

NICO CORPORATION LTD



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**18th ANNUAL GENERAL MEETING****Date** : 18th September, 2001**Day** : Tuesday**Time** : 11.00 A.M.**Place** : "Williamson Magor Hall" of  
The Bengal Chamber of  
Commerce & Industry  
6, Netaji Subhas Road,  
Kolkata 700 001

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NICCO CORPORATION LIMITED

**BOARD OF DIRECTORS**

Mr Rajive Kaul  
 Dr Abhijit Sen  
 Mrs Kanta Bhan  
 Dr L R Vaidyanath  
 Mr P L Agarwal  
 Mr N Das  
 Ms Anjali Bhan Kamtekar  
 Mr M K Ray Chaudhuri  
 Mr L Mora  
 Mr Amitabha Ghosh  
 Mr D P Patra  
 Mr P B Ramanujam  
 Mr Alak Saha  
 Mr U K Basu  
 Mr Satish Puri  
 Mr Sanjoy Bhattacharya

Chairman & Managing Director  
 Co-Chairman & Managing Director

Nominee of ICICI  
 Nominee of WBIDC  
 Nominee of GIC  
 Jt Managing Director  
 Jt Managing Director  
 Dy Managing Director  
 Director (Cable Operations)

**VICE PRESIDENT & CO SECRETARY**

Mr J S Paul

**JOINT AUDITORS**

Messrs S R Batliboi & Co.,  
 Chartered Accountants, Kolkata  
 Messrs G Basu & Co.,  
 Chartered Accountants, Kolkata

**BOARD COMMITTEES****Audit Committee**

Mr N Das	Chairman
Mr M K Ray Chaudhuri	Member
Mr P L Agarwal	Member
Mr J S Paul	Secretary

**SOLICITORS**

Messrs Khaitan & Co., Kolkata

**Corporate Governance & Compensation Committee**

Mr P L Agarwal	Chairman
Mr Rajive Kaul	Member
Dr Abhijit Sen	Member
Mr N Das	Member
Dr L R Vaidyanath	Member

**BANKERS**

Allahabad Bank  
 Canara Bank  
 Central Bank of India  
 State Bank of India  
 State Bank of Bikaner & Jaipur  
 State Bank of Travancore  
 UCO Bank

**Share Transfer Committee**

Dr Abhijit Sen	Chairman
Mr Rajive Kaul	Member
Mr U K Basu	Member
Mr Satish Puri	Member
Mr N Das	Member

**REGISTERED OFFICE**

Nicco House,  
 2, Hare Street, Kolkata-700 001  
 Phone No. : (033) 248 5102/7  
 Fax No. : (033) 220 9443

**WORKS**

Industrial Growth Centre,  
 Block 'D', Kalyani, West Bengal;  
 Shamnagar, 24-Parganas (North),  
 West Bengal;  
 &  
 Baripada, Dist. Mayurbhanj, Orissa.

**Shareholders' Grievances Committee**

Mr N Das	Chairman
Dr Abhijit Sen	Member
Mr Alak Saha	Member
Mr M K Ray Chaudhuri	Member

**NAMES & ADDRESSES OF THE STOCK EXCHANGES WHERE THE SHARES OF THE COMPANY ARE LISTED AND WHETHER LISTING FEES PAID.**

(Pursuant to Clause 49 of the Listing Agreement)

- 1) The Calcutta Stock Exchange Association Ltd.,  
6 Lyons Range,  
Kolkata 700 001.
- 2) The Stock Exchange, Mumbai  
P J Towers, Dalal Street, Fort.  
Mumbai 400 001.
- 3) National Stock Exchange of India Ltd.,  
Exchange Plaza, 5th Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai-400 051
- 4) Bhubaneswar Stock Exchange,  
A-22 Falcon House,  
Netaji Subhas Marg,  
Bhubaneswar 751 006.
- 5) The Delhi Stock Exchange Association Ltd.,  
DSE House  
3/1 Asaf Ali Road  
New Delhi 110 002.
- 6) Madras Stock Exchange Ltd.,  
Exchange Building  
11, Second Line Beach  
Chennai 600 001.

**REGISTRARS & SHARE TRANSFER AGENTS**

Messrs. Nicco Uco Alliance Credit Limited  
11, Lake Avenue  
Kolkata 700 026  
Phone : (033) 464 7410  
Fax No. : (033) 464 8884

The Company has already paid Annual Listing Fees for the year 2001-2002 to the above mentioned 6 Stock Exchanges.



## Notice of the Annual General Meeting to the Members

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Nicco Corporation Limited will be held on Tuesday, the 18th September, 2001, at 11-00 a.m. at "Williamson Magor Hall" of The Bengal Chamber of Commerce and Industry, 6 Netaji Subhas Road, Kolkata 700 001 to transact the following business :—

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Profit & Loss Account of the Company for the year ended on 31st March, 2001, the Balance Sheet as on that date and the Directors' Report and Auditors' Report thereon.
2. (a) To elect a Director in place of Mr. Amitabha Ghosh who retires by rotation and being eligible, offers himself for re-election.  
(b) To elect a Director in place of Mr. Alak Saha who retires by rotation and being eligible, offers himself for re-election.  
(c) To elect a Director in place of Mr. Luigi Mora who retires by rotation and being eligible, offers himself for re-election.  
(d) To elect a Director in place of Mr. Sanjoy Bhattacharya who retires by rotation and being eligible, offers himself for re-election.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION :  
"RESOLVED that pursuant to the provisions of Section 224A of the Companies Act, 1956, Messrs S. R. Batliboi & Co., Chartered Accountants, Kolkata and Messrs G. Basu & Co., Chartered Accountants, Kolkata, be and are hereby appointed as Joint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors and that the Board of Directors be and is hereby authorised to determine the remuneration payable to the Company's Auditors as aforesaid."

### SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION :  
"RESOLVED that Mr. P. L. Agarwal, be and is hereby appointed a Director of the Company, whose period of office will be liable for determination by retirement of Directors 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 in partial modification of resolution numbers 5, 6, 7, 8 and 9 passed at the Annual General Meeting of the Company held on 30th April, 1999 and in accordance with the provisions of Sections 198, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or reenactment thereof, for the time being in force) the approval of the Company be and is hereby accorded to the revision of salary scales of Chairman & Managing Director, Co-Chairman, Joint Managing Director, Deputy Managing Director and Director (Cable Operations), as set out in the Explanatory Statement to this Notice, with an authority and power to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions, in such manner, as from time to time may be stipulated by the Central Government or as may be in consonance with the applicable provisions of law and as may be agreed to by and between the Board and the above Managing/Wholtime Directors or as per rules and regulations of the Company."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION :  
"RESOLVED that, pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any amendment or modification thereof, this Meeting hereby approves the appointment of Mr. Alak Saha as Joint Managing Director of the Company for a period of 3 years with effect from 1st May, 2001, on such remuneration as set out in the Explanatory Statement attached to the Notice convening this Meeting, a copy whereof initialled by the Chairman for identification is placed before this Meeting."



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

"RESOLVED that, pursuant to the provisions of Section 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any amendment or modification thereof, this Meeting hereby approves the appointment of Dr. Abhijit Sen as Co-Chairman & Managing Director of the Company for a period of 3 years with effect from 2nd June, 2001, on such remuneration as set out in the Explanatory Statement attached to the Notice convening this Meeting, a copy whereof initialled by the Chairman for identification is placed before this Meeting."

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION :

"RESOLVED that Dr L R Valdyanath be and is hereby appointed a Director of the Company, whose period of office will be liable for determination by retirement of Directors by rotation."

By Order of the Board  
NICCO CORPORATION LIMITED

Registered Office :  
NICCO HOUSE  
2 Hare Street  
Kolkata 700 001

J S PAUL  
Vice President  
& Co Secretary

Dated, the 18th day of July, 2001

#### 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. Proxies in order to be effective must be submitted at the Company's Registered Office, not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 1st September, 2001 to 18th September, 2001 both days inclusive.
4. Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
5. Members are requested to intimate any change in their addresses, and are also requested to send intimation for consolidation of Accounts, regarding their holdings in shares of erstwhile Nicco Steels Ltd., The National Insulated Cable Co. of India Ltd., Nicco Industries Ltd. and Nicco Batteries Ltd., if any, immediately to the Company's Registrars & Share Transfer Agents, M/s. Nicco Uco Alliance Credit Limited, 11 Lake Avenue, Kolkata 700 026, Phone No. 464-7410, Fax No. 464-8884.
6. Information u/s 205A read with the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 as amended is given below :
  - (i) Pursuant to Section 205 of the companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal, 234/4, A.J.C. Bose Road, Kolkata 700 029, by submitting an application in the prescribed form.
  - (ii) Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st 1997 and 31st December, 1998 are requested to make their claims to the Company accordingly.
7. An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.



## ANNEXURE TO NOTICE EXPLANATORY STATEMENT

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2)  
OF THE COMPANIES ACT, 1956

### ITEM NO. 3

M/s. S. R. Batliboi & Co., Chartered Accounts, Kolkata and M/s. G. Basu & Co., Chartered Accountants, Kolkata, Joint Auditors of your Company, retire at the forthcoming Annual General Meeting of the Company, and being eligible, offer themselves for re-appointment. It is recommended that M/s. S. R. Batliboi & Co. Chartered Accountants, Kolkata and M/s. G. Basu & Co., Chartered Accountants, Kolkata be appointed as Joint Auditors of the Company for the year 2001-2002. The Auditors have confirmed that their appointments, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Since the Financial Institutions hold shares in excess of 25% of the Subscribed Capital of the Company, as per provisions of Section 224(A) of the Companies Act, 1956, the appointment of and remuneration to Auditors are required to be approved by the members by a Special Resolution.

Your Directors recommend the resolution set out in item no. 3 of the convening Notice for adoption.

None of the Directors is interested in the resolution.

### ITEM NO. 4 — Appointment of Mr P. L. Agarwal as Director

Mr. P. L. Agarwal was appointed as an Additional Director, on 10th February, 2001. In terms of the applicable provisions of the Companies Act, 1956 and Article 124 of the Articles of Association of the Company, the aforesaid Director holds his office upto the date of this Annual General Meeting. The Company has received a separate Notice under Section 257 of the Companies Act, 1956, along with requisite deposit, from a member of the Company signifying his intention to propose the appointment of the said Director at the ensuing Annual General Meeting. The said Director has also filed his consent pursuant to the provisions of Section 264(1) of the Companies Act, 1956, to act as a Director, if appointed.

Mr. P. L. Agarwal, who is a Senior Partner of M/s Khaitan & Co., Advocates & Notaries, is a renowned Advocate and Solicitor, with more that 35 years experience in various legal matters with specialisation in Corporate Laws.

The Board considers that the Company will benefit from the association of Mr. P. L. Agarwal and recommends the resolution for your approval.

Excepting Mr. P. L. Agarwal, who is interested in his appointment, no other Director is interested in the resolution.

### ITEM NO. 5

At the Annual General Meeting of the Company held on 30th April, 1999, the Members had approved the revised salary scales of the Chairman & Managing Director, Co-Chairman, Joint Managing Director, Deputy Managing Director and Director (Cable Operations) with effect from 20th August, 1998, as specified in the Explanatory Statement annexed to the Notice of the said Annual General Meeting.

The Board of Directors of the Company, at its meeting held on 10th February, 2001, approved the undernoted revised monthly pay scales, which would be payable when the next increment of each of the above Managing/Wholetime Directors falls due and would remain in force, for the remainder of the tenure of the above respective appointments :—

	<u>CMD/CC</u>	<u>JMD</u>	<u>DMD</u>	<u>Director (Cable Operation)</u>
	Rs.	Rs.	Rs.	Rs.
Salary	Min	Min	Min	Min
	60,000/-	45,000/-	42,000/-	40,000/-
Scale	Max	Max	Max	Max
	1,00,000/-	70,000/-	65,000/-	60,000/-





The Annual increments in the aforesaid scales will be decided by the Board/Remuneration Committee of Directors. There will be no past or immediate variation of the salaries payable to the above Managing/Wholetime Directors on account of the above revision in pay scales which would be applicable only at the time of the next increments whenever they fall due.

No change has been made in the existing perquisites as already approved by the Members earlier.

The resolution set out in Item No. 5 may be considered accordingly and the Board of Directors recommends the same for your approval.

An abstract of the variation in terms of appointment relating to the revised salary scales of the above Managing/Wholetime Directors was despatched to the Members in February, 2001.

Excepting Mr. Rajive Kaul, Dr. Abhijit Sen, Mr. U. K. Basu, Mr Satish Puri and Mr Sanjoy Bhattacharya who are interested in the respective revised scales of salary payable to them and Mrs Kanta Bhan and Ms Anjali Bhan Kamtekar, being relatives of Mr. Rajive Kaul, no other Director is interested in the above referred resolution.

#### ITEM NO. 6

The Board of Directors ("the Board") of the Company, at its meeting held on 9th April, 2001, appointed Mr. Alak Saha as Joint Managing Director for a period of 3 years commencing from 1st May, 2001. An abstract of the terms of the above appointment and payment of remuneration was despatched to the members in April, 2001.

Mr. Alak Saha is a B Tech in Metallurgical Engineering from IIT, Kharagpur and has obtained a Post Graduate Diploma in Business Management from Indian Institute of Management, Kolkata.

He has worked in various senior positions in the Tata Group since 1968, including as Director of Marketing in Tata Steel and as MD of Tata Ryerson Ltd. He was on lien to our Nicco Group from Tata Steel for nine years during which period he has held positions of MD in Nicco Steels and Joint Managing Director in Nicco Corporation Ltd.

Considering his educational background and experience as stated above, the Board considers that the Company will benefit from the appointment of Mr. Alak Saha as Joint Managing Director and recommends the resolution for your approval.

In accordance with the terms and conditions of appointment, Mr. Alak Saha will be entitled to the remuneration and perquisites as mentioned in the enclosed Annexure 'A'.

Mr. Alak Saha shall hold office as Joint Managing Director for a period of 3 years with effect from 1st May, 2001 till 30th April, 2004.

Excepting Mr. Alak Saha, who is interested in his appointment and the remuneration payable to him, no other Director is interested in the said appointment and payment of remuneration.

#### ITEM NO. 7

Dr. Abhijit Sen was earlier re-appointed as Co-Chairman of the Company, for a period of 2 years with effect from 2nd June, 1999 on the terms approved by the Members at the Annual General Meeting.

The Board of Directors ("the Board") of the Company at its meeting held on 5th June, 2001, appointed Dr. Abhijit Sen as Co-Chairman & Managing Director of the Company for a period of 3 years commencing from 2nd June, 2001. An abstract of the terms of the above appointment and payment of remuneration was despatched to the Members in June, 2001 under Section 302 of the Companies Act, 1956.

Dr. Abhijit Sen is a qualified Chartered Accountant (England & Wales), Cost Accountant and alumnus of M.I.T. (USA).

He has worked in various senior positions in ITC Ltd and Chloride India Ltd. including as Director (Finance) in the latter Company. He has been with our Nicco Group since 1983, during which period he has held positions of Managing Director in Telelink Nicco Ltd. and Co-Chairman and Managing Director in Nicco Corporation Ltd.

Dr. Abhijit Sen has more that 31 years of wide experience in the fields of Finance, total management and running of industry.

Dr. Sen has served as President of Bengal Chamber of Commerce & Industry. He is also associated with the Indian Institute of Management at Kolkata, as Member of the Governing Body.





NICCO CORPORATION LIMITED

Considering his educational background and experience, as stated above, the Board considers that the Company will benefit from the appointment of Dr. Abhijit Sen as Co-Chairman & Managing Director and recommends the resolution for your approval.

In accordance with the terms and conditions of appointment, Dr. Abhijit Sen will be entitled to the remuneration and perquisites as mentioned in the enclosed Annexure 'A'.

Dr. Abhijit Sen shall hold office as Co-Chairman & Managing Director for a period of 3 years with effect from 2nd June, 2001 till 1st June, 2004.

Excepting Dr. Abhijit Sen who is interested in his appointment and the remuneration payable to him, no other Director is interested in the said appointment and payment of remuneration.

#### ITEM NO. 8

Dr. L. R. Vaidyanath was appointed as an Additional Director, on 18th July, 2001. In terms of the applicable provisions of the Companies Act, 1956 and Article 124 of the Articles of Association of the Company, the aforesaid Director holds his office upto the date of this Annual General Meeting. The Company has received separate Notice under Section 257 of the Companies Act, 1956, along with requisite deposit, from a member of the Company signifying his intention to propose the appointment of the said Director at the ensuing Annual General Meeting. The said Director has also filed his consent pursuant to the provisions of Section 264(1) of the Companies Act, 1956, to act as a Director, if appointed.

Dr. L. R. Vaidyanath graduated in Metallurgy from Benaras Hindu University, India and obtained his Ph.D. in Industrial Metallurgy from the University of Birmingham, U.K., and a Diploma in Advanced Management from the Indian Institute of Management, Ahmedabad. His professional career includes 10 years of conducting research and 8 years of working in Industry before joining the Indian Copper Development Centre as Director.

He is the recipient of several awards including Sir William Larke Medal of the Institute of Welding, U.K., Bralco Gold Medal, Tata Gold Medal and Platinum Medal of the Indian Institute of Metals and distinguished Alumnus Award of Department of Metallurgy, Benaras Hindu University. He is a Fellow of the Indian National Science Academy, ASM International, USA and The Institute of Materials, U.K. and a past President of the Indian Institute of Metals.

The Board considers that the Company will benefit from the association of Dr. L. R. Vaidyanath and recommends the resolution for your approval.

Excepting Dr. L. R. Vaidyanath, who is interested in his appointment, no other Director is interested in the resolution.

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By Order of the Board  
NICCO CORPORATION LIMITED

Registered Office :  
NICCO HOUSE  
2 Hare Street  
Kolkata 700 001

Dated, the 18th day of July, 2001

J S PAUL  
Vice President  
& Co Secretary



## ANNEXURE — A

### SALARY, COMMISSION, PERQUISITES & MINIMUM REMUNERATION OF DR ABHIJIT SEN AND MR ALAK SAHA

	Dr A Sen Co-Chairman & Managing Director	Mr Alak Saha Joint Managing Director
	Rs.	Rs.
I. PRESENT MONTHLY SALARY SCALE	70,000/-	50,000
Min.	60,000/-	45,000/-
Max.	1,00,000/-	70,000/-
	Annual increments in the aforesaid scales will be decided by the Board/Remuneration Committee of Directors.	
II. COMMISSION (Months)	24	18
	1% of the net profits of the Company, subject to a ceiling of the above number of months' salary.	
III. PERQUISITES		
(i) Residential accommodation	Free furnished accommodation. In case no accommodation is provided by the Company, the Managerial Personnel shall be entitled to House Rent Allowance in lieu thereof @ 60% of salary. Value of perquisites to be calculated as per Income Tax Act.	
(ii) Servant Allowance	4000/- p.m.	2500/- p.m.
(iii) Reimbursement of gas & electricity expenses	Actuals. Expenses incurred on gas, electricity, water and furnishings to be valued as per Income Tax Act.	
(iv) Reimbursement of Club & Home Entertainment Expenses (Upto a ceiling of Rs.)	1,20,000/- p.a.	90,000/- p.a.
(v) Reimbursement of Soft Furnishing Expenses (Upto a ceiling of Rs.)	40,000/- p.a.	25,000/- p.a.
(vi) LTA (Upto a ceiling of Rs.)	70,000/- p.a.	50,000/- p.a.
(vii) Medical reimbursement in a block period of 3 years	Equivalent to 3 months' salary.	
(viii) Personal accident Insurance premium (Upto Rs.)	4,000/- p.a.	4,000/- p.a.
(ix) Reimbursement of Fees to Professional Institutes	Actuals	
(x) Provident Fund/Superannuation Fund	The Company's contribution to Provident Fund and Superannuation Fund shall be in accordance with the Rules and Regulations of the Company. Such contributions to Provident Fund and Superannuation Fund shall not be included in the computation of the ceiling on remuneration to the extent that these either singly or put together, are not taxable under the Income Tax Act.	
(xi) Gratuity	Gratuity in accordance with the Rules and Regulations of the company and this will also not be included in computing limits for remuneration as aforesaid.	