A notice has been received from a member of the company proposing Shri S. S. Ruia's candidature for the office of Director.

Shri Hemant Kumar Ruia was reappointed as Executive Director of the company with effect from April 1, 1997 for a period of 5 years. Considering his experience and contribution to the running of the company the Board recommends his reappointment.

### INSURANCE

The Assets of your Company have been adequately insured.

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

Particulars required under 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 are set out in Annexure 'A' to this Report.

### PARTICULARS OF EMPLOYEES

Particulars required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are set out in Annexure 'B' to this Report.

### INDUSTRIAL RELATIONS

During the period under review industrial relations remained cordial. The company has also signed an agreement with the Union for a further period of three years.

### AUDITORS

M/s. D.Basu & Co. and M/s. Lodha & Co. Chartered Accountants, Auditors of the Company, retire at the conclusion of this Annual General Meeting and are eligible for reappointment. The observations made by the Auditors have been dealt with under Notes on Accounts and are self-explanatory.

### APPRECIATION

The Directors would like to express their grateful appreciation for the assistance and co-operation received from State Bank of India and the Financial Institutions. The Company also thanks its suppliers, customers and shareholders for their continued support.

For and on behalf of the Board

Place : Mumbai  
Dated : 19th February, 1998

K.K. SEKSARIA  
Director

DIPAK HIMATSingka  
Managing Director