

NOTICE:


Notice is hereby given that the 26th Annual General Meeting of the Members of INTER STATE OIL CARRIER LIMITED will be held at Somany Conference Hall, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata – 700001, on Friday, the 24th September, 2010 at 10 A.M. to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the Year ended on that date and Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Bhag Chand Jain who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Rikhab Chand Jain who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

Registered Office :
Poddar Point, South Wing
5th Floor, 113 Park Street
Kolkata –700016
Dated : 16th August, 2010

By Order of the Board
For Inter State oil Carrier Limited


Jitendra Tiwari
(Company Secretary)

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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies in order to be effective must be deposited at the Registered office of the Company at least 48 hours before the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 17th day of September, 2010 to Friday, 24th day of September, 2010 (both days inclusive).
3. Members are requested to inform of any change in their address to the Share Transfer Agent of the Company immediately.
4. Members, who are holding shares in identical order of names in more than one account, are requested to intimate to the Company, the ledger folio of such accounts together with the Share Certificate(s) to enable the Company to consolidate all holdings into one account. The Share Certificates will be returned to the members after making the necessary endorsements in due course.
5. Members desiring for any information on the Accounts at the Annual General Meeting are requested to write to the company at least ten days in advance, so as to enable the company to keep the information ready.
6. Members/Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting and also their copies of the Annual Report.
7. Particulars regarding Directors seeking re-appointment, to be given as per the Listing Agreement, are as under :-

Name of Directors	Age	Qualification	Experience	Date of Appointment	Other Directorship	Other Committee Membership
SHRI BHAG CHAND JAIN	64	F.C.A	More than 32 years in Finance & Taxation	01-12-1994	Howrah Mills Co. Ltd. Gopalpur Tea Co. Ltd. Merfyn Consultans Pvt. Ltd.	1
SHRI RIKHAB CHAND JAIN	64	B.Com	29 years in Transport Industries	21-01-1995	Nil	Nil

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

<u>PARTICULARS</u>	(Rs in Lacs) <u>2009-2010</u>	(Rs in Lacs) <u>2008-2009</u>
Total Income	1500.28	1293.43
Turnover	1385.56	1266.38
Profit Before Interest & Tax	123.31	54.74
Profit before Tax	94.70	38.10
Less: Provision for Taxation:-		
Current year Tax	14.00	12.45
Deferred Tax	1.57	(22.68)
FBT	0.00	0.69
Income Tax Adjusted of earlier year	(0.33)	-----
Profit after Tax	79.46	47.64
Less: Transfer to Statutory Reserve Fund	15.89	9.54
Amount available for Appropriation	63.57	38.10
Surplus B/f from the previous year	469.97	431.87
Balance Carrier Forward	533.54	469.97

KEY INDICATORS

Share Capital	499.23	499.23
Reserve and Surplus	672.05	592.59
Networth	1171.28	1091.82
Fixed Assets	745.85	532.05
Book Value per Share (Rs.)	23.46	21.87
EPS	1.59	0.95

DIVIDEND

Because of meager profit during the year under review, your Directors do not recommend any payment of dividend in respect of the year ended 31 March, 2010.

OPERATING RESULTS

The Total Income for the year ended 31 March, 2010 has been Rs. 1500.28 lacs as against Rs. 1293.43 lacs in the previous year. Profit after taxation is Rs. 79.46 lacs as against Rs. 47.67 lacs in the previous year, showing increasing of 60%.

FUTURE PROSPECTS

If the Indian economy is revived early, the transport sector will definitely perform well. Your company will also be benefited to a large extent. The transport sector is growing at a compounded rate of 20%. Your directors are optimistic that the above growth rate will positively impact your Company also.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public, during the year under review.

CAPITAL EXPENDITURE

As at 31st March, 2010 the gross fixed assets stood at Rs. 1385.98 lacs and the net fixed assets at Rs. 745.85 lacs. Addition during the year amounted to Rs. 395.86 lacs.

DIRECTORS

Shri Bhag Chand Jain and Shri Rikhab Chand Jain retire by rotation at the forth coming Annual General Meeting but being eligible, have offered themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As per Section 217(2AA) of the Companies Act, 1956 your Directors' state:-

- i. That in the preparation of Annual Accounts, the applicable Accounting Standards had been followed and no material departures have been made for the same.
- ii. That the Directors had 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 for that period.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE REPORT

Corporate Governance Report including Management Discussion and Analysis Report has been annexed here to and marked as Annexure-A.

AUDITORS

M/S Patni & Co., Chartered Accountants, the Auditors of the Company shall hold office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The company has also received a certificate from them under section 224 (1-B) of the Companies Act, 1956.

AUDITORS' REPORT

The Auditor's Report to the Share Holders does not contained any qualification.

PARTICULARS OF EMPLOYEES

None of the employees are drawing remuneration exceeding Rs.200000 per month or Rs. 24, 00,000 per year. Hence, details required to be furnished in accordance with Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not required.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.


Your Company has no activity relating to conservation of energy or technology absorption to be declared pursuant to Section 217 (1) (e) of the Companies Act, 1956.

There is no earning or outgo of Foreign Exchange during the year under review.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the assistance and co- operation extended to the Company by commercial Banks, Government of India, various State Governments, Share Holders and all others whose continued support has been a source of strength to the Company. Your Directors also wish to place on record their sincere appreciation of contribution and high level of commitment of every employee of the Company.

Registered Office
Poddar Point, South Wing
5th Floor. 113, Park Street
Kolkata-700016
Dated : 16th August, 2010

By Order of the Board
For Inter State Oil Carrier Limited

Shanti Lal Jain
(Chairman)

INTER STATE OIL CARRIER LIMITED

Annexure – A

CORPORATE GOVERNANCE REPORT

Company's Philosophy on the Code of Governance :-

Corporate Governance primarily involves transparency, full disclosure, independent monitoring the state of affairs and being fair to all Shareholders. The Corporate Governance code introduced by the Securities & Exchange Board of India (SEBI) has been incorporated in Clause No. 49 in the Listing Agreement of the Stock Exchange and in the Companies (Amendment) Act, 2000.

The objective of your Company is not only to meet the statutory requirements of the code but also to go well beyond it by instituting such systems and procedures as are in accordance with the latest Global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing Shareholder value. The Company has professionals on its Board of Director who are actively involved in the deliberation of the Board on all important policy matters.

Board of Directors :-

The composition of the Board as on 31st March, 2010 and other information is as follows:

Name	Category	No. of Board Meetings attended during 2009-10	Whether attended AGM held on 23rd September 2009	No. of Directorships in other Public Limited Co's	No. of Committee positions held in other Public Limited Co's		No. of Equity Shares held
					Chairman	Member	
Mr. Shanti Lal Jain (Chairman)	Promoter Non-Independent Executive	6	Yes	-	-	-	158490
Mr. Sanjay Jain (Managing Director)	Promoter Non-Independent Executive	7	Yes	-	-	-	83800
Mr. Rikhab Chand Jain (Wholtime Director)	Promoter Non-Independent Executive	Nil	No	-	-	-	40000
Mr. Bhag Chand Jain	Independent Non-Executive	7	Yes	2	2	1	8200
Mr. Shankar Lal Khandelwal	Independent Non-Executive	7	Yes	-	-	-	300
Mr. Neeraj Jain	Independent Non-Executive	7	Yes	-	-	-	-

The Board of Directors Met on the following dates during the financial year 2009-2010:

30th April, 2009, 31st July, 2009, 19th August, 2009, 31st October, 2009, 16th November, 2009,
14th December, 2009 & 30th January, 2010.

Audit Committee :

The Audit Committee of the Company was constituted in the Board Meeting held on 29.04.2002. The terms of reference of the Audit Committee as stipulated by the Board are in accordance with the entire item listed in Clause 49 (II).

1. To review report of the internal Audit Department and recommend to the Board to decide about the scope of its works including the examination of major items of expenditure.
2. To meet Statuary and Internal Auditors periodically and discuss their findings, suggestions and other related matters.
3. To review the Auditors' Report on the financial statement and to seek clarification thereon, if required, from the Auditors.
4. To review the weaknesses in internal controls if any, reported by the internal and statutory auditors and report to the Board the recommendations relating thereto.

5. To act as a link between the statutory and internal auditors and the Board of Directors.
6. To recommend a change in the Auditors if in the opinion of the Committee the Auditors have failed to discharge their duties adequately.
7. And, generally, all items listed in Clause 46(II) (D) of the Listing Agreement.

The Company has complied with the requirements of Clause 49 (II) (A) as regards the composition of the Audit Committee.

The Audit Committee of Inter State Oil Carrier Limited as on 31st March, 2010 comprises of the following three Directors of the Company:

Shri Bhag Chand Jain	Chairman	Independent Non-Executive Director
Shri Neeraj Jain	Member	Independent Non-Executive Director
Shri Shankar Lal Khandelwal	Member	Independent Non-Executive Director

Shri Bhag Chand Jain & Shri Neeraj Jain are qualified Chartered Accountants. The other one Member of the Committee has wide exposure in the relevant area.

Shri Jitendra Tiwari, being the Company Secretary of the Company, acts as the Secretary to the Committee.

The Audit Committee met on the following dates during the financial year 2009-2010:

30th April, 2009 . 31st July, 2009 . 19th August, 2009 . 31st October, 2009 & 30th January, 2010 .

Name of Director	No. of Meetings held	No. of Meetings Attended
Shri Bhag Chand Jain	5	5
Shri Shankar Lal Khandelwal	5	5
Shri Neeraj Jain	5	5

Necessary quorum was present at the meetings.

Audit Committee meeting are attended by Company Secretary. Representatives of the Statutory Auditors are being invited to the Meeting as and when required.

Shareholders'/Investors' Grievance Committee :

Terms of Reference :

The Company has independent Shareholders' Committee which was constituted in the Board Meeting held on 29.04.2002 to look into redressal of investors' complaints and requests like delay in transfer of shares/debentures, non receipt of dividend, annual reports etc.

The Committee comprises of :

Shri Neeraj Jain	Chairman	Independent Non-Executive Director
Shri Shanti Lal Jain	Member	Promoter-Non Independent-Executive Director
Shri Sanjay Jain	Member	Promoter-Non Independent-Executive Director

The Shareholders' Grievance Committee met on the following dates during the financial year 2009-2010 :

30th April, 2009, 31st July, 2009, 31st October, 2009 & 30th January, 2010.

Attendance at the Shareholders Grievance Committee Meeting :

Name of Director	No. of Meetings held	No. of Meetings Attended
Shri Shanti Lal Jain	4	4
Shri Sanjay Jain	4	4
Shri Neeraj Jain	4	4

Necessary quorum was present at the meetings.

Reports and Correspondence/Communication received from the Investors during the period 1st April, 2009 to 31st March, 2010. (Based on information received from the Company's Registrar).

Nature of Queries (Correspondence)	Total Received	Total Replied	Pending Queries Days			Remarks
			0-7	7 - 15	Above 15	
(1) Non-receipt of Interest/ Dividend Warrant	-----	-----		-----		-----
A. Warrant Already Paid	-----	-----		-----		-----
B. Fresh Cheques Issued against requests for duplicate warrants	-----	-----		-----		-----
C. Reply sent giving warrant details (Reconciliation in Process)	-----	-----		-----		-----
D. Miscellaneous queries in connection with payments	-----	-----		-----		-----
(2) Inquiry pertaining to non-receipt of shares sent for transfer	-----	-----		-----		-----
(3) Inquiry on Dematerialisation of shares	-----	-----		-----		-----
(4) Name Correction	-----	-----		-----		-----
(5) Letters received from SEBI and other statutory bodies	-----	-----		-----		-----
Other Correspondence/Request received (6) Change of Address	1	1		-----		-----
(7) ECS/Mandate Registration	-----	-----		-----		-----
(8) Loss of Shares	-----	-----		-----		-----
(9) Split/Consolidation/Remat/Replace Duplicate issue of Certificates	-----	-----		-----		-----
(10) Request for Nominations	-----	-----		-----		-----
(11) Tax exemption Forms	-----	-----		-----		-----
(12) Transmission of Securities	-----	-----		-----		-----
(13) Exchange/Sub-division of old Shares	-----	-----		-----		-----
(14) Dividend/Interest queries Including request for changes on live warrants (Death Certificates, Change in Bank Mandate details Name Correction, etc.)	-----	-----		-----		-----
(15) Fresh Cheques issued against Time barred instruments	-----	-----		-----		-----
(16) Document Registration	-----	-----		-----		-----
(17) Others (Miscellaneous)	-----	-----		-----		-----

Remuneration Committee :

The Company had constituted the Remuneration Committee in the Board of Directors Meeting held on 29.04.2002. The broad terms of reference are to determine and recommend to Board, compensation payable to Executive Directors, appraisal of the performance of the Managing Director and to determine and advise the Board for the payment of annual commission/compensation to the Non-Executive Directors.

The Remuneration Committee of Inter State Oil Carrier Limited as on 31st March, 2010 comprises of the following three Directors of the Company.

Shri Bhag Chand Jain	Chairman	Independent Non-Executive Director
Shri Neeraj Jain	Member	Independent Non-Executive Director
Shri Shankar Lal Khandelwal	Member	Independent Non-Executive Director

The Remuneration Committee met on the following dates during the financial year 2009-2010
21st April, 2009 & 31st October, 2009

Attendance at the Remuneration Committee Meeting :

Name of Director	No. of Meeting held	No. of Meeting Attended
Shri Neeraj Jain	2	2
Shri Bhag Chand Jain	2	2
Shri Shankar Lal Khandelwal	2	2

Necessary quorum was present at the meetings.

Remuneration of Directors :

The remuneration of the Non-Executive Directors (NEDs) of your Company is decided by the Board of Directors of the Company. The NEDs are paid remuneration by way of Sitting Fees.

The Company pays remuneration to its Managing Director and Whole Time Directors by way of salary, perquisites and allowances. Salary is paid within the range as approved by the Shareholders. The Board on the recommendations of the Remuneration Committee approves the annual increments (effective from 1st April each year). The Board fixes a ceiling on perquisites and allowances as a percentage of salary. Within the prescribed ceiling the perquisite package is recommended by the Remuneration Committee. Commission is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of financial year based on the recommendations of the Remuneration Committee, subject to the overall ceiling as stipulated in Sections 198 and 309 of the Companies Act.

Given below are the details of remuneration to Directors during the financial year 2009 – 2010.

Director	Sitting Fees (Rs.)	Salaries & other perquisites (Rs.)
Shri Shanti Lal Jain	Nil	1144892
Shri Sanjay Jain	Nil	1297869
Shri Rikhab Chand Jain	Nil	652871
Shri Bhag Chand Jain	21000	Nil
Shri Shankar Lal Khandelwal	21000	Nil
Shri Neeraj Jain	21000	Nil

Management Discussion & Analysis Report :

As required by clause 49 of the Listing Agreement, Management Discussion & Analysis report forms part of the Annual Report and is marked as Annexure – B.

Code of Conduct of Directors And Senior Management Staff :

In line with the amended clause 49 of the listing agreement, which came into effect from 1st January 2006, the Company adopted a Code of Conduct for its Directors and Senior Management Staff. The Managing Director has given a declaration that all the Directors and the Senior Management Staff have affirmed compliance with the Code of Conduct.

CEO's Certification

A certificate duly signed by the Managing Director relating to Financial Statements and Internal Controls and Internal Control Systems for financial reporting as per the format provided in amended clause 49 of the Listing Agreement was placed before the Board, who took the same on record.

Details of General Meetings:

Location, date and time of General Meetings held during the last 3 years:

Year	Location	AGM/EGM	Date	Day	Time	No. of Special Resolutions passed
2006-2007	Somany Conference Hall 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata – 700 001.	AGM	28th September 2007	Friday	11.00 a.m.	01
2007-2008	As above	AGM	26th September 2008	Friday	10.00 a.m.	Nil
2008-2009	As above	AGM	23rd September 2009	Wednesday	10.00 a.m.	Nil

Disclosures / Related Party Transactions:

I. Related party Transactions are defined as the transactions of the Company of material nature, with its promoters, the directors of the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large. Among the related-party transactions are contracts or arrangements, made by the Company from time to time with Companies in which the Directors are interested. All these contracts or arrangements are entered in a Register of Contracts under Section 301 of the Companies Act, 1956 and the register is placed before every Board Meeting. All transactions covered under the related party transaction are regularly ratified and/or approved by the Board. There were no material transactions during the year 2009 – 2010 that are prejudicial to the interest of the Company.

II. All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

III. Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management control risk through means of a properly defined framework.

IV. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provision of clause 49 of the Listing Agreement with Stock Exchange.

V. There were no material financial & commercial transactions by Senior Management as defined in Clause 49 of the listing agreement where they have personal interest that may have a potential conflict with the interest of the Company at large requiring disclosure by them to the Board of Directors of the Company.

Statutory Compliance, Penalties and Strictures:

The Company has complied with the requirements of the Stock Exchange/SEBI/and Statutory Authority on all matters related to capital markets during the last years. There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities relating to the above.

Statutory Compliance :

The Managing Director of the Company acts as a Compliance Officer who advises the Company on compliance issues with respect to the laws of various jurisdictions in which the Company has its business activities and ensures that the Company is not in violation of laws of any jurisdiction where the Company operates. All Business Heads/Unit In-charges give Compliance Certificate to Board of Director of the Company through Compliance Officer. The Compliance Officer ensures that the business operations of the Company are not in contravention of any laws.

Dematerialisation of Shares and Liability :

87.1816% of the Company's share capital has been dematerialised as on 31.03.2010.

Distribution of Shareholding as on 31st March, 2010.

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	2108	75.0980	392983	7.8718
501-1000	296	10.5451	262460	5.2573
1001-2000	157	5.5932	253241	5.0726
2001-3000	67	2.3869	171557	3.4364
3001-4000	42	1.4963	154533	3.0954
4001-5000	27	0.9619	128727	2.5785
5001-10000	38	1.3538	291041	5.8298
Above 10001	72	2.5650	3337758	66.8581
Total	2807	100.0000	4992300	100.0000

Categories of Shareholders as on 31st March, 2010

Category	No. of Shareholdings	Voting Strength (%)	No. of Ordinary Shares
Promoters	1462454	29.2942	1462454
Institutional Investors	Nil	Nil	Nil
Private Corporate Bodies	893233	17.8922	893233
Indian Public	2624713	52.5752	2624713
NRI's / OCB's	11900	00.2384	11900

Market Price Data :

Bombay Stock Exchange (in Rs.)		
	High	Low
April-2009	4.75	3.65
May-2009	4.43	3.45
June-2009	5.60	4.33
July-2009	5.85	4.47
August-2009	5.77	4.90
September-2009	5.75	4.76
October-2009	6.27	4.62
November-2009	4.50	4.10
December-2009	6.90	4.46
January-2010	7.05	5.65
February-2010	6.15	4.80
March-2010	7.86	4.68

General Shareholder information :**Address of Regd Office :**

Inter State Oil Carrier Ltd.
113, Park Street, Poddar Point,
South Wing, 5th Floor,
Kolkata – 700 016.

Share Registrar and Transfer Agents :

Maheshwari Datamatics Pvt Ltd
6, Mango Lane
Kolkata – 700 001

Tel : 22482248
Fax : 22484787
E-mail : mdpl@cal.vsnl.net.in
Business Hours : 10.00 – 3.30 P.M. (Monday to Friday)

Share Transfer System : Share Transfer in physical form can be lodged with Maheshwari Datamatics Pvt Ltd at the above mentioned address.

The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects.

Means of Communication :

- The quarterly results are published in the leading English Daily (Financial Express / Economic Times) and Bengali Newspaper (Dainik Lipi)
- Management, Discussion and Analysis is a part of the Annual Report.

Compliance Officer :

Mr. Sanjay Jain
(Managing Director)
Inter State Oil Carrier Limited
113, Park Street, Poddar Point,
South Wing, 5th Floor, Kolkata – 700 016.

Annual General Meeting:

Date and Time	:	24th September, 2010 at 10.00 A.M.
Venue	:	Somany Conference Hall 15B Hemanta Basu Sarani, Kolkata – 700 001.
Financial Calender	:	Year ending – March 31
Date of Book Closure	:	17th September, 2010 – 24th September, 2010 (Both days inclusive)
Dividend Payment date	:	Not Applicable
Listing on Stock Exchange	:	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

The company has paid the Annual Listing fees of the above Stock Exchange for the financial year 2010-2011.

Stock Code : **The Bombay Stock Exchange Ltd.** **530259**

Demat ISIN in NSDL and CDSL For Equity Shares : INE003B01014