

ICCONOL

ANNUAL
REPORT

1998-1999

ICCON OIL & SPECIALITIES LTD.

ANNUAL REPORT 1998-1999**BOARD OF DIRECTORS**

Mr. Y.P. Trivedi	Chairman
Mr. H.G. Shah	Director
Mr. R.J. Shah	Director
Mr. K. Doraiswamy	Director
Mr. D.H. Shah	Managing Director
Mr. T.H. Shah	Whole Time Director
Mr. M.G. Srivastava	Director – Works

BANKERS

Central Bank of India
 Union Bank of India
 State Bank of Indore

LEGAL ADVISORS

Pravin Mehta and Mithi & Co.

AUDITORS

Saurabh S. Shah & Co.
Chartered Accountants

REGISTERED OFFICE

E-11, Nand Dham Estate, Marol Maroshi Road,
 Andheri (East), Mumbai - 400 059.

REGISTRAR & TRANSFER AGENTS

R & D Consultants Ltd.,
 610, Dalamal Towers,
 211, Nariman Point,
 Mumbai 400 021.

STOCK EXCHANGE

The Mumbai Stock Exchange
 Phiroze Jeejeebhoy Towers,
 Dalal Street,
 Mumbai 400 001.

- ◆ As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting.
 ◆ Shareholders are requested to kindly bring their copies at the meeting.

ICCON OIL & SPECIALITIES LTD.**NOTICE**

NOTICE is hereby given that the 11th Annual General Meeting of the Members of ICCON OIL & SPECIALITIES LIMITED will be held at All India Plastics Manufacturers Association, A-52, Street No.1, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093 on Friday, 6th August 1999 at 12.00 noon to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1999 and Profit & Loss account on that date and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Y.P.Trivedi, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. R.J.Shah, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT in accordance with the provisions of sections 198, 268, 269, 309 & 310 read with schedule XIII and all other applicable provisions if any of the Companies Act, 1956 and pursuant to the provisions of Article-137 of Articles of Association of the Company and in modification of the resolution passed by the Shareholders at their 10th Annual General Meeting held on 12th September, 1998 Shri Dhimant H. Shah, Managing Director, be paid maximum remuneration of Rs.72,000 per month or Rs.8,64,000 per annum effective from 1st April, 1999 as approved by the Board of Directors at their meeting held on 31st May, 1999 for the balance term of his appointment as Managing Director of the Company and agreement of his appointment as Managing Director be amended accordingly.

RESOLVED FURTHER THAT where in any financial year closing on and after 1st April, 1999 the Company has no profit or has incurred a loss the Company may pay to Shri Dhimant H. Shah remuneration by way of salary, perquisites and other allowances the aforesaid sum of Rs.72,000 per month or Rs.8,64,000 per annum and in addition thereto the perquisites not exceeding the limits specified under section II of part II of schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps as may be necessary, to give effect to this resolution."

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

"RESOLVED THAT in accordance with the provisions of sections 198, 268, 269, 309 and 310 read with schedule XIII and all other applicable provisions if any of the Companies Act, 1956 and pursuant to the provisions of Article-137 of Articles of Association of the Company and in modification of the resolution passed by the Shareholders at their 10th Annual General Meeting held on 12th September, 1998 Shri Tushar H. Shah, Wholetime Director, be paid maximum remuneration of Rs.72,000 per month or Rs.8,64,000 per annum effective from 1st April, 1999 as approved by the Board of Directors at their meeting held on 31st May, 1999 for the balance term of his appointment as Wholetime Director of the Company and agreement of his appointment as Wholetime Director be amended accordingly.

RESOLVED FURTHER THAT where in any financial year closing on and after 1st April, 1999 the Company has no profit or has incurred a loss the Company may pay to Shri Tushar H. Shah remuneration by way of salary, perquisites and other allowances the aforesaid sum of Rs.72,000 per month or Rs.8,64,000 per annum and in addition thereto the perquisites not exceeding the limits specified under section II of part II of schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps as may be necessary, to give effect to this resolution."

ANNUAL REPORT 1998-1999**NOTICE (Contd.)**

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

"RESOLVED THAT pursuant to the provisions of Section 146 and any other applicable provisions if any of the Companies Act, 1956 the consent of the shareholders of the Company be and is hereby accorded to the Company to shift the Registered Office situated at E-11, Nand Dham Estate, Marol Maroshi Road, Andheri (East), Mumbai - 400 059 to Village : Honad, Takai Adoshi Road, Off. Pen-Khopoli Road, Taluka : Khalapur, Khopoli - 410203, Dist: Raigad, State of Maharashtra."

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

"RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956 the Company hereby approves that the Register of members with the Index of members and copies of all returns prepared under Section 159 and 160 of the Companies Act, 1956 and as also the copies of certificates and documents required to be annexed thereto under Sections 160 and 161 of the Companies Act, 1956 be kept at duly appointed share transfer agents of the Company M/s. R & D Consultants Ltd, 610 Dalamal Towers, 211, Nariman Point, Mumbai - 400 021."

Regd. Office:
E-11, Nand Dham Estate,
Marol Maroshi Road, Andheri (E),
Mumbai 400 059.

By Order of the Board

D.H. SHAH
MANAGING DIRECTOR

Date : 31st May, 1999

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 PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies, in order to be effective, must be received at the Company's Registered Office, not less than 48 hours before the commencement of the meeting.
2. Members are requested to notify any change in their Addresses to the Registrars.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 30th July, 1999 to Friday, 6th August, 1999 (both days inclusive).
4. Any member requiring further information on the accounts at the meeting is requested to send his queries in writing to the Company so as to reach on or before 20th July, 1999.
5. A copy of Explanatory Statement under Section 173(2) of the Companies Act 1956 is annexed herewith.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.****ITEM NO. 5 & 6**

At 10th Annual General Meeting of the members of the Company held on 12th September, 1998 the remuneration payable to Mr. Dhimant H. Shah has been increased to Rs. 19000 - 1500 - 23500 and Mr. Tushar H. Shah has been increased to Rs. 19000 - 1500 - 23500 for balance term of their appointments.

It is proposed to obtain your approval for the maximum amount of remuneration permissible as mentioned in the resolution no. 5 & 6 of the notice of the meeting.

The Board recommends your approval.

Except Mr. Dhimant H. Shah and Mr. Tushar H. Shah the proposed appointees and Mr. H. G. Shah being their relatives no other Directors are in any way concerned or interested in the resolution.

ICCON OIL & SPECIALITIES LTD.**ANNEXURE TO THE NOTICE (Contd.)**

This explanation may be considered as an abstract of the terms and conditions of the remuneration payable to the Managing Director/Wholetime Director under section 307 of the Companies Act, 1956 .

Copies of the agreement of appointment of Managing Director and Whole Time Director are available for inspection during office hours from 10 a.m. to 6 p.m. at registered office of the Company.

ITEM NO. 7

The Company proposes to shift the Registered Office of the Company at the premises of the Works of the Company as a measure of economy and administrative convenience.

However, there shall be no inconvenience to the shareholders as the statutory records prescribed under the Companies Act, 1956 and available for inspection to the shareholders of the Company are continued to be maintained at the office of the share transfer agents of the Company. Hence this special resolution for your consideration.

The Board recommends your approval.

None of the Directors are in any way concerned or interested in the resolution.

ITEM NO. 8

The approval of the shareholders of the Company is required if the records prescribed under Section 163 of the Companies Act, 1956 are maintained at the address as mentioned in the Resolution other than registered office of the Company. Hence this special resolution for your consideration.

The Board recommends your approval.

None of the Directors are in any way concerned or interested in the Resolution.

Regd. Office:
E-11, Nand Dham Estate,
Marol Maroshi Road, Andheri (E),
Mumbai 400 059.

By Order of the Board

D.H. SHAH
MANAGING DIRECTOR

Date : 31st May, 1999

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ANNUAL REPORT 1998-1999**DIRECTORS' REPORT**

To,

The Members,

Your Directors have pleasure in presenting their Eleventh Annual Report on the affairs of your company together with the Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

	1998-99 (Rs. in Lacs)	1997 -98 (Rs. in Lacs)
Sales & Other Receipts	1892.70	1475.84
Profit before Interest	138.96	102.18
Depreciation & Taxation		
Less : Interest	84.08	69.71
	54.88	32.47
Less : Depreciation	33.81	27.76
Net Profit before Taxation	21.07	4.71
Less : Provision for Taxation	2.25	.61
Net Profit after Taxation	18.82	4.10

PERFORMANCE

Sales turnover of Rs.1892.70 Lacs was higher by 28% as compared to the previous year. Net profit before taxation was recorded at Rs.21.07 Lacs during the year compared to Rs.4.71 Lacs for the previous year. Higher profit was achieved due to increase in sales, better product mix and cost reduction activity carried out by the Company.

Y 2 K COMPLIANCE

Most of the hardware systems and the application programmes are Y2K compliant. Modification in the programmes have made and no major problems on this account.

DIVIDEND

In order to conserve resources, Your Directors have not recommended any dividend.

DIRECTORS

Mr. Y.P. Trivedi and Mr. R.J. Shah Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY

The Company has placed great importance on energy conservation and the measures taken are effective boiler operations, proper condensate recovery system, proper maintenance of pumps, burners, hot oil systems etc. Energy consumption has come down because of these measures undertaken.

- 1] Saving on account of alternative Fuel planning.
- 2] Installation of Power Factor Improvement Capacitor Panels.
- 3] Proper insulation and maintenance resulting in minimum heat loss.