

FIFTH ANNUAL REPORT

| | | | | |
|-----|----|--|-----|----|
| MD | ✓ | | BKC | NA |
| CS | NA | | ENV | NA |
| RO | ✓ | | INT | NA |
| TRA | NA | | MS | ✓ |
| AGM | ✓ | | SHI | ✓ |
| YE | ✓ | | | |

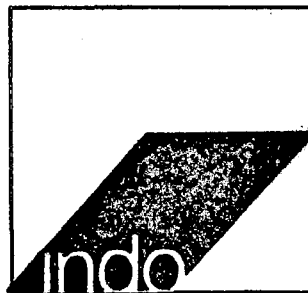
1997-98

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FOR INDO AMINES LIMITED

V. S. Pawar
DIRECTOR



INDO AMINES LTD.

REGISTERED OFFICE

W-38/39, PHASE II, M.I.D.C.

DOMBIVLI (E), DIST. THANE.

PHONE : 911-472234, 450939

FAX : 911-472235

INDO AMINES LTD.

BOARD OF DIRECTORS

VIJAY B. PALKAR B.Sc.(Tech) UDCT
Chairman and Managing Director

KIRIT H. SHAH Dip-in-Commerce
Whole Time Director

BHARATI VIJAY PALKAR
Director

DR. J. H. SHAH B.Com., Ph.D., F.C.A., I.C.W.A.
Director

AUDITORS

KULKARNI AND KHANOLKAR, MUMBAI
Chartered Accountants

BANKERS

STATE BANK OF INDIA, MATUNGA BRANCH, MUMBAI
UNION BANK OF INDIA, SAYAJIGUNJ BRANCH, BARODA

REGISTERED OFFICE

W-38/39, PHASE II, M.I.D.C.,
DOMBIVLI (EAST), DIST. THANE.
PHONE : 911-472234
FAX : 911-472235

INVESTORS RELATION CENTRE

73, RANADE ROAD, LAXMI TERRACE,
DADAR, MUMBAI 400 028.
PHONE : 446 8370

MANUFACTURING FACILITIES AT

1. W-38/39, PHASE II, M.I.D.C.,
DOMBIVLI (EAST), DIST. THANE.
2. SURVEY NO. 1723, TUNDAV
TALUKA SAVLI, BARODA, GUJRAT

LISTING

MUMBAI STOCK EXCHANGE
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET, MUMBAI 400 001.

| | |
|-------------|--------|
| LISTING FEE | MUMBAI |
| 1996-97 | PAID |
| 1997-98 | PAID |

NOTICE

Notice is hereby given that the 5th Annual General Meeting of the Members of the company "INDO AMINES LIMITED" will be held on Thursday the 29th October, 1998, at 11.00 a.m. at 'Akhil Bhāratiya Kirtan Sanstha Hall, D. L. Vaidya Road, Dadar, Mumbai 400028. To transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited accounts for the year ended 31st March, 1998 along with notes and schedule thereon as on date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Bharati Palkar who retires by rotation and being eligible offers her self for re-appointment.
3. To appoint Auditors and to authorise the Board to fix their remuneration.
4. To Consider and if through fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to section 146(2) of the Companies Act, 1956 The Registered Office of the Company be shifted from 5, Dev Chhaya, 120, Keluskar Road, Dadar, Mumbai 400028. to W-38/39, Phase II, M. I. D. C. Dombivli (East), Dist. Thane, w.e.f. 29th October 1998."

"RESOLVED FURTHER THAT the Board is also authorised to take necessary steps for implementing the aforesaid proposal."

5. To Consider and if thought fit, to pass with or without modification, the following resolution as a "SPECIAL RESOLUTION."

"RESOLVED THAT pursuant to section 198, 269, 309, 310, 314 & schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to consent of shareholders & such other approval as may be necessary. MR. VIJAY PALKAR be and is here by re-appointed as a Managing Director of the Company for a period of five years with effect from 1st February, 1999 upon the terms and conditions as set out submitted to the meeting and initialed by the Chairman, for the purpose of identification, which terms & conditions is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as not to exceed the limits specified in schedule XIII to the Companies Act, 1956 or any amendments hereto, as may be agreed to between the Directors and Mr. VIJAY PALKAR.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.

6. To Consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to section 198, 269, 309, 310, 314 & schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject

to consent of shareholders & such other approval as may be necessary. MR. KIRIT SHAH be and is hereby re-appointed as a Whole-Time-Director of the Company for a period of five years with effect from 1st February, 1999 upon the terms and conditions as set out submitted to the meeting and initialed by the Chairman, for the purpose of identification, which terms & conditions is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as not to exceed the limits specified in schedule XIII to the Companies Act, 1956 or any amendments hereto, as may be agreed to between the Directors and MR. KIRIT SHAH.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION.

"RESOLVED THAT subject to approval from shareholders and other approvals as may be required, the equity shares of the Company listed on Ahmedabad & Calcutta Stock Exchanges be delisted with effect from 1st April, 1998"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take all such steps as may be necessary in order to get the shares delisted as above."

By order of the Board of Directors
For INDO AMINES LIMITED

sd/-

Place : Mumbai

VIJAY PALKAR

Date : 1st October, 1998 (Chairman & Managing Director)

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 such proxy need be a member of the company.
2. A Proxy form to be effective must be lodged with the Registered Office of the Company at least 48 hours before the commencement of the meeting, are annexed thereto.
3. The relevant Explanatory Statements pursuant to section 173 of the companies Act, 1956 in respect of the business under item nos. 4, 5, 6 & 7 as set out above are annexed thereto.
4. Members desirous of having any information regarding accounts are requested to address their queries to the managing Director at the registered office of the company at least 10 days before the date of the meeting so that the requisite information is made available at the meeting.
5. Members are requested to bring their own copies of Annual Report to the meeting.
6. Members are requested to notify any change in their address to the registered office of the company.

By order of the Board of Directors
For INDO AMINES LIMITED

sd/-

Place : Mumbai

VIJAY PALKAR

Date : 1st October, 1998 (Chairman & Managing Director)

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

(As required by section 173(2) of the Companies Act, 1956.)

ITEM No. 4 :

The Company's one of the manufacturing facilities are situated at Dombivli, Dist. Thane. The Board is of the opinion that if registered office is shifted nearly manufacturing facilities, it will help to centralise the operations which will results in economising the cost.

Pursuant to section 146(2) of the Companies Act, 1956, shifting of Registered Office outside the city limits requires Special Resolution. Hence this resolution is proposed for.

None of the Directors are interested in the aforesaid resolution.

ITEM NO. 5 & 6 :

Mr. Vijay Palkar & Mr. Kirit Shah were appointed as Managing Director & Whole-Time Director w.e.f. 19th February, 1994 for the period of 5 years. Their respective terms of appointment are expiring on 18th February, 1999.

Both these managerial persons are looking after manufacturing facilities situated at Dombivli & Baroda respectively. Hence the Board recommends their re-appointments for further period of five years.

Your Directors re-appointed them in their Meeting held on 1st October, 1998, w.e.f. 1st February, 1999.

Pursuant to Section 198, 269, 309, 310, 314, & Schedule XIII and other applicable provisions. If any, of the Companies Act, 1956. Re-appointment of Managing Director & Whole-Time Director requires shareholders consent. Hence these resolution are proposed for.

The major terms of Appointments are given in detail of both managerial person as below.

1. MR. VIJAY PALKAR appointed as a Managing Director w.e.f. 1st February, 1999 for the period of 5 years i.e. upto 31st January 2004.

I. SALARY : Remuneration of Mr. Vijay Palkar, Managing Director shall be RS. 7,500/- p.m. upto 31st January 2004. with power to Board to vary with the limits of schedule XIII of the Act.

II. PERQUISITES :

Mr. Vijay Palkar as a Managing Director will be entitled for following perquisites which shall not be part of the ceiling of remuneration.

a. Contribution to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.

b. Gratuity : as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.

c. Children's education allowance : In case of children studying in or outside India, an allowance limited to a maximum of RS. 5000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.

d. Holiday passage for Children studying outside India/family staying abroad : Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.

e. Leave travel concession : Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

This may be treated as an abstract between the Company and MR. VIJAY PALKAR pursuant to section 302 of the Companies Act, 1956.

2. MR. KIRIT SHAH appointed as a Whole-Time Director w.e.f. 1st February, 1999 for the period of 5 years i.e. upto 31st January 2004.

I. SALARY : Remuneration of Mr. Kirit Shah, Whole-Time Director shall be RS. 5,000/- p.m. upto 31st January, 2004 with power to Board to vary with the limits of schedule XIII of the Act.

II PERQUISITES :

Mr. Kirit Shah as a Whole-Time Director will be entitled for following perquisites which shall not be part of the ceiling of remuneration.

a. Contribution to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.

b. Gratuity : as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and

which shall not exceed half a month's salary for each completed year of service.

c. Children's education allowance : In case of children studying in or outside India, an allowance limited to a maximum of RS. 5000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.

d. Holiday passage for Children studying outside India/ family staying abroad : Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.

e. Leave travel concession : Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

This may be treated as an abstract between the Company and MR. KIRIT SHAH pursuant to section 302 of the Companies Act, 1956.

Mr. Vijay Palkar & Mrs. Bharati Palkar are interested in the appointment of Mr. Vijay Palkar as a Managing Director and Mr. Kirit Shah is interested in his appointment as a wholetime Director.

ITEM NO. 7 :

Due to thin volume or absence of Trading for a very long time in shares of the Company quoted on the Ahmedabad and Calcutta Stock Exchanges, it is hereby desired that the Company should get its shares delisted from above Stock Exchanges, subject to approval from shareholders and such other appropriate authorities.

None of the Directors of the Company is concerned or interested in the said resolution.

By order of the Board of Directors
For INDO AMINES LIMITED

Place : Mumbai

sd/-
VIJAY PALKAR

Date : 1st October, 1998 (Chairman & Managing Director)

DIRECTORS REPORT

To
The Members
INDO AMINES LIMITED

Your Directors have great pleasure in presenting the Fifth Annual Report together with the audited statements of accounts for the year ended 31st March, 1998.

1. FINANCIAL RESULTS : (RS. in lacs)

| PARTICULARS | 1997 | 1998 |
|--------------------------|---------|---------|
| Total Income | 321.13 | 229.24 |
| Less Expenditure | 379.37 | 250.76 |
| Profit/(Loss) before Tax | (58.24) | (21.52) |

Provision for Taxation -- --

2. OPERATIONS :

During the year, your Company was severally affected due to labour problems faced at the Dombivli Unit. Your Directors are negotiating with union for working out a amicable settlement.

3. DIVIDEND :

In the absence of Profits your Directors did not recommend any dividend for the current year.

4. DIRECTORS :

During the year Mrs. Bharati Palkar, a Director retiring by rotation and being eligible, offers herself for re-appointment.

5. AUDITORS :

M/S. KULKARNI & KHANOLKAR, Chartered Accountants, Mumbai, Statutory Auditors of your Company holds office until the conclusion of the forthcoming Annual General Meeting. They signified their willingness to accept re-appointment and have further confirmed their eligibility under section 224(1-B) of the Companies Act, 1956.

The significant Accounting Policies & Notes on Account are self explanatory hence no further explanations are required.

6. LISTING OF SHARES :

Company's Shares were listed at Mumbai, Ahmedabad & Calcutta Stock Exchanges. Out of which Mumbai is a regional Stock Exchange. Due to thin trading of shares at other than regional stock exchanges. Board decided to voluntarily delist shares from Ahmedabad & Calcutta Stock Exchanges. Subject to necessary guidelines issued by the appropriate authorities.