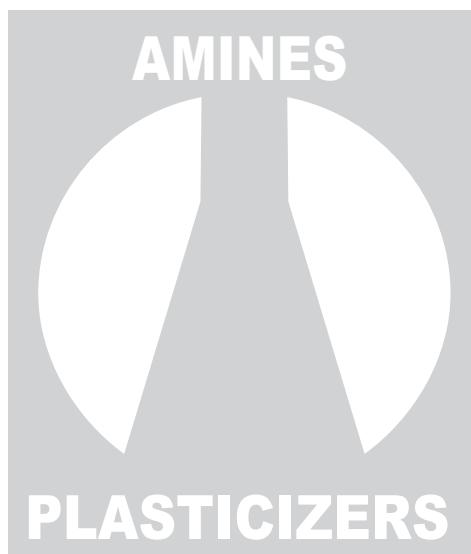


# **AMINES & PLASTICIZERS LIMITED**



**AN ISO 9001 : 2008 COMPANY**

**Annual Report  
2009-10**

|   |  |   |
|---|--|---|
|   | HEMANT KUMAR RUIA  | <i>Chairman &amp; Managing Director</i> |
| <b>DIRECTORS</b>                                | <div> <div></div> <div> K.K. SEKSARIA<br/> DR. M.K. SINHA<br/> DR. P.H. VAIDYA<br/> A. S. NAGAR<br/> B. M. JINDEL </div> </div>  |   |
|   | AJAY PURANIK   | <i>Company Secretary</i>                |
| <b>BANKER</b>                                   | STATE BANK OF INDIA  |   |
| <b>AUDITORS</b>                                 | D. BASU & COMPANY<br>LODHA & COMPANY   |   |
| <b>REGISTERED OFFICE</b>                        | PAUL ENCLAVE, PRINCIPAL J.B. ROAD, CHENIKUTHI,<br>GUWAHATI – 781 003, ASSAM  |   |
| <b>REGISTRAR &amp; SHARE<br/>TRANSFER AGENT</b> | M/s. Sharepro Services (India) Pvt. Ltd.,<br>13 AB, Samhita Warehousing Complex,<br>2 <sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane,<br>Off. Andheri Kurla Road, Sakinaka, Andheri (East),<br>Mumbai - 400 072 |   |

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## NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the members of Amines & Plasticizers Ltd will be held on Monday, 20th September, 2010 at 3.00 p.m. at Hotel Nandan, Paltan Bazaar, Guwahati, Assam – 781 003, to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon
2. To declare dividend on Preference Shares
3. To declare dividend on Equity Shares
4. To appoint a Director in place of Mr. Brijmohan Jindel, who retires by rotation and is eligible, for re-appointment
5. To appoint a Director in place of Dr. Mithilesh Kumar Sinha, who retires by rotation and is eligible, for re-appointment
6. To appoint Auditors and to fix their remuneration

### SPECIAL BUSINESS:

7. 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 80 and other applicable provisions, if any of the Companies Act, 1956 and article 3 of the Articles of Association of the Company and subject to such other approvals, permissions and/or sanctions as may be necessary and subject to the terms of issue/ reissue, consent of the Company be and is hereby accorded to the Board of Directors of the Company to fully redeem out of its distributable profits 19385, cumulative redeemable Preference Shares of Rs.100/- each carrying cumulative right to dividend @ 14%, at par.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things

and matters as may be necessary to give effect to the above resolution and/or to settle any question, doubt, difficulty in connection with redemption or right of Preference Shareholders to dividend unto the date of redemption or otherwise as may be deemed fit, proper or desirable by the Board”.

For **Amines & Plasticizers Ltd.**

By Order of the Board

Place : Mumbai  
Date : 28.05.2010

**AJAY PURANIK**  
(Company Secretary)

### Registered Office:

Chenikuthi,  
Guwahati - 781 003, Assam.

### NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (2) Instrument of proxy in order to be effective must be deposited at the Company's Registered Office at Chenikuthi, Guwahati, Assam or at Head Office at Mumbai not less than 48 hours before the commencement of the Annual General Meeting.
- (3) The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business set out in item no. 7 of the Notice is annexed hereto.
- (4) The Dividend on Preference Shares and Equity Shares as recommended by the Board of Directors, if declared at the meeting, will be made payable after 20th September, 2010 to those Shareholders whose names appear in the Register of Members as on 20th September, 2010.
- (5) The Register of Members and Share Transfer Books of the Company will remain

## AMINES & PLASTICIZERS LIMITED



closed from 13th September, 2010 to 20th September, 2010 (both days inclusive).

- (6) The Company has connectivity with both the Depositories i.e, Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Limited (NSDL) and ISIN No. is INE275D01014. Members are requested to dematerialize their shares for scrip less trading.
- (7) Members holding shares in physical form are requested to notify immediately any change of address, if any, to the Company's Registrar & Share Transfer Agent and in case their shares are held in dematerialized form this information should be passed on directly to their respective depository participants and not to the Company/STA, without any delay.

- (8) Members desirous of getting any information on the accounts or operations of the Company, are requested to forward their queries to the Company at least seven working days prior to the meeting so that the required information can be made available at the meeting.

For Amines & Plasticizers Ltd.

By Order of the Board

Place : Mumbai  
Date : 28.05.2010

**AJAY PURANIK**  
(Company Secretary)

## ANNEXURE TO NOTICE

**Explanatory Statement, pursuant to Section 173 (2) of the Companies Act, 1956.**

### Item No.7

The Company had reissued in 1995, 19385, 14% cumulative redeemable Preference Shares of Rs. 100/- each to be redeemed at par on or before 9th April 2015. At a meeting of the Board of Directors of the Company held to approve Annual Accounts for the year ended 31st March 2010, it was also proposed to redeem these Preference Shares due to its high dividend rate. Accordingly, it was decided to redeem fully out of distributable profits 19385, 14% cumulative redeemable Preference Shares of Rs.100/- each at par and to approach the Shareholders for their consent. The Preference Shareholders have given their consent for redemption.

The Special Resolution in item no. 7 of the Notice is being proposed for obtaining approval of the Members for the above purpose.

None of the Directors of the Company except Mr. Hemant Kumar Ruia (being interested through one of his Associate Companies holding Preference Shares) is concerned or interested in the said special resolution.

For Amines & Plasticizers Ltd.

By Order of the Board

Place : Mumbai  
Date : 28.05.2010

**AJAY PURANIK**  
(Company Secretary)

## AMINES & PLASTICIZERS LIMITED



### Details of Directors seeking re-appointment in forthcoming Annual General Meeting

| Name of the Director   | BRIJMOHAN JINDEL   | DR. MITHILESH KUMAR SINHA  |
|--|--|--|
| Date of Birth  | 13.06.1945   | 02.09.1935   |
| Date of Re-appointment   | 27.09.2007   | 30.09.2008   |
| Expertise in specific functional area  | Rich and varied experience in Income Tax, Accounts & Finance                     | Wide experience in Banking Industry  |
| Qualifications   | BA, IRS (Indian Revenue Service)   | M.A., Phd.   |
| Number of outside Directorships held in Public Limited Companies as on 31.03.10                              | 0  | 6  |
| Other Directorship / Committee Membership held as on 31.03.10  | Jindel Builders Private Limited<br>Solidarity Financial Services Private Limited | Austral Coke & Project Ltd.<br>Flexo film Wraps (India) Ltd.<br>APL Infotech Limited<br>Bang Overseas Ext. Limited<br>Prag Bosimi Synthetics Ltd.<br>Radaan Media Works (India) Ltd. |
| Chairman / Member of the Committee of the Board of Public Companies on which he is a Director as on 31.03.10 | NIL  | NIL  |
| Shareholding   | NIL  | NIL  |

## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Thirty Fifth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2010.

(Rupees in Lakhs)

| <b>FINANCIAL RESULTS</b>                                 | <b>For the year ended<br/>31.03.2010</b> | <b>For the year ended<br/>31.03.2009</b> |
|--|--|--|
| Income   | <b>17069.74</b>                          | 16151.46                                 |
| Profit before Interest, Depreciation and Taxes           | <b>1089.79</b>                           | 1085.09                                  |
| Less : Interest  | <b>519.70</b>                            | 496.40                                   |
| Depreciation   | <b>68.84</b>                             | 65.51                                    |
| Profit before Tax  | <b>501.25</b>                            | 523.18                                   |
| Provision for taxation                                   | <b>199.35</b>                            | 180.75                                   |
| Profit after Tax   | <b>301.90</b>                            | 342.43                                   |
| Balance of profit brought forward from the previous year | <b>1131.40</b>                           | 842.95                                   |
| Arrears of Preference Dividend                           | —  | 43.43                                    |
| Proposed Dividend on:                                    |  |  |
| Preference Shares  | <b>2.71</b>                              | 2.71                                     |
| Equity Shares  | <b>55.02</b>                             | —  |
| Corporate Dividend Tax                                   | <b>9.81</b>                              | 7.84                                     |
| Balance of Profit carried to Balance Sheet               | <b>1365.77</b>                           | 1131.41                                  |

### DIVIDEND:

Your Directors are pleased to recommend Dividend of Rs.14/- per Share (i.e. @ 14% p.a.) on 19,385 Redeemable Cumulative Preference Shares of Rs.100/- each for the year 2009-2010 and Re.1/- per Share (i.e. 10%) on 55,02,000 Equity Shares of Rs.10/- each subject to approvals.

### OPERATIONS AND FUTURE PROSPECTS:

During the year under review, the income of the Company grew marginally by 5.68% to Rs.17069.74 Lakhs as against Rs.16151.46 Lakhs in the previous year. The Profit before tax was lower at Rs.501.25 Lakhs from Rs.523.18 Lakhs in the previous year. The Profit after tax for the current year stood at Rs. 301.90 Lakhs as against Rs.342.43 Lakhs during the previous year.

During the year under review in spite of the recessionary trend in the global market, the Company's products enjoyed a reasonably good demand. Sales in the domestic market were higher as compared to exports.

In the current year, due to the strengthening of the Rupee, the realizations are lower as compared to earlier years. However, the company continues its thrust on international and domestic sales.

Your Company in-coordination with the shut down of a major raw-material supplier also closed its Plant for about 45 days and has undertaken a major expansion work for increasing its capacities in certain products. The expansion would be completed in the 2nd quarter of the current year.

The company is also putting up a new

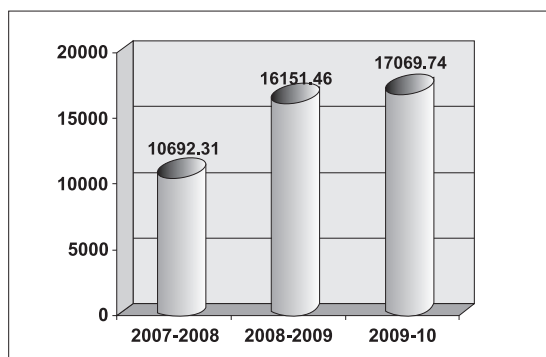
# AMINES & PLASTICIZERS LIMITED



ethoxylation plant for catering to various specialty products for which it is in talks with a major Multi National Company. The Plant and Machinery has already been ordered and erection is in process.

The benefits of the expansion and the new ethoxylation plant would accrue from the 3rd quarter of the current year.

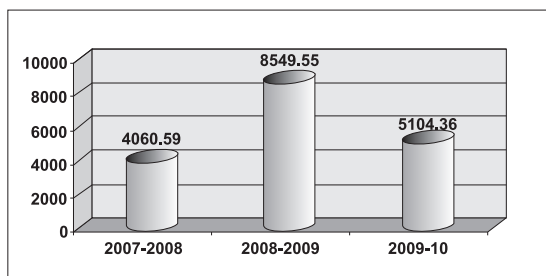
SALES PERFORMANCE (RS. IN LAKHS)



## EXPORTS:

The export revenue of the Company was Rs. 5104.36 Lakhs as compared to Rs. 8549.55 Lakhs during the previous year. The Company's exports were lower primarily due to global uncertainty and the lower demand in international market due to the recessionary trend. The demand for the Company's specialty products in the international market continued and helped to a great extent in generating exports revenue during the year under review.

EXPORT PERFORMANCE (RS. IN LAKHS)



As reported earlier, the technology developed by the Company for Pressure Swing Adsorption with a reputed technical institute has been commissioned and is working to the full satisfaction of the customer. The Company is

trying to develop this business further during the current year.

## ISO CERTIFICATION:

During the year under review, ISO 9001:2000 certification has been upgraded to 9001:2008 wherein main emphasis is on saving cost by conserving natural resources. Further, the Company has also obtained ISO 14001:2004 and OHSAS 18001:2007 Certification from DNV.

ISO 14001:2004 Certification relates to conservation of natural resources whereby the environment becomes less polluted. OHSAS 18001:2007 Certification relates to Safety and Health. Various measures have been taken by the Company in order to ensure compliance.

## REACH COMPLIANCE:

As reported earlier the Company pre-registered all the products being exported under "The Registration Evaluation Authorization and Restriction of Chemicals" (REACH) and has obtained the required pre- registration numbers.

## CREDIT RATING:

As required under BASEL II Norms stipulated by RBI for Credit facilities availed by the Company, the Company had obtained BB+ Credit rating from CRISIL.

## RESEARCH & DEVELOPMENT:

As the future of the Pharma Industry looks very bright, thanks to globalization, the Company's R & D efforts are focused in the development of new Drug Intermediates, impurity profiling of the same and analytical method development. Our R & D also concentrates on process development/ improvement to make our products competitive with emphasis on plant friendliness, improving selectivity and reducing effluents generation. With development of Contract Manufacturing based on our Quality Production Standards and dedicated research on the anvil, the Company is looking forward to excellent business and growth opportunities in future.

In the field of Petro Chemicals, the Company continued its R & D efforts in developing new products/formulations for the Oil & Gas, Refineries, Fertilizer units and Steel Plants,

## AMINES & PLASTICIZERS LIMITED



besides making tailor-made Gas Treating Specialty Solvents, as per customer requirements, depending on our High-Tech Simulators induced results. It is noteworthy that, the performance of your Company's Specialty Gas Treating Solvents based on Methyl Diethanolamine (MDEA) are well appreciated all over the world, despite stiff competition from giant multinationals.

### **DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. B. M. Jindal and Dr. M. K. Sinha, Directors, retire by rotation and are eligible for re-appointment. The Board recommends their reappointment.

### **AUDITORS:**

M/s. D. Basu & Co. ( Firm Regn No: 30111E ) Kolkata, and M/s. Lodha & Co., (Firm Regn No: 301051E) Mumbai, Chartered Accountants, Auditors of the Company, hold office until conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letters from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended the re-appointment of M/s. D. Basu & Co. & M/s. Lodha & Co. as Auditors of the Company for a further term.

### **STATUTORY DISCLOSURES:**

#### **REDEMPTION OF PREFERENCE SHARES:**

19385, 14% Redeemable Cumulative Preference Shares of Rs.100/- each have been proposed to be redeemed at par out of distributable profits. Necessary steps are being taken for its redemption and a special resolution to this effect has been included in the Notice of the ensuing Annual General Meeting for the consideration of the Members of the Company.

#### **INSURANCE:**

All properties and insurable interest of the Company including buildings, plant and machineries, stores and spares have been adequately insured.

### **SUBSIDIARY COMPANIES:**

APL Engineering Services Private Limited, a 100% Wholly Owned Subsidiary of your Company received orders for Fabrication and supply of Pressure Vessel. These orders were executed and completed during the year under review. The Pressure Vessels supplied are working to the complete satisfaction of the customer. The Company is setting up its own manufacturing and fabrication unit at Vadval, Khopholi. All required Plant and Machinery are in the final stages of erection. The plant is expected to be commissioned in the 2nd quarter of the current Financial Year.

As reported earlier, APL Infotech Limited, a subsidiary of your Company is engaged in the field of software development and trials of its software are being done on a multiple Oil Line belonging to one of the leading Companies in India. The trials so far have been encouraging. A simultaneous effort to show case and have field trials in another gas transmission company's gas pipeline is on.

As per the exemption order number:- 47/121/2010-CL-III dt. 03/03/2010 passed by the Central Government under Section 212 (8) of the Companies Act, 1956, the financial statements of the subsidiary companies have not been attached. However, a statement under Section 212 (3), which also contains relevant information in terms of the exemption order, is attached. The Annual Accounts of subsidiary Companies have been kept at the Registered/Head Office of the Company and can be inspected and obtained by members during office hours till the date of Annual General Meeting of the Company.

#### **FIXED DEPOSITS:**

The Company has not accepted or renewed any Deposits from public during the year under review and there is no unpaid or unclaimed deposits lying with the Company.

#### **BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE:**

Information pursuant to Department of Company Affairs Notification relating to the Balance Sheet Abstract and Company's General Business Profile



# AMINES & PLASTICIZERS LIMITED



is given in the Annual Report for the information of the Shareholders.

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

Pursuant to the provisions of 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, prescribed particulars as applicable is annexed hereto as Annexure 'A' and forms part of this Report.

## **PARTICULARS OF EMPLOYEES:**

None of the employees of the Company fall under the provision of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, during the year under report.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors on the Board confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures wherever applicable;
- 2) 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 at the end of the financial year and of the profit of the Company for the year under review;
- 3) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and

for preventing and detecting fraud and other irregularities;

- 4) The Directors have prepared the annual accounts on a going concern basis.

## **INDUSTRIAL RELATIONS:**

The industrial relations remained cordial during the year under review.

## **CORPORATE GOVERNANCE:**

Corporate Governance primarily involves adherence to regulatory framework, financial prudence, fair and transparent process and reporting systems. The Company has complied with the mandatory provisions of Corporate Governance. As prescribed under the Listing Agreement of the Stock Exchanges, a separate report on Corporate Governance appears after this report. A certificate from M/s. VKM and Associates, Practicing Company Secretaries with regard to compliance of the Corporate Governance Code by the Company is annexed hereto and forms part of this report. Further, a separate Management Discussion & Analysis Report is also enclosed with this report.

## **APPRECIATION:**

Your directors would like to record sincere appreciation of the support and co-operation that your Company received from all the Customers, Collaborators, Government Agencies, Financial Institutions, Bankers, Suppliers, Shareholders, Employees and others who have reposed their trust and confidence in the Company.

For and on behalf of the Board

**HEMANT KUMAR RUIA**

*Chairman &*

*Managing Director*

Place : Mumbai

Date : 28/05/2010

## **ANNEXURE 'A'**

Statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

### **A. Conservation of Energy**

#### **a. Energy Conservation measures taken :**

##### **I) Electrical Energy:**

- i) Incorporating AC Drive for Boiler ID fan has resulted in reducing starting current and thereby reduced energy consumption.
- ii) Regular upgradation of electrical system is carried out on a continuous basis, so as to minimize electrical losses.
- iii) Regular preventive/predictive maintenance of electrical system is carried out to ensure minimal losses.
- iv) High voltage lamps are being phased out and energy efficient metal halide lamps are retrofitted to save electricity & improve lux levels.
- v) Higher power factor is being maintained which has not only reduced maximum demand but also saved electrical losses.
- vi) Replacement of old high rating motors by new motors has helped to reduce energy consumption and process down time.
- vii) Installation of turbo ventilators with transparent sheet has effectively helped in switching off lights and thereby saving energy.

##### **II) Briquette/Furnace Oil/LDO Consumption:**

- i) Conversion of fuel for Boiler from Furnace oil to Briquette fired has resulted in huge savings & also helped the Company in reducing pollution.
- ii) Consumption of fuel oil/briquette has lowered due to better utilization of Plant and Machinery combined with optimum product mix output.
- iii) Periodic cleaning and usage of cooling water additives is continued to reduce in not only scaling thus resulting in better heat transfer.
- iv) Heat losses are reduced by proper Insulation on piping and equipments.
- v) Usage of fuel additives and boiler water additives is being continued to obtain better heat generation efficiency

#### **b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy :**

- i) Conversion from use of LDO to Briquette is being proposed and is likely to be implemented during the next year.
- ii) Restructuring of the plant configuration with additional balancing equipments is being proposed to increase and obtain better plant capacities so that optimum plant utilization can be achieved and thereby reduction in energy consumption.

## AMINES & PLASTICIZERS LIMITED



iii) It is proposed to commercialize few new value added products which have been developed on the pilot plant scale, for improved plant utilization.

c. **Impact of the measures at (a) and (b) for reduction of energy consumption and consequent on the cost of production:**

The various measures taken as mentioned above has resulted in higher plant production at lower energy consumptions levels. This has resulted in our products being very competitive in the market and thus earned better realization especially in exports.

d. **Total energy consumption and energy consumption per unit of production.**

As per Form 'A' of the Annexure.

**B. Technology Absorption:**

Efforts made in technology absorption as per Form 'B' of the Annexure.

**C. Foreign Exchange Earnings and Outgo :**

|   | <b>Current Year<br/>2009-2010<br/>(Rs. in Lakhs)</b> | <b>Previous Year<br/>2008-2009<br/>(Rs.in Lakhs)</b> |
|---|--|--|
| 1. <b>Foreign exchange earned</b>           |  |  |
| Export of goods on FOB basis                | <b>5104.36</b>                                       | 8549.55  |
| 2. <b>Outgo of foreign exchange</b>         |  |  |
| CIF value of Imports                        | <b>2279.83</b>                                       | 2667.67  |
| 3. <b>Expenditure in foreign currencies</b> | <b>196.28</b>  | 45.53  |

For and on behalf of the Board

Place : Mumbai  
Date : 28.05.2010

**HEMANT KUMAR RUIA**  
*Chairman & Managing Director*

# **FORM A**

Form for disclosure of particulars with respect to conservation of energy.

|   | For the year<br>ended<br>31.03.2010 | For the year<br>ended<br>31.03.2009 |
|---|-------------------------------------|-------------------------------------|
| <b>A. Power and Fuel Consumption :</b>                  |                                     |                                     |
| 1. Electricity  |                                     |                                     |
| (a) Purchased Units/Lakhs                               | <b>26.57</b>                        | 29.36                               |
| Total amount (Rs. in Lakhs)                             | <b>148.47</b>                       | 127.23                              |
| Cost per unit – Rs.                                     | <b>5.59</b>                         | 4.33                                |
| (b) Own Generation                                      |                                     |                                     |
| (i) Through Diesel                                      |                                     |                                     |
| Generator Set :   |                                     |                                     |
| Units generated/Lakhs                                   | <b>NEGLIGIBLE</b>                   | NEGLIGIBLE                          |
| Units per Ltr. of Diesel Oil                            | <b>NEGLIGIBLE</b>                   | NEGLIGIBLE                          |
| Cost – Rs. / Unit                                       | <b>NEGLIGIBLE</b>                   | NEGLIGIBLE                          |
| (ii) Through Steam Turbine/Generator                    | <b>NIL</b>                          | NIL                                 |
| 2. Coal (specify quality and where used)                | <b>NIL</b>                          | NIL                                 |
| 3. Furnace Oil Quantity – M.T.                          | <b>1505</b>                         | 2931                                |
| Total amount – Rs. in Lakhs                             | <b>290.31</b>                       | 686.43                              |
| Average rate – Rs. / M.T.                               | <b>19287</b>                        | 23420                               |
| 4. Others/internal generation Light Diesel Oil – K Ltrs | <b>421</b>                          | 689                                 |
| Total amount – Rs. in Lakhs                             | <b>139.21</b>                       | 253.78                              |
| Average rate – Rs. / K. Ltr.                            | <b>33038</b>                        | 36833                               |
| 5. Others/internal generation Briquettes – MT           | <b>2515</b>                         | –                                   |
| Total amount – Rs. in Lakhs                             | <b>105.99</b>                       | –                                   |
| Average rate – Rs. / MT.                                | <b>4215</b>                         | –                                   |

**B. Consumption per unit of Production:**

|                         | Standards<br>(if any) | For the year<br>ended<br>31.3.2010 | For the year<br>ended<br>31.3.2009 |
|-------------------------|-----------------------|------------------------------------|------------------------------------|
| Products                |                       |                                    |                                    |
| * <b>Plasticizers</b>   |                       |                                    |                                    |
| Electricity (per MT)    | Units                 | <b>NIL</b>                         | NIL                                |
| Furnace Oil (per MT)    | Ltrs                  | <b>NIL</b>                         | NIL                                |
| ** <b>Ethanolamines</b> |                       |                                    |                                    |
| Furnance Oil (per MT)   | Ltrs                  | <b>166</b>                         | 289                                |
| L.D.O. (per MT)         | Ltrs                  | <b>68</b>                          | 72                                 |
| Electricity (per MT)    | Units                 | <b>266</b>                         | 226                                |
| Briquette (per KG)      | Kgs                   | <b>309</b>                         | –                                  |

\* Utility consumption figures are maintained in spite of lower production. The Plasticizers plant is now being used for conducting manufacture/processing of other products.

## FORM B

Form for disclosure of particulars with respect to absorption

1. Specific areas in which the Research & Development carried out by the company
 

Our Research & Development efforts are focused on :-

  - (a) Developing addition products based on Ethylene Oxide, Propylene oxide, Cyclic amines, Aliphatic amines and Aromatic amines.
  - (b) Development of downstream products using existing product as raw material.
  - (c) Development of import substitutes and export oriented products.
  - (d) Adaptation of latest technology to improve yield, quality and cost of our products.
  - (e) Adaptation of latest methods for conservation of energy, fuel and water resources
  - (f) Induction of distillation facility for critical application developed.
2. Benefits derived as a result of the above R&D
  - (a) Newly developed molecules have been introduced in local & international market resulting in increased range of specialty products.
  - (b) Revamping of our existing plant and equipment and process has resulted in quality as also in through put in the amines plant.
  - (c) Exports of specialty products and formulation developed in R&D meeting international standards.
  - (d) Development of environment friendly technology so as to reduce fuel and conserve environment.
3. Future plan of action
  - (a) To continue development of further range of alkanolamines
  - (b) To develop new products, formulation for local and international gas treating customers.
  - (c) To develop specialty organic products for selective new customers.
4. Expenditure on R&D
 

|   |  |             |
|---|--|-------------|
| (a) Capital   |  | NIL         |
| (b) Recurring   |  | 45,75,829/- |
| (c) Total   |  | 45,75,829/- |
| (d) Total R&D expenditure as a percentage of turnover |  | 0.259%      |
5. Technology absorption, adaptation and innovation
  - a) Efforts, in brief, made Towards technology and innovation
    - (a) All the plants have achieved substantial capacity utilization and steps for further up gradation are being taken up. The technical advances employed in all the plants have been successfully implemented
    - (b) Absorption of recently developed synthetic process in R&D has resulted in making quality product to satisfy overseas customers specific requirement

## AMINES & PLASTICIZERS LIMITED



- |   |  |
|---|--|
|   | (c) Exposure of technical person to absorb latest technological advances through seminars, literature survey attending seminars have share benefits.   |
| b) Benefits derived as Result of the Efforts, e.g. Improvement, cost reduction, product development, import substitution  | <p>(a) Reduction in energy costs per unit of production.</p> <p>(b) Timely deliveries to all customers.</p> <p>(c) Increased production capacity with in the available plant resources making economically viable and productive.</p> <p>(d) Company is now an ISO 9001-2008 / ISO 14001-2004 / OSHAS 18001-2007 recognized.</p> |
| c) In case of imported technology (imported during the last five yrs reckoned from the beginning of the financial year) following information may be furnished. |  |
| (a) Technology imported   | No technology imported.  |
| (b) Year of import  | N.A.   |
| (c) Has technology been fully absorbed  | N.A.   |
| (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans and actions.  | N.A.   |

For and on behalf of the Board

Place : Mumbai  
Date : 28.05.2010

**HEMANT KUMAR RUIA**  
*Chairman & Managing Director*

# REPORT ON CORPORATE GOVERNANCE

Clause 49 of the Listing Agreement with the Stock Exchange stipulates the norms and disclosure standards that have to be followed on the Corporate Governance front by listed Indian Companies.

## 1. Company's Philosophy on Corporate Governance:

The Company believes that governance should be functioning beyond compliances, adherence to regulatory frame work, financial prudence and should create fair and transparent process and reporting systems. The Company is committed to uphold its core values of Customer Focus, Community, Performance, Leadership, Integrity, Quality and Innovation. The Company's philosophy on corporate governance is based upon a legacy of fair, ethical and transparent business and commercial practices. The Company has adopted the code of conduct and disclosure practices under SEBI regulations which strengthens the implementations of Code of Corporate Governance. The Company also ensures full compliance with the applicable laws and regulations under various Statutes and Enactments.

## 2. Board of Directors (Board)

### a) Composition and Category of Directors

The Board of Directors provides strategic direction and thrust to the operations of the Company. The Board consists of Six Directors out of which Chairman and Managing Director (CMD) is an Executive Member of the Board and others are Non- Executive Directors.

The Chairman of the Board is an Executive Director and more than two third of the Board comprises of Independent Directors.

Except the Managing Director, all other Directors are eligible to retire by rotation as per the provisions of the Companies Act, 1956. The Composition of the Board and other relevant details relating to the Directors are depicted in the table given below:

| Name of the Director   | Category of Directorship | Attendance particulars |          | No. of other directorships and committee memberships other than APL |            |   |
|--|--------------------------|------------------------|----------|---|------------|---|
|  |                          | Board Meeting          | Last AGM | Other Directorships #   | Committee@ |   |
| Mr. H. K. Ruia   | CMD                      | 7                      | Yes      | 8   | —          | — |
| Mr. K.K.Seksaria   | NE/ID                    | 6                      | No       | 9   | —          | — |
| Dr. M. K. Sinha  | NE/ID                    | 6                      | No       | 8   | —          | — |
| Dr. P. H. Vaidya   | NE/ID                    | 6                      | No       | 1   | —          | — |
| Mr. A. S. Nagar  | NE/ID                    | 4                      | No       | 0   | —          | — |
| Mr. B. M. Jindel   | NE/ID                    | 6                      | No       | 4   | —          | — |
| M = Membership; C = Chairmanship;<br>NE/ID = Non-Executive/Independent; CMD = Chairman & Managing Director<br># Directorships in Private Limited Companies included;<br>@ comprises of Audit and Investors' Grievance Committee of Public Limited Companies; |                          |                        |          |   |            |   |

**b) Meeting:**

Seven Board Meetings were held during the financial year ended 31st March, 2010, viz. on 29th April, 2009, 30th June, 2009, 31st July, 2009, 26th August, 2009, 12th October, 2009, 30th October, 2009, 29th January, 2010.

**c) Board Agenda**

The Board meetings are scheduled well in time and Board members are given a notice of at least seven days before the meeting date. The Board members are provided with well structured and comprehensive agenda papers. All major agenda items are backed by in-depth background information and analysis, wherever possible, to enable the Board to take appropriate and informed decisions.

**3. Audit Committee****a) Terms of Reference**

Terms of Reference of Audit Committee include amongst other things mainly:

- \* Overseeing financial reporting process;
- \* Recommending the appointment of Statutory and Internal Auditors;
- \* Reviewing with management the quarterly, half yearly and annual financial statements;
- \* Reviewing the adequacy of internal control systems and periodic audit reports;
- \* Discussing with the Statutory Auditors about the nature and scope of audit;
- \* Reviewing the financial statements and investments made by the unlisted subsidiary companies.

**b) Composition of Audit Committee**

The Audit Committee presently comprises of Mr. A. S. Nagar, Chairman, besides, Mr. B. M. Jindel, Dr. M. K. Sinha and Mr. H. K. Ruia. Two-thirds of the members of audit committee are independent directors. All of them have financial and accounting knowledge. Mr. Ajay Puranik, Company Secretary is the Secretary of the Committee. Chief Financial Officer, Mr. Ravi Sharma & Statutory Auditors attend meetings by invitation.

**c) Attendance**

Five meetings were held during the financial year ended 31st March, 2010, viz. on 29th April, 2009, 30th June, 2009, 31st July, 2009, 30th October, 2009, 29th January, 2010. Composition of the Audit Committee and attendance of each Director at these meetings are as follows:

| Name of the Director | Designation | No. of Meetings Attended |
|----------------------|-------------|--------------------------|
| Mr. A. S. Nagar      | Chairman    | 4                        |
| Mr. B. M. Jindel     | Member      | 5                        |
| Mr. H. K. Ruia       | Member      | 5                        |
| Dr. M. K. Sinha      | Member      | 4                        |

**4. Remuneration Committee****a) Composition and meetings**

The Remuneration Committee presently comprises of Mr. A. S. Nagar, Chairman, besides, Mr. B. M. Jindel and Mr. K. K. Seksaria, the non-executive directors and Mr. H. K. Ruia, an executive director. No meeting of the Company was held as there was no related business.



## b) Terms of Reference

The remuneration committee is directed towards rewarding performance. It is aimed at attracting and retaining high caliber management talent by evaluating their performance based on their potentials, leadership skills. The Remuneration Committee decides the remuneration payable to Chairman & Managing Director & also recommends the remuneration package of other senior managerial personnel, if any, and sitting fees payable to non-executive directors. The Company pays remuneration by way of salary, perquisites, allowance and additional remuneration to its Chairman & Managing Director. The remuneration payable to Chairman & Managing Director is as per the amended provisions of Schedule XIII of the Companies Act, 1956.

## c) Remuneration of Non-Executive Directors

| Name of Director   | Sitting Fees Paid (Rs.) |                         |
|--------------------|-------------------------|-------------------------|
|                    | Board Meeting           | Audit Committee Meeting |
| Mr. K. K. Seksaria | 15,000                  | —                       |
| Dr. M. K. Sinha    | 15,000                  | 4,000                   |
| Dr. P. H. Vaidya   | 15,000                  | —                       |
| Mr. A. S. Nagar    | 10,000                  | 4,000                   |
| Mr. B. M. Jindel   | 15,000                  | 5,000                   |

## d) Remuneration of Whole Time Director

The Chairman & Managing Director is the only Whole Time Director in the Company. His remuneration for the period commencing from April 1, 2009 has been approved by the Remuneration Committee of the Board and the Board of Directors of the Company. The remuneration paid to Mr. Hemant Kumar Ruia, Chairman and Managing Director during the year 2009-2010 was Rs. 13,81,916/- (excluding PF/SA) which is shown in detail here under:

| Salary (Rs.) | Perquisites (Rs.) | PF/SA contribution (Rs.) | Bonus (Rs.) | Commission |
|--------------|-------------------|--------------------------|-------------|------------|
| 9,90,000/-   | 2,59,916/-        | 1,78,200/-               | 1,32,000/-  | NIL        |

## 5. Shareholders' Committee:

### a) Share Transfer Committee

The Committee is comprised of an Executive Director and a Non-Executive Independent Director. Mr. H. K. Ruia is the Chairman and Mr. A. S. Nagar is the other member of the Committee. The Committee looks into the issues relating to Shareholders, including transfer, transmission, transposition of shares, issue of duplicate share certificates and other related matters. The Committee meets to consider and approve these matters from time to time.

### b) Shareholders' Grievance Committee

The Committee presently consists of three Non-Executive Independent Directors and an Executive Director. This Committee specifically looks into the redressal of shareholders' and investors' complaints with a primary objective to improve investor relations. The Committee met four times during the financial year 2009-10 viz. 29th April, 2009, 31st July, 2009, 30th October, 2009, 29th January, 2010.

Composition of the committee and attendance of each Director at these meetings are as follows:

| Name of the Director | Designation | No. of Meetings Attended |
|----------------------|-------------|--------------------------|
| Mr. A. S. Nagar      | Chairman    | 3                        |
| Mr. K. K. Seksaria   | Member      | 4                        |
| Mr. B. M. Jindel     | Member      | 3                        |
| Mr H. K. Ruia        | Member      | 4                        |

**c) Compliance officer**

Mr. Ajay Puranik, Company Secretary is the Compliance Officer pursuant to clause 47 (a) of the Listing Agreement with Stock Exchange.

**d) Details of complaints/correspondences received and resolved during the year**

|   |    |
|---|----|
| Number of correspondences received from Share holders | 45 |
| Number of correspondences redressed                   | 45 |
| Number of complaints/correspondences not resolved     | 0  |

**6. General Body Meeting**

**a) Annual General Meeting**

| AGMs       | Date of AGMs         | Location | Time       |
|------------|----------------------|----------|------------|
| AGM(32nd ) | 27th September, 2007 | Guwahati | 1.30 P. M. |
| AGM (33rd) | 30th September, 2008 | Guwahati | 2.00 P. M. |
| AGM (34th) | 30th September, 2009 | Guwahati | 2.00 P. M. |

**b) Resolutions passed at last 3 AGMs**

2006-07 : Appointment of Mr. Brijmohan Jindel as Director of the Company.

2007-08 : Re-appointment of Mr. Hemant Kumar Ruia as Chairman and Managing Director of the Company.

2008-09 : Declaration of dividend on Preference Shares.

**c) Resolutions passed through Postal Ballot :**

**(During the year 2006-07)**

**1. Special**

- Alteration of object clause of Memorandum of Association pursuant to Section 17 of the Companies Act, 1956.
- Commencement of business pursuant to Section 149 (2A) of the Companies Act, 1956.

**2. Ordinary**

- Increase in Authorised Share Capital from Rs.5.5 Crores to Rs.10 Crores and Consequent alteration of Memorandum of Association pursuant to Section 94 of the Companies Act, 1956.
- Authority to borrow upto Rs. 75 Crores pursuant to Section 293 (1) (d) of the Companies Act, 1956.
- Mortgage and / or charge of moveable and immoveable properties of the company to secure enhanced financial assistance / credit facilities pursuant to Section 293 (1) (a) of the Companies Act, 1956.

No Special/Ordinary resolutions were passed through Postal Ballot during the year 2007-08 and 2008-09.

**(During the year 2009-10)**

## **1. Special**

- i) Alteration of object clause of Memorandum of Association pursuant to Section 17 of the Companies Act, 1956.
- ii) Commencement of business pursuant to Section 149 (2A) of the Companies Act, 1956.

## **7. Code of Conduct**

The Board has laid down a "Code of Conduct" (Code) for all the Board members and Senior officials of the Company and the Code is posted on the website of the Company [www.amines.com](http://www.amines.com). Annual confirmation regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the CMD is forming part of the report.

## **8. CEO / CFO Certification**

The Chairman and Managing Director and Chief Financial Officer of the Company have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

## **9. Disclosures**

- a) The Company has not entered into any pecuniary transactions with its promoters or directors except as disclosed in the Accounts.
- b) The Company has followed the Guidelines of Accounting Standards laid down by the Central Government and The Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- c) During the last three years, there were no penalties or strictures imposed on the Company either by the Stock Exchanges or by SEBI or any statutory authority for non-compliance on any matter related to capital markets.
- d) The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically discusses the significant business risks identified by the management and the mitigation process being taken up.
- e) During the year under review, the Company has not raised any funds from public issue, rights issue or preferential issue.

## **10. Compliance**

The Board reviews periodically compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non compliances, if any.

## **11. Subsidiary Company**

The minutes of the meetings of the Board of Directors and the Financial Statements for the year ended March 31, 2010 of APL Infotech Limited and APL Engineering Services Pvt. Ltd Subsidiaries of the Company were placed before the Board and Audit Committee for review.

## **12. Means of Communication**

- a) The quarterly results are published in 2 News papers circulated at Assam:
  - i) The North East Times (English) and
  - ii) Ajir Asom, Amar Assam (Assamese).
- b) The financial results and shareholding pattern are posted on the website of the Company under corporate information at [www.amines.com](http://www.amines.com)

## AMINES & PLASTICIZERS LIMITED



- c) This report on Corporate Governance forms part of the Annual Report of the Company and the Certificate from a Practicing Company Secretary confirming compliance is enclosed herewith.
- d) A report on Management Discussion & Analysis is also a part of the Company's Annual Report.

### 13. General Shareholder Information

#### a) Annual General Meeting

- Date : 20th September, 2010
- Time : 3.00 P.M.
- Venue : Hotel Nandan, Paltan Bazar, G.S.Road, Guwahati, Assam

#### b) Financial Calendar

- Results for the Quarter Ending on : Tentative date of declaration
- 30th June, 2010 : First week of August, 2010
- 30th September, 2010 : Second week of November, 2010
- 31st December, 2010 : Second week of February, 2011
- 31st March, 2011 : Last week of May, 2011

#### c) Period of Book Closure : 13/09/2010 to 20/09/2010 (Both days inclusive)

#### d) Listing on Stock Exchanges : Bombay Stock Exchange Limited, P. J. Towers, Dalal Street, Mumbai – 400 001.

#### e) Stock Code : Bombay Stock Exchange Limited : 506248

#### f) Market Information

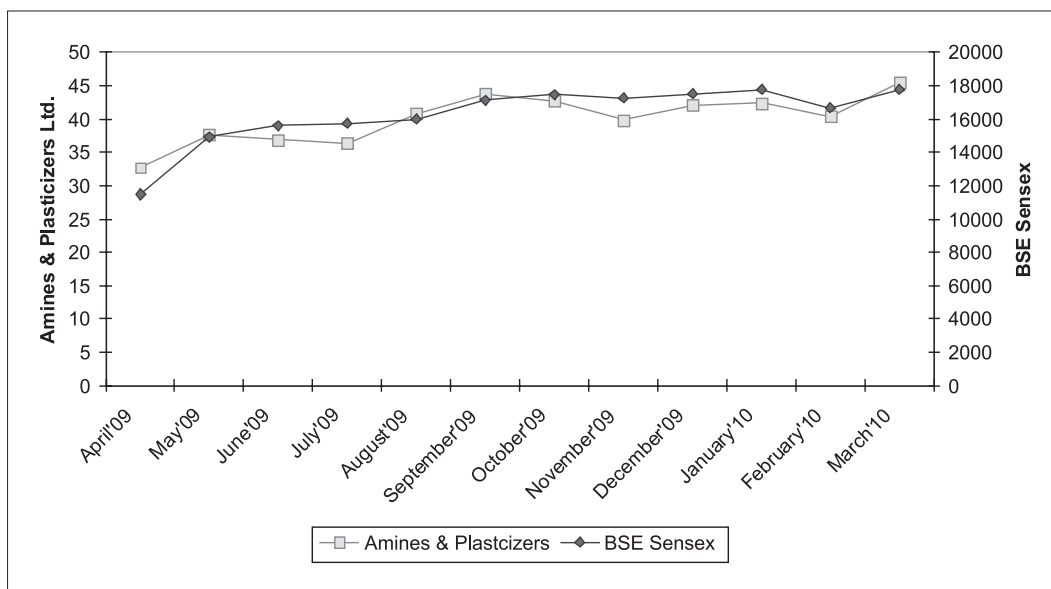
Market price data-monthly high/ low of Company's Equity Shares & Sensex during the last financial year.

| Month          | Amines & Plasticizers Ltd. |           | BSE Sensex |          |
|----------------|----------------------------|-----------|------------|----------|
|                | High (Rs.)                 | Low (Rs.) | High       | Low      |
| April 2009     | 32.75                      | 24.90     | 11492.10   | 9546.29  |
| May 2009       | 37.70                      | 27.15     | 14930.54   | 11621.30 |
| June 2009      | 36.90                      | 30.05     | 15600.30   | 14016.95 |
| July 2009      | 36.45                      | 29.65     | 15732.81   | 13219.99 |
| August 2009    | 40.80                      | 29.50     | 16002.46   | 14684.45 |
| September 2009 | 43.80                      | 35.95     | 17142.52   | 15356.72 |
| October 2009   | 42.75                      | 34.65     | 17493.17   | 15805.20 |
| November 2009  | 39.90                      | 33.00     | 17290.48   | 15330.56 |
| December 2008  | 42.10                      | 34.50     | 17530.94   | 16577.78 |
| January 2010   | 42.40                      | 32.85     | 17790.33   | 15982.08 |
| February 2010  | 40.40                      | 31.85     | 16669.25   | 15651.99 |
| March 2010     | 45.55                      | 33.05     | 17793.01   | 16438.45 |

## AMINES & PLASTICIZERS LIMITED



### g) The performance of Company's Share Price (2009-2010) and BSE Sensex



### h) Registrar and Transfer Agent

M/s. Sharepro Services (India) Pvt. Ltd.,  
 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane,  
 Off. Andheri Kurla Road, Sakinaka, Andheri (East),  
 Mumbai – 400 072  
 Tel : (022) 67720300/400  
 Fax No : (022) 2859 1568  
 E – Mail :- Sharepro@shareproservices.com

### i) Share Transfer System

Securities lodged for transfer at the Registrar's office are normally processed within 15 days from the date of lodgment, if the documents are proper in all respect. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Any queries in respect of share transfer and transmission are dealt with by the share transfer committee and the shareholder's grievances committee.

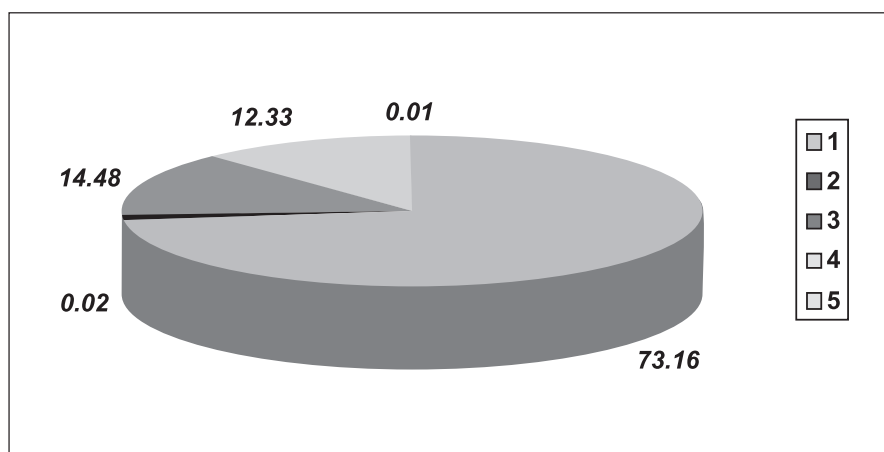
### j) Shareholding Pattern as on 31.03.2010

| Sr.No. | Category  | No. of Shares held | % of Shareholding |
|--------|---|--------------------|-------------------|
| 1      | Promoters   | 4025475            | 73.16             |
| 2      | Banks / Financial Institutions and Insurance Cos. | 1200               | 0.02              |
| 3      | Bodies Corporate                                  | 796294             | 14.48             |
| 4      | Indian Public /HUF / Clearing Members             | 678471             | 12.33             |
| 5      | NRIs / OCBs / Foreign nationals                   | 560                | 0.01              |
|        | <b>Total</b>                                      | <b>5502000</b>     | <b>100.00</b>     |

# AMINES & PLASTICIZERS LIMITED



## PIE CHART SHOWING THE SHAREHOLDING OF THE COMPANY



### k) Distribution of Shareholding as on 31.3.2010

| No. of Equity Shares Held | No. of Shareholders | Percentage of Shareholders | No. of Shares  | Percentage of Shares |
|---------------------------|---------------------|----------------------------|----------------|----------------------|
| Up to – 5000              | 4300                | 99.514                     | 576236         | 10.473               |
| 5001 – 10000              | 4                   | 0.093                      | 29700          | 0.540                |
| 10001 – 20000             | 7                   | 0.162                      | 97348          | 1.769                |
| 20001 – 30000             | 3                   | 0.069                      | 75008          | 1.363                |
| 30001 – 40000             | 0                   | 0.00                       | 0              | 0.00                 |
| 40001 – 50000             | 0                   | 0.00                       | 0              | 0.00                 |
| 50001 – 100000            | 1                   | 0.023                      | 97298          | 1.769                |
| 100001 and above          | 6                   | 0.139                      | 4626410        | 84.086               |
| <b>Total</b>              | <b>4321</b>         | <b>100.00</b>              | <b>5502000</b> | <b>100.00</b>        |

The total shareholding held in the electronic form as on 31/03/2010 is **4370762** with NSDL and CDSL.

Total number of shares demated as on 31.03.2010:-

|              | No of Shares   | % of Paid Up Capital |
|--------------|----------------|----------------------|
| NSDL         | 482917         | 08.78                |
| CDSL         | 3887845        | 70.66                |
| <b>Total</b> | <b>4370762</b> | <b>79.44</b>         |

\* **Depositories** : Central Depository Services (India) Ltd. (CDSL)  
National Securities Depository Ltd. (NSDL)

\* **ISIN** : INE275D01014

l) **Outstanding GDRs/ADRs** : No such GDRs/ADRs/Warrants or any convertible instruments were issued and outstanding.

## AMINES & PLASTICIZERS LIMITED



- m) **Plant Location** : Chemical Plant (Unit No. 1)  
Thane - Belapur Road, Turbhe, Navi Mumbai - 400 705.
- : APL Industrial Gases Plant (Unit No. 2)  
Survey No. 49, Village Vadval - 420 020, Taluka Khalapur, Dist. Raigad.
- n) **Address for Correspondence** : **Registered Office :**  
Paul Enclave, Pranati Builders Pvt. Ltd.,  
Principal J. B. Road, Chenikuthi, Guwahati, Assam - 781 003.
- Corporate Office :**  
'D' Bldg, Shivsagar Estate, Dr. Annie Besant Road, Worli,  
Mumbai - 400 018.

### 14. Status of Compliance with Non-Mandatory Requirements :

Your Company continuously strives towards improving its Corporate governance practices. Whilst your Company is fully compliant with the mandatory requirements of the Clause 49 of the listing Agreement, the adoption of non mandatory requirements under Clause 49 of the listing agreement are reviewed by the Board from time to time. The status of non mandatory requirement is as follows :

#### Office space for Non-Executive Chairman

The Company has an Executive Chairman and therefore the issue of providing office to Non-Executive Chairman does not arise. The Company has no specific tenure specified for Independent Directors. The tenure of certain Independent Directors exceeds the period of 9 years.

#### Remuneration Committee

The Company has a Remuneration Committee, the details of which are mentioned earlier in this Annual Report.

#### Shareholder' rights to receive financial results

The financial results of the Company for every quarter are published in the newspapers and are also put on the Company's website [www.amines.com](http://www.amines.com).

#### Audit qualifications

During year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.

#### Training of Board Members

During the Audit and Board Meetings, the Chairman and Company Secretary give extensive briefings to the Board members on the business of the Company and on various financial, legal & compliance issues.

#### Whistle Blower Policy

The Whistle Blower Policy aims to encourage all employees to inform the Company regarding any kind of misuse of Company property, mismanagement or wrongful conduct prevailing in the Company and no personnel has been denied access thereto. The disclosure would be sent to the Chairman of the Audit Committee / the 'Ombudsman' who would investigate and recommend to the management of the Company to take such disciplinary or corrective action as may be deemed fit.

For and on behalf of the Board

Place : Mumbai  
Date : 28.05.2010

**HEMANT KUMAR RUIA**  
*Chairman & Managing Director*



## **CERTIFICATE ON CORPORATE GOVERNANCE**

To

**The Members of  
Amines & Plasticizers Limited**

We have examined the compliance of conditions of Corporate Governance by **Amines & Plasticizers Limited**, for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **VKM & ASSOCIATES**  
*Company Secretaries*

**Vijay Kumar Mishra**  
Partner

Place : Mumbai  
Date : 28.05.2010

Membership No. F-5023  
C.P.No. 4279

## **DECLARATION OF CODE OF CONDUCT**

To

**The Members of  
Amines & Plasticizers Limited**

This is to confirm that Board has laid down a code of conduct for all Board members and senior management of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the code of conduct of the company as at 31st March 2010, as envisaged in clause 49 in the Listing Agreement with stock exchanges.

Place : Mumbai  
Date : 28.05.2010

**HEMANT KUMAR RUIA**  
*Chairman & Managing Director*



## MANAGEMENT DISCUSSION AND ANALYSIS

The Management of Amines and Plasticizers Limited is pleased to present its Management & Discussion Analysis Report before the Shareholders of the Company.

### BUSINESS OVERVIEW

Amines and Plasticizers Limited (APL) is a pioneer and one of the largest Producers of Ethanolamines, Alkyl Alkonolamines, Morpholine, Alkyl Morpholine and Gas treating solvents in India. APL is a global supplier of organic chemicals which find utility in Oil Refineries, Natural Gas Plants, Ammonia Plants, Petrochemical Plants, Pharmaceuticals and Agrochemicals Industry.

The year 2009-2010 began with a very high degree of uncertainty and volatility in the Indian as well as in the global economy. Despite of all the challenges, recession and downturns in the business all around the world, your Company was able to withstand the turbulence and maintained good earnings.

The Company continued its R&D efforts in developing new products and formulations and Specialty Chemicals for the Oil & Gas, Refinery, Fertilizer units, Pharma Industry and Textiles. The Gas Treating specialty solvents are being produced by the Company tailor-made as per customer's requirements, using its high-tech simulators which were developed internally and the results of which have been well accepted in the International market. The Company continues its R&D efforts in developing high value specialty amine products for the Pharma and Paint Industries.

Your Company in-coordination with the shut down of a major raw-material supplier also closed its Plant for few days and has undertaken a major expansion work for increasing its capacities in certain products. The expansion would be completed in the 2nd quarter of the current year.

The company is also putting up a new ethoxylation plant for catering to various specialty products for which it is in talks with a major Multi National Company. The Plant and Machinery has already been ordered and erection is in process.

The benefits of the expansion and the new ethoxylation plant would accrue from the 3rd quarter of the current year.

As reported earlier, the technology developed by the Company for Pressure Swing Adsorption with reputed technical institute has been commissioned recently. The same is working to the complete satisfaction of the customers. The Company is already in talks with another potential customer.

APL Engineering Services Private Ltd., a 100% subsidiary of your Company received orders for fabrication and supply of Pressure Vessel. The activity of setting up its own Manufacturing and Fabrication unit along with required infrastructure is under progress and is expected to be commissioned in 2nd quarter of current year.

The Company now is an ISO 9001:2008 certified Company and strictly follows the norms laid out for all the products manufactured. All these products are manufactured with due attention given not only to the environmental aspects but also by ensuring employee safety and their welfare. As reported, the Company has also been certified for ISO 14001:2004 which relates to conservation of natural resources whereby the environment becomes less polluted. The Company has taken various measures like converting oil fired boiler to briquette fired boiler, replacements of Freon gas by eco friendly gases, providing transparent sheets, turbo ventilators etc. in order to conserve resources and reduce costs. OHSAS 18001:2007 Certification relates to Safety and Health. Various measures taken by the Company like mock drills, use of personnel protective equipments, safety, fire fighting and first aid training to employees along with specific health check ups related to operation specific illness has resulted in improvements in safe working conditions and better health of employees.

## AMINES & PLASTICIZERS LIMITED



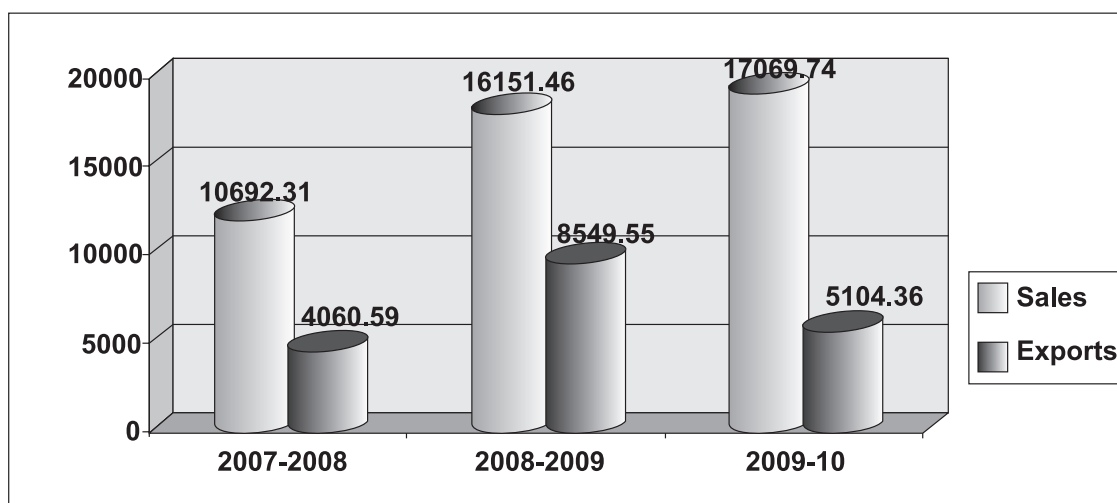
The Company pre-registered all the products being exported under “REACH” and has obtained the required pre-registration numbers.

During the year under review, the aggregate revenue of the Company was Rs.17069.74 Lakhs and profit before tax stood at Rs. 501.25 Lakhs.

### INDUSTRY STRUCTURE AND DEVELOPMENT

The Company has maintained its turnover inspite of fiscal depression and overall weak financial and economic scenario worldwide during the first six months of the year under review. The chart depicts the export and total sales achieved by the Company over last 3 years.

**SALES & EXPORT PERFORMANCE (Rs. In Lakhs)**



The Company's products are mainly exported to Middle East, Europe, Korea and China. The acceptability of the Company's products has enabled the Company to put up an improved performance and overall growth during the year under report.

In the domestic market, the Company's major clients are Public Sector Undertakings engaged in the Refinery and Natural Gas business, besides the Private Sectors, where the Company sells its products in various industries such as Lubricants, Cosmetics, Dyestuff etc.

### PRODUCTWISE PERFORMANCE

The Company has registered highest ever sales during the year mainly because of demand for its products known for its high quality and proficiency. The major customers were international and domestic Refineries, Fertilizer Units and Natural Gas Plants.

Specialty Products are regularly being exported to foreign countries and contribute to the export revenue. These products contribute to the wide spread reach and overall growth of the Company.

### RESEARCH AND DEVELOPMENT PROGRAMMES

During the year under review, more attention was given to the development of new products/process and formulations with due consideration to safety and environmental factors which has helped in expanding the customer base in India and abroad, especially in key sectors such as oil and gas refineries, fertilizer units, pharma and specialty textiles.

The R&D Department of the Company is conducting various research activities on developing import substitutes, new products and processes. The Company is able to increase the manufacturing capacity of various Alkonolamines as a result of innovations in this area.

## OPPORTUNITIES AND THREATS

1. The Company is exploring new markets/buyers internationally and is hopeful of generating more demand for its products/processes. However, profits are likely to remain under pressure due to highly volatile input cost and cheaper imported products, as also the ongoing uncertainty in the global markets.
2. The Company's export revenues are also likely to face adverse impact due to weak international economic scenario, devaluation of Euro vis-à-vis the rupee, dismal demand and stiff competition globally resulting in lower earnings.
3. The Company's In-house Research and Development is continuously engaged in developing new formulations/processes in chemical manufacture which has enabled the Company to create a reputation of a reliable supplier in the domestic as well as in the international market.
4. The Company's in house R&D continues to explore new set of alkonolamines, ethoxylates and formulations for local gas processing industries and adopting to latest technology to enhance value addition to keep in pace with the new generation of products and technology.

## RISK AND CONCERNS

The Company is exposed to risk from market fluctuations of foreign exchange and risk from price fluctuations of its major raw materials i.e. Ethylene Oxide, and other organic chemicals. The Company is also exposed to risk of new domestic manufacturers, cheap imported goods and international price fluctuation for its products range.

## INTERNAL CONTROL SYSTEM

The Company has instituted adequate internal control procedures commensurate with the nature of its business and the size of its operations for smooth conduct of its business.

Internal Audit is conducted at regular intervals at all locations and covers the key areas of operations. It is an independent, objective and assurance function, responsible for evaluating and improving the effectiveness of risk management, control and governance processes.

## HUMAN RESOURCE MANAGEMENT

Human resource continues to be an invaluable asset and key success factor for the Company to grow and sustain its market position in a highly competitive and challenging environment. Your Company firmly believes that its personnel are the driving force behind the growth and excellence in business operations. The Company has been committed to offer excellent working conditions to its employees and is instrumental in inculcating a sense of ownership and pride amongst them. The Company has maintained cordial relations with its employees at all levels. The Company also undertakes welfare schemes for the benefit of its employees.

The Company strongly advocates all aspects of self-development. The organizational structure is open and flat, with minimal differentiation between positions. The remuneration structure links rewards directly to performance. The performance based recognition will progressively reinforce our work ethic.

## FINANCIAL PERFORMANCE

The Company has grown moderately in the current year. The efficient utilization of existing capacities, sale of new products has helped the Company to achieve higher turnover during the year. The comparative financial results for the years 2009-2010 and 2008-09 are as shown below:

# AMINES & PLASTICIZERS LIMITED



(Rs. in Lakhs)

| <b>FINANCIAL RESULTS</b>           | <b>2009-10</b> | <b>2008-09</b> |
|------------------------------------|----------------|----------------|
| Total Income                       | 17069.74       | 16151.46       |
| Total Expenditure                  | 15979.95       | 15066.37       |
| Profit before Depreciation and Tax | 1089.79        | 1085.09        |
| Less: Depreciation                 | 68.84          | 65.51          |
| Interest                           | 519.70         | 496.40         |
| <b>Profit Before Tax</b>           | <b>501.25</b>  | <b>523.18</b>  |
| Provision for taxation             | 199.35         | 180.75         |
| <b>Profit After Tax</b>            | <b>301.90</b>  | <b>342.43</b>  |

The total income increased by over 5.68% from Rs. 16151.46 Lakhs to Rs.17069.74 Lakhs. The Company was able to hold on to a series of good performance of last few years inspite of higher input cost and severe competition.

With the growing Income, the total expenditure has also gone up to 15979.95 Lakhs in the year under review as compared to 15066.37 Lakhs in the previous year. The high expenditure was primarily due to unprecedented increase in major inputs, interest cost, power and fuel prices.

## RESULTS OF OPERATION

The break-up of total income is as shown herein below:

(Rs. In Lakhs)

| <b>Income</b>       | <b>Year ending 31.03.2010</b> | <b>Year ending 31.03.2009</b> |
|---------------------|-------------------------------|-------------------------------|
| Sales And Service   | 16853.43                      | 15917.59                      |
| Other Income        | 87.73                         | 46.02                         |
| Increase in stock   | 128.58                        | 187.84                        |
| <b>Total Income</b> | <b>17069.74</b>               | <b>16151.46</b>               |

The revenue from sales includes export revenue of Rs.5104.36 Lakhs and domestic sales of Rs.11749.07 Lakhs i.e. 30.28% of export sales and 69.72% of domestic sales during the year under report.

## SAFE HARBOUR CLAUSE

Certain statements in the Management Discussion Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic development within India and the countries in which the Company conducts business and other incidental factors.

Thus, the Company should and need not be held responsible, if, which is not unlikely, the future turns to be quite different. Subject to this management disclaimer, this discussion and analysis should be perused.

## **AUDITORS' REPORT**

To

The Member of

**AMINES AND PLASTICIZERS LIMITED**

1. We have audited the attached Balance Sheet of **AMINES AND PLASTICIZERS LIMITED** as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the "Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that: -
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards specified in the Companies (Accounting Standards) Rules, 2006, to the extent applicable;
  - (e) On the basis of written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and Notes to Accounts in Schedule 13 and other notes appearing elsewhere in the accounts, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
    - ii) in the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
    - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **LODHA & Co.**  
*Chartered Accountants*

**A. M. Hariharan**  
*Partner*  
(Membership No.38323)  
(Firm Registration No. 301051E)

Place : Mumbai  
Date : 28th May, 2010

For **D. BASU & Co.**  
*Chartered Accountants*

**Atanu Chatterjee**  
*Partner*  
(Membership No. 50105)  
(Firm Registration No.301111E)

Place : Mumbai  
Date : 28th May ,2010

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2010 OF AMINES AND PLASTICIZERS LIMITED**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) The Company's programme to physically verify all fixed assets over three years period is considered reasonable having regard to the size of the Company and nature of its fixed assets. Pursuant to the programme, physical verification was carried out during the year and no material discrepancies were noticed on such physical verification.  
c) No substantial part of fixed assets has been disposed off by the Company during the year.
2. a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventories lying with the third party and in-transit have been verified by the management with reference to confirmation or statement of accounts or subsequent receipt of goods.  
b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
c) The Company has maintained proper records of inventory and the discrepancies between the physical inventory and the book inventory noticed on physical verification as mentioned in para (b) above were not material and have been properly dealt with in the books of account.
3. a) During the year, the Company has granted unsecured loan to a subsidiary company covered under Section 301 of the Act amounting to Rs. 7,840,600 including interest accrued Rs. 4,458,520. The maximum balance outstanding during the year and the year-end balance was Rs. 37,585,536 including interest accrued Rs. 8,359,810. There is no stipulation about the repayment schedule for the principal as also for interest.  
b) Considering positive development of a complex software for gas pipelines by the subsidiary, the management is hopeful of realising the principal and interest accrued thereon at the earliest and on the basis of such representation by the management, the terms and conditions of the aforesaid loan has not been considered prejudicial to the interest of the Company.  
c) The Company has taken interest free unsecured loans from a party covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs. 750,000 and the year-end balances of loan taken from aforesaid parties was Rs. Nil.  
d) The terms and conditions of the aforesaid loan taken was prima-facie, not prejudicial to the interest of the Company and the principal amount has been repaid as stipulated.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased and sold are of the special nature and suitable alternative source does not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory, shares and securities and fixed assets and with regard to the sale of goods, services, shares and securities. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of the contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.  
b) According to the information and explanations given to us, there were no transactions that have been entered into in pursuance of contracts or arrangements recorded in the register maintained under Section 301 of the Act except the loans taken and given from the parties covered under the said section.
6. The Company has not accepted any deposits within the meaning of Sections 58A, 58AA or any other relevant provisions of the Act and rules framed thereunder.

## AMINES & PLASTICIZERS LIMITED



7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Act in respect of products manufactured by the Company.
9. a) The Company is generally regular in depositing with the appropriate authorities the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it. As explained to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.  
b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited with the appropriate authorities on account of any dispute except the sales tax dues aggregating to Rs 1,003,533 (for the years 01/04/1999 to 31/03/2003), the dispute whereof is pending before the Appellate Tribunal.
10. The Company does not have accumulated losses as at 31st March 2010 and has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions or banks.
12. During the year, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company has kept adequate records of its transaction and contracts in respect of dealing in shares and securities and timely entries have been made therein. All the shares and securities have been held in the name of the Company.
15. The Company has not given any guarantee for loan taken by others during the year.
16. According to the information and explanations given to us, the Company has not obtained any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the cash flow statement and balance sheet of the Company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company has not raised any money by way of issue of debentures.
20. The Company has not raised any money by way of public issue during the year or in the recent past.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **LODHA & Co.**  
*Chartered Accountants*

**A. M. Hariharan**  
*Partner*  
(Membership No.38323)  
(Firm Registration No. 301051E)

Place : Mumbai  
Date : 28th May, 2010

For **D. BASU & Co.**  
*Chartered Accountants*

**Atanu Chatterjee**  
*Partner*  
(Membership No. 50105)  
(Firm Registration No.301111E)

Place : Mumbai  
Date : 28th May ,2010



# AMINES & PLASTICIZERS LIMITED



## BALANCE SHEET AS AT 31ST MARCH, 2010

|  |                 | As at 31st<br>March,<br>2010<br>Rupees | As at 31st<br>March,<br>2009<br>Rupees |
|--|-----------------|--|--|
| <b>SOURCES OF FUNDS</b>                                      | <b>SCHEDULE</b> |  |  |
| <b>SHAREHOLDERS' FUNDS</b>                                   |                 |  |  |
| Share Capital  | 1               | 56,958,500                             | 56,958,500                             |
| Reserves and Surplus   | 2               | 151,078,247                            | 128,026,912                            |
|  |                 | <u>208,036,747</u>                     | <u>184,985,411</u>                     |
| <b>LOANS FUNDS</b>   |                 |  |  |
| Secured Loans  | 3               | 285,652,167                            | 247,519,895                            |
| Unsecured Loans  | 4               | 9,270,322                              | —                                      |
|  |                 | <u>294,922,489</u>                     | <u>247,519,895</u>                     |
| <b>DEFERRED TAX LIABILITY</b>                                |                 | 10,051,531                             | 7,733,769                              |
| <b>TOTAL</b>   |                 | <u>513,010,767</u>                     | <u>440,239,076</u>                     |
| <b>APPLICATION OF FUNDS</b>                                  |                 |  |  |
| <b>FIXED ASSETS</b>  |                 |  |  |
| Gross Block  | 5               | 234,110,337                            | 205,226,426                            |
| Less: Depreciation   |                 | 139,627,535                            | 132,779,162                            |
| Net Block  |                 | <u>94,482,802</u>                      | <u>72,447,264</u>                      |
| Capital Work-In- Progress                                    |                 | 6,406,825                              | 13,193,646                             |
| <b>INVESTMENTS</b>   | 6               | 10,627,953                             | 10,627,953                             |
| <b>CURRENT ASSETS, LOANS AND ADVANCES</b>                    | 7               |  |  |
| Inventories  |                 | 222,456,521                            | 182,824,009                            |
| Sundry Debtors   |                 | 260,152,379                            | 188,019,841                            |
| Cash & Bank Balances   |                 | 63,670,583                             | 20,309,777                             |
| Loans & Advances   |                 | 167,778,504                            | 165,270,430                            |
| Interest accrued on Deposits/ loans                          |                 | 8,528,161                              | 4,717,630                              |
|  |                 | <u>722,586,148</u>                     | <u>561,141,687</u>                     |
| <b>Less: CURRENT LIABILITIES AND PROVISIONS</b>              | 8               |  |  |
| Current Liabilities  |                 | 300,106,511                            | 199,912,270                            |
| Provisions   |                 | 20,986,450                             | 17,259,204                             |
|  |                 | <u>321,092,961</u>                     | <u>217,171,474</u>                     |
| <b>NET CURRENT ASSETS</b>                                    |                 | <u>401,493,187</u>                     | <u>343,970,213</u>                     |
| <b>TOTAL</b>   |                 | <u>513,010,767</u>                     | <u>440,239,076</u>                     |
| <b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b> | 13              |  |  |

The Schedules referred to above form an integral part of the financial statements

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

For **D. BASU & Co.**  
Chartered Accountants

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

**Hemant Kumar Ruia** *Chairman & Mg. Director*

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } *Directors*

**Ajay Puranik** *Company Secretary*

Mumbai, Dated: 28th May, 2010

Mumbai, Dated: 28th May, 2010



# AMINES & PLASTICIZERS LIMITED



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

|  | SCHEDULE | Year ended<br>31st March,<br>2010<br>Rupees | Year ended<br>31st March,<br>2009<br>Rupees |
|--|----------|---|---|
| <b>INCOME</b>  |          |   |   |
| Sales and Services-Gross   | 9        | 1,764,371,890                               | 1,667,296,493                               |
| Less : Excise Duty   |          | 79,028,860                                  | 75,537,213                                  |
| Sales and Services-Net   |          | 1,685,343,030                               | 1,591,759,280                               |
| Other Income   | 10       | 8,772,725                                   | 4,602,468                                   |
| Increase/ (Decrease ) in Stock   | 11       | 12,858,101                                  | 18,784,490                                  |
|  |          | <b>1,706,973,856</b>                        | <b>1,615,146,238</b>                        |
| <b>EXPENDITURE</b>   |          |   |   |
| Raw Materials consumed   |          | 494,503,424                                 | 749,191,072                                 |
| Purchase for Resale and Repacking  |          | 771,989,352                                 | 343,516,177                                 |
| Manufacturing and Other Expenses   | 12       | 383,472,074                                 | 463,569,725                                 |
| Depreciation   |          | 7,268,417                                   | 6,915,614                                   |
| Less: Transferred from Revaluation Reserve                                       |          | 384,820                                     | 364,357                                     |
|  |          | <b>6,883,597</b>                            | <b>6,551,257</b>                            |
|  |          | <b>1,656,848,447</b>                        | <b>1,562,828,231</b>                        |
| <b>PROFIT BEFORE TAX</b>   |          | <b>50,125,409</b>                           | <b>52,318,007</b>                           |
| Deferred Tax   |          | 2,317,762                                   | (676,272)                                   |
| Current Tax  |          | 17,600,000                                  | 15,911,465                                  |
| Fringe Benefit Tax   |          | -   | 1,036,228                                   |
| Wealth tax   |          | 16,914                                      | 22,552                                      |
| MAT Credit Entitlement   |          | -   | 1,780,681                                   |
| <b>PROFIT AFTER TAX</b>  |          | <b>30,190,733</b>                           | <b>34,243,353</b>                           |
| Balance of Profit brought forward from Previous year                             |          | 113,140,943                                 | 84,295,306                                  |
| <b>PROFIT AVAILABLE FOR APPROPRIATION</b>  |          | <b>143,331,676</b>                          | <b>118,538,659</b>                          |
| <b>APPROPRIATIONS</b>  |          |   |   |
| Proposed Dividend - Preference Shares  |          | 271,390                                     | 4,613,630                                   |
| Proposed Dividend - Equity Shares  |          | 5,502,000                                   | -   |
| Corporate Dividend Tax   |          | 981,188                                     | 784,086                                     |
| <b>BALANCE OF PROFIT CARRIED TO BALANCE SHEET</b>                                |          | <b>136,577,098</b>                          | <b>113,140,943</b>                          |
| Basic and Diluted Earnings Per Equity Share of face value Rs.10 each (in Rupees) |          | 5.44  | 7.84  |
| (Refer Note No.B - 18 in Schedule 13)  |          |   |   |
| <b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>                     | 13       |   |   |

The Schedules referred to above form an integral part of the financial statements

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

For **D. BASU & Co.**  
Chartered Accountants

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

**Hemant Kumar Ruia** Chairman & Mg. Director

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } Directors

**Ajay Puranik** Company Secretary

Mumbai, Dated: 28th May, 2010

Mumbai, Dated: 28th May, 2010

# AMINES & PLASTICIZERS LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

|   | Current Year<br>(Rs.)           | Previous Year<br>(Rs.) |
|---|---------------------------------|------------------------|
| <b>A. Cash Flow from Operating Activities</b>           |                                 |                        |
| Net profit before tax and extraordinary items           | 50,125,409                      | 52,318,007             |
| Adjustments for:  |                                 |                        |
| Depreciation  | 6,883,597                       | 6,551,257              |
| Sundry Balances Written Off/Back (Net)                  | 272,639                         | 1,771,378              |
| (Profit)/ Loss on Sale of fixed assets                  | 124,880                         | 348,208                |
| Interest Income   | (4,912,740)                     | (3,790,588)            |
| Interest Paid   | 51,969,635                      | 49,639,827             |
| Operating profit before working capital changes         | 104,463,420                     | 106,838,089            |
| Adjustments for:  |                                 |                        |
| Trade and other receivables *                           | (76,874,291)                    | (64,479,609)           |
| Inventories   | (39,632,511)                    | 589,391                |
| Trade payables  | 96,649,499                      | 13,077,123             |
| Cash generated from operations                          | 84,606,118                      | 56,024,994             |
| Direct taxes (paid) /Refund (net of tax paid)           | (11,701,788)                    | (14,909,628)           |
| Net cash flow from operating activities (A)             | 72,904,330                      | 41,115,366             |
| <b>B. Cash Flow from Investing Activities</b>           |                                 |                        |
| Purchase of Fixed Assets                                | (29,526,477)                    | (2,668,977)            |
| Capital Work in Progress                                | 6,786,821                       | (13,086,646)           |
| Investments   | -                               | (100)                  |
| Interest Received                                       | 4,912,740                       | 3,790,588              |
| Sale of Fixed Assets                                    | 97,642                          | 55,000                 |
| Net cash flow from/ (used in) investing activities (B)  | (17,729,274)                    | (11,910,135)           |
| <b>C. Cash Flow from Financing Activities</b>           |                                 |                        |
| Proceeds/(Repayment) from Long Term Borrowings (Net)    | (645,252)                       | (4,954,227)            |
| Proceeds/(Repayment) from Short Term Borrowings         | 48,047,846                      | 14,787,004             |
| Proceeds from issue of Share Capital                    | -                               | 20,000,000             |
| Dividend paid   | (5,397,716)                     | -                      |
| Interest Paid   | (51,969,635)                    | (49,639,827)           |
| Net cash flow from / (used in) financing activities (C) | (9,964,757)                     | (19,807,050)           |
| Net increase/(decrease) in cash and cash equivalents    | Total = A+B+C<br>45,210,299     | 9,398,181              |
| Cash and Cash equivalents                               | - Opening Balance<br>12,193,705 | 2,795,524              |
|   | - Closing Balance<br>57,404,004 | 12,193,705             |

\* Includes Margin Money in the form of Term Deposits with the Bank for margin money / bank guarantees

### Notes

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3 - 'Cash Flow Statement' notified in the Companies (Accounting Standard) Rules, 2006.
- Cash & Cash equivalents exclude bank balance in Rent account and in Term Deposits for margin money / Bank guarantees.
- Previous year's figures have been regrouped/recast, wherever necessary.

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

For **D. BASU & Co.**  
Chartered Accountants

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

**Hemant Kumar Ruia** Chairman & Mg. Director

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } Directors

**Ajay Puranik** Company Secretary

Mumbai, Dated: 28th May, 2010

Mumbai, Dated: 28th May, 2010

# AMINES & PLASTICIZERS LIMITED



## SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

|  | Rupees            | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|-------------------|-------------------------------------|-------------------------------------|
| <b>SCHEDULE 1</b>  |                   |                                     |                                     |
| <b>SHARE CAPITAL</b>   |                   |                                     |                                     |
| <b>Authorised :</b>  |                   |                                     |                                     |
| 9,500,000 Equity Shares of Rs. 10 each   |                   | <b>95,000,000</b>                   | 95,000,000                          |
| 50,000 Preference Shares of Rs.100 each  |                   | <b>5,000,000</b>                    | 5,000,000                           |
|  |                   | <b>100,000,000</b>                  | 100,000,000                         |
| <b>Issued, Subscribed and Paid-Up:</b>   |                   |                                     |                                     |
| 5,502,000 (55,02,000) Equity Shares of Rs. 10 each   |                   | <b>55,020,000</b>                   | 55,020,000                          |
| 19,385 (19,385) 14% Redeemable Cumulative<br>Preference Shares of Rs.100<br>each, redeemable at par on or<br>before 9th April, 2015. |                   | <b>1,938,500</b>                    | 1,938,500                           |
|  |                   | <b>56,958,500</b>                   | 56,958,500                          |
| <b>SCHEDULE 2</b>  |                   |                                     |                                     |
| <b>RESERVES AND SURPLUS</b>  |                   |                                     |                                     |
| <b>Revaluation Reserve :</b>   |                   |                                     |                                     |
| As per last Balance Sheet  | <b>14,819,853</b> |                                     | 15,184,210                          |
| Less: Transferred to Profit and Loss Account   | <b>384,820</b>    |                                     | 364,357                             |
|  |                   | <b>14,435,033</b>                   | 14,819,853                          |
| <b>Capital Reserve :</b>   |                   |                                     |                                     |
| ( Surplus on re-issue of forfeited shares)   |                   |                                     |                                     |
| As per last Balance Sheet  |                   | <b>4,616</b>                        | 4,616                               |
| <b>Capital Redemption Reserve :</b>  |                   |                                     |                                     |
| As per last Balance Sheet  |                   | <b>61,500</b>                       | 61,500                              |
| Surplus as per Profit & Loss Account annexed   |                   | <b>136,577,098</b>                  | 113,140,943                         |
|  |                   | <b>151,078,247</b>                  | 128,026,912                         |

# AMINES & PLASTICIZERS LIMITED



**As at 31st  
March, 2010  
Rupees**

**As at 31st  
March, 2009  
Rupees**

## SCHEDULE 3

### SECURED LOANS

#### Loan from banks :

##### Working Capital Facilities

**285,439,879**

**246,662,355**

Secured against hypothecation of stock-in-trade (except stock of trading shares and securities) and stores and against Security of Trade Bills and by way of mortgage of the immovable properties (both present and future) of the Company, situated at Turbhe and Vadval as continuing /collateral security and is also personally guaranteed by Managing Director of the Company.

##### Vehicle Loans

**212,288**

**857,540**

Secured against hypothecation of Vehicles purchased there-against and is also personally guaranteed by Managing Director of the Company.

**285,652,167**

**247,519,895**

## SCHEDULE 4

### UNSECURED LOANS

#### Short Term :

##### Loan from Bodies Corporate

**9,270,322**

—

**9,270,322**

—

# AMINES & PLASTICIZERS LIMITED



## SCHEDULE 5

### FIXED ASSETS :

Rupees

| DESCRIPTION                  | GROSS BLOCK (COST / BOOK VALUE) |            |            |                        | DEPRECIATION          |              |                         |                        | NET BLOCK              |  |
|------------------------------|---------------------------------|------------|------------|------------------------|-----------------------|--------------|-------------------------|------------------------|------------------------|--|
|                              | As at 1st April, 2009           | Additions  | Deductions | As at 31st March, 2010 | Upto 31st March, 2009 | For the year | Adjustments/ Deductions | As at 31st March, 2010 | As at 31st March, 2009 |  |
| Freehold Land                | 682,874                         | –          | –          | 682,874                | –                     | –            | –                       | –                      | 682,874                |  |
| Leasehold Land               | 22,042,952                      | –          | –          | 22,042,952             | 7,738,590             | 265,950      | –                       | 8,004,540              | 14,304,362             |  |
| Buildings                    | 19,748,839                      | 6,104,236  | –          | 25,853,075             | 11,415,966            | 472,900      | –                       | 11,888,866             | 13,964,209             |  |
| Plant & Machinery            | 145,598,337                     | 23,075,809 | 175,755    | 168,498,391            | 106,725,043           | 5,008,730    | 105,920                 | 111,627,853            | 56,870,538             |  |
| Intangible Assets (Software) | 1,353,000                       | 283,089    | –          | 1,636,089              | 219,321               | 237,349      | –                       | 456,670                | 1,179,419              |  |
| Furniture & Fittings         | 2,779,824                       | 63,343     | –          | 2,843,167              | 1,779,153             | 151,209      | –                       | 1,930,362              | 912,805                |  |
| Vehicles                     | 13,020,600                      | –          | 466,811    | 12,553,789             | 4,901,089             | 1,132,279    | 314,124                 | 5,719,244              | 6,834,545              |  |
| Total                        | 205,226,426                     | 29,526,477 | 642,566    | 234,110,337            | 132,779,162           | 7,268,417    | 420,044                 | 139,627,535            | 94,482,802             |  |
| Previous Year                | 203,917,285                     | 2,668,977  | 1,359,836  | 205,226,426            | 126,820,176           | 6,915,614    | 956,628                 | 132,779,162            | 72,447,264             |  |
| Capital Work-in-Progress     |                                 |            |            |                        |                       |              |                         |                        | 6,406,825              |  |
|                              |                                 |            |            |                        |                       |              |                         |                        | 13,193,646             |  |

### Notes

- 1) Leasehold land is for the period of 95 years commencing from 1st August, 1968.
- 2) Capital work-in-progress (including Capital Advance) comprises of :

|  | 2009-2010        | 2008-2009         |
|--|------------------|-------------------|
|  | Rs.              | Rs.               |
| Plant & Machinery (under installation) | 855,390          | 13,193,646        |
| Building & Residential Flats           | 5,411,435        | –                 |
| Vehicle                                | 140,000          | –                 |
| <b>Total</b>                           | <b>6,406,825</b> | <b>13,193,646</b> |

# AMINES & PLASTICIZERS LIMITED



|  | Rupees | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|--------|-------------------------------------|-------------------------------------|
| <b>SCHEDULE 6</b>  |        |                                     |                                     |
| <b>INVESTMENTS :</b>   |        |                                     |                                     |
| <b>LONG TERM (QUOTED, NON TRADE)</b>   |        |                                     |                                     |
| 2000 (1000) Equity Shares of Larsen and Toubro Limited of Rs. 2 each fully paid up.                    |        | <b>3,335,046</b>                    | 3,335,046                           |
| 3200 (3200) Equity Shares of Reliance Communication Limited of Rs. 5 each fully paid up.               |        | <b>1,892,008</b>                    | 1,892,008                           |
| 3000 (3000) Equity Shares of Reliance Infrastructure Limited of Rs. 10 each fully paid up.             |        | <b>4,701,399</b>                    | 4,701,399                           |
| <b>(UNQUOTED, TRADE)</b>   |        |                                     |                                     |
| <b>Government Securities :</b>   |        |                                     |                                     |
| 6 year National Savings Certificates<br>(Lodged with the Excise Authorities)                           |        | <b>2,000</b>                        | 2,000                               |
| <b>In Subsidiary Companies</b>   |        |                                     |                                     |
| 5,97,500 (5,97,500) Equity Shares of APL Infotech Limited of Rs. 10 each fully paid up                 |        | <b>597,500</b>                      | 597,500                             |
| 10,000 (10,000) Equity Shares of APL Engineering Services Private Limited of Rs.10 each fully paid up. |        | <b>100,000</b>                      | 100,000                             |
|  |        | <b>10,627,953</b>                   | 10,627,953                          |
| Aggregate Book value of unquoted investments   |        | <b>699,500</b>                      | 699,500                             |
| Aggregate Book value of quoted investments   |        | <b>9,928,453</b>                    | 9,928,453                           |
|  |        | <b>10,627,953</b>                   | 10,627,953                          |
| <b>Aggregate Market value of quoted investments</b><br>(Refer Note No. A-5 in Schedule 13)             |        | <b>6,802,690</b>                    | 3,447,570                           |

## SCHEDULE 7

### CURRENT ASSETS, LOANS AND ADVANCES :

#### A) CURRENT ASSETS

##### i) INVENTORIES

(As per inventories taken, valued and certified by the management)

|  |                    |             |
|--|--------------------|-------------|
| a) Stores & Spare Parts and Packing Materials  | <b>19,995,895</b>  | 11,774,825  |
| b) Raw Materials (in Transit Rs.42,30,289; Previous Year Rs.1,47,34,883)             | <b>32,818,677</b>  | 37,422,250  |
| c) Materials-in-Process  | <b>11,482,348</b>  | 21,388,429  |
| d) Finished Goods  | <b>104,258,513</b> | 78,632,763  |
| e) Materials for Repacking (in Transit Rs.2,53,54,157; Previous Year Rs.2,97,87,879) | <b>45,678,643</b>  | 30,724,342  |
| f) Materials for Resale  | <b>19,832</b>      | 2,881,400   |
| g) Trading Shares and Securities   | <b>8,202,613</b>   | —           |
|  | <b>222,456,521</b> | 182,824,009 |

# AMINES & PLASTICIZERS LIMITED



|  | Rupees      | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|-------------|-------------------------------------|-------------------------------------|
| <b>ii) SUNDRY DEBTORS</b>  |             |                                     |                                     |
| I) SECURED   |             |                                     |                                     |
| Debtor due for a period exceeding six months<br>(Secured by way of charge on the assets of a<br>debtor in possession of the Company pursuant<br>to an order of Hon'ble Mumbai High Court.) | 14,469,739  |                                     | 14,469,739                          |
| II) UNSECURED  |             |                                     |                                     |
| a) Others  |             |                                     |                                     |
| exceeding six months :   |             |                                     |                                     |
| Considered Good  | 5,776,323   |                                     | 5,574,637                           |
| Considered Doubtful  | 1,333,465   |                                     | 1,333,465                           |
|  | 7,109,788   |                                     | 6,908,102                           |
| Less : Provision for Doubtful Debts  | 1,333,465   |                                     | 1,333,465                           |
|  | 5,776,323   |                                     | 5,574,637                           |
| b) Other debts :   |             |                                     |                                     |
| Considered Good  | 239,906,317 |                                     | 167,975,465                         |
|  |             | 260,152,379                         | 188,019,841                         |
| <b>iii) CASH AND BANK BALANCES</b>   |             |                                     |                                     |
| a) Cash on Hand  | 101,031     |                                     | 214,471                             |
| b) Cheques in Hand   | —           |                                     | 10,710,969                          |
| c) Balances with Scheduled Banks :   |             |                                     |                                     |
| In Current Accounts :  |             |                                     |                                     |
| Foreign Currency Accounts  | 56,979,886  |                                     | 579,937                             |
| Rupee Accounts   | 323,087     |                                     | 688,328                             |
| Rent Account   | 1,480,455   |                                     | —                                   |
| In Term/Margin Money Deposits<br>(Receipts lodged with Bank for margin<br>money / bank guarantees)   | 4,786,124   |                                     | 8,116,072                           |
|  |             | 63,670,583                          | 20,309,777                          |
| <b>B) LOANS AND ADVANCES</b>   |             |                                     |                                     |
| (Unsecured, considered good)   |             |                                     |                                     |
| a) Loan to Subsidiaries  | 38,894,041  |                                     | 33,853,156                          |
| b) Advances recoverable in cash or in kind<br>or for value to be received  | 21,960,115  |                                     | 18,616,067                          |
| c) Deposits  | 3,257,859   |                                     | 3,679,353                           |
| d) Balance with Central Excise   | 70,521,658  |                                     | 70,598,554                          |
| e) Export Benefit Receivable   | 18,395,639  |                                     | 28,281,665                          |
| f) Balances with Sales Tax   | 12,384,769  |                                     | 9,949,951                           |
| g) Margin for Option/Forward   | 2,072,739   |                                     | —                                   |
| h) Fringe Benefit Tax ( net of provision of<br>Rs.1,036,228; Previous Year Rs.1,036,228)   | 291,684     |                                     | 291,684                             |
|  |             | 167,778,504                         | 165,270,430                         |
| <b>C) INTEREST ACCRUED ON DEPOSIT / LOANS</b>  |             |                                     |                                     |
| interest accrued on deposit / loans  |             | 8,528,161                           | 4,717,630                           |
|  |             | 722,586,148                         | 561,141,687                         |

# AMINES & PLASTICIZERS LIMITED



|   | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|---|-------------------------------------|-------------------------------------|
| <b>SCHEDULE 8</b>   |                                     |                                     |
| <b>CURRENT LIABILITIES AND PROVISIONS :</b>   |                                     |                                     |
| <b>A) CURRENT LIABILITIES</b>   |                                     |                                     |
| a) Sundry Creditors (Including due to Micro, Small and Medium Enterprises Rs. Nil (previous year Rs. Nil) ) (Refer Note No. B-6 of Schedule 13) | 286,316,963                         | 189,833,244                         |
| b) Other Liabilities  | 13,789,548                          | 10,079,026                          |
|   | <b>300,106,511</b>                  | <b>199,912,270</b>                  |
| <b>B) PROVISIONS</b>  |                                     |                                     |
| a) Income-Tax (Net of tax paid of Rs. 22,684,049 ; Previous Year Rs. 11,062,758)  | 10,657,586                          | 4,737,243                           |
| b) Wealth Tax   | 17,335                              | 22,552                              |
| c) Proposed Preference Dividend   | 271,390                             | 4,613,630                           |
| d) Proposed Equity Dividend   | 5,502,000                           | —                                   |
| e) Provision for Dividend Tax   | 981,188                             | 784,086                             |
| f) Gratuity   | —                                   | 3,849,775                           |
| g) Leave Compensation   | 3,556,951                           | 3,251,918                           |
|   | <b>20,986,450</b>                   | <b>17,259,204</b>                   |
|   | <b>321,092,961</b>                  | <b>217,171,474</b>                  |

## SCHEDULES ATTACHED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

|  | Year ended<br>31st March,<br>2010<br>Rupees | Year ended<br>31st March,<br>2009<br>Rupees |
|--|---|---|
| <b>SCHEDULE 9</b>  |   |   |
| <b>SALES AND SERVICES :</b>                                |   |   |
| Sales & Services - Gross                                   | 1,741,008,826                               | 1,632,608,922                               |
| Less: Excise Duty  | 79,028,860                                  | 75,537,213                                  |
| Sales & Services - Net (Refer Note No. B-5 in Schedule 13) | 1,661,979,966                               | 1,557,071,709                               |
| Export Benefits  | 23,363,064                                  | 34,687,571                                  |
|  | <b>1,685,343,030</b>                        | <b>1,591,759,280</b>                        |

## SCHEDULE 10

### OTHER INCOME :

|  |                  |                  |
|--|------------------|------------------|
| Interest (Gross) :   |                  |                  |
| On Long Term Investments   | 112              | 102              |
| Others   | 4,912,628        | 3,790,486        |
| Gross: (Tax deducted at source Rs.758,952; Previous Year Rs.10,62,758) | 4,912,740        | 3,790,588        |
| Dividend Income  | 125,720          | 36,300           |
| Miscellaneous Income   | 3,734,265        | 775,580          |
|  | <b>8,772,725</b> | <b>4,602,468</b> |



# AMINES & PLASTICIZERS LIMITED



|   | Year ended<br>31st March,<br>2010<br>Rupees | Year ended<br>31st March,<br>2009<br>Rupees |
|---|---|---|
| <b>SCHEDULE 11</b>  |   |   |
| <b>INCREASE / (DECREASE) IN STOCKS :</b>                          |   |   |
| Closing Stocks :  |   |   |
| Finished Goods  | 104,258,513                                 | 78,632,763                                  |
| Materials - in - process  | 11,482,348                                  | 21,388,429                                  |
| Materials for Resale  | 19,832                                      | 2,881,400                                   |
|   | <b>115,760,693</b>                          | <b>102,902,592</b>                          |
| Opening Stocks :  |   |   |
| Finished Goods  | 78,632,763                                  | 75,814,339                                  |
| Materials - in - process  | 21,388,429                                  | 7,634,163                                   |
| Materials for Resale  | 2,881,400                                   | 669,600                                     |
|   | <b>102,902,592</b>                          | <b>84,118,102</b>                           |
|   | <b>12,858,101</b>                           | <b>18,784,490</b>                           |
| <b>SCHEDULE 12</b>  |   |   |
| <b>MANUFACTURING AND OTHER EXPENSES :</b>                         |   |   |
| Payments to and Provisions for Employees :                        |   |   |
| Salaries, Wages, Bonus and Gratuity                               | 38,468,442                                  | 40,666,782                                  |
| Contribution to Provident and Other Funds                         | 2,667,600                                   | 2,639,314                                   |
| Staff and Workmen Welfare Expenses                                | 7,090,185                                   | 7,663,076                                   |
| Power and Fuel  | 74,415,645                                  | 119,461,870                                 |
| Laboratory Expenses   | 1,945,954                                   | 845,535                                     |
| Conversion Charges  | 9,382,366                                   | 8,680,525                                   |
| Repairs and Maintenance to  |   |   |
| Plant & Machinery   | 15,137,346                                  | 12,354,095                                  |
| Buildings   | 1,983,871                                   | 8,135,312                                   |
| Others  | 2,918,154                                   | 5,091,203                                   |
| Research & Development Expenses                                   | 4,575,829                                   | 4,373,779                                   |
| Packing Materials Consumed  | 28,290,875                                  | 37,630,527                                  |
| Conveyance and Vehicle Expenses                                   | 5,365,346                                   | 5,338,888                                   |
| Rent  | 2,067,770                                   | 2,659,798                                   |
| Rates and Taxes   | 6,883,003                                   | 10438705                                    |
| Insurance   | 1,913,222                                   | 2,020,001                                   |
| Directors' Fees   | 81,000                                      | 65,500                                      |
| Excise Duty on Stocks   | 3,862,895                                   | (3,868,122)                                 |
| Freight Outward   | 25,695,975                                  | 32,735,143                                  |
| Payment to Auditors   | 473,399                                     | 514,070                                     |
| Commission on Sales   | 56,167,396                                  | 72,216,674                                  |
| Managerial Remuneration   | 1,560,116                                   | 1,545,005                                   |
| Interest paid   | 30,067,623                                  | 32,657,034                                  |
| Other Finance Costs   | 21,902,012                                  | 16,982,793                                  |
| Technical Fees Paid   | 500,000                                     | 11,859,769                                  |
| Miscellaneous Expenses  | 35,676,911                                  | 28,742,864                                  |
| Sundry Balances Written Off /Back (Net)                           | 272,639                                     | 1,771,378                                   |
| Loss on Shares and Securities (Refer Note No. B-5 in Schedule 13) | 3,981,620                                   | —   |
| Loss on Sale of Fixed Assets (Net)                                | 124,880                                     | 348,208                                     |
|   | <b>383,472,074</b>                          | <b>463,569,725</b>                          |

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE  
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010****SCHEDULE 13****A) SIGNIFICANT ACCOUNTING POLICIES****1. GENERAL**

- a) The financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India under the historical cost convention except for certain fixed assets, which have been revalued, in accordance with the applicable Accounting Standards (AS) notified in Companies (Accounting Standard) Rules, 2006 and on the principles of a going concern.
- b) The Company follows the mercantile system of accounting and recognizes income and expenditure on the accrual basis except those with significant uncertainties.
- c) The accounting policies have been consistently followed.

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principals (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

**3. FIXED ASSETS**

- a) Fixed Assets are stated at cost adjusted by revaluation in case of Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant.
- b) In accordance with AS 28 on 'Impairment of Assets' notified in the Companies (Accounting Standard) Rules, 2006, where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss is recognized in the profit and loss account. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to the extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized.

**4. DEPRECIATION**

- a) Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Further, in the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts at the rates as determined by the valuer. The difference between the depreciation on the assets based on such revaluation and that on original cost is transferred from Revaluation Reserve Account to Profit and Loss Account.
- b) Depreciation on Gas Cylinders is provided on the basis of anticipated life, as certified by a Chartered Engineer, on straight line method @ 5.5555% per annum.

- c) Premium and Development Cost paid for Leasehold-land is amortised over the period of lease.
- d) Depreciation on Fixed Assets added/disposed off/discarded during the year has been provided on the pro-rata basis with reference to the month of addition/disposal/discarding.

**5. INVESTMENTS**

Long term Investments are stated at cost less provision, if any, for diminution in value, which is other than temporary.

All current investment are valued at lower of cost or net market value and provision is made to recognize any decline in the carrying value .

**6. VALUATION OF INVENTORIES**

- a) Inventories (including shares & securities) are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for.
- b) Cost of Stores and Spares is computed on Moving Weighted Average and other Inventories on FIFO basis.
- c) Materials-in-process are valued at raw material cost and estimated cost of conversion .
- d) Cost of finished goods includes conversion and other costs incurred in bringing the inventories to their present location and condition.

**7. FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are recorded at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date.

The exchange differences arising on forward foreign currency contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions are recognized in the period in which they arise based on the difference between i) foreign currency amount of the contract translated at the exchange rate on the reporting date and ii) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract or the last reporting date.

The premium or discount arising at the inception of the forward foreign currency contracts is amortized as an expense or income over the life of the contract.

Any profit or loss arising on cancellation or renewal of forward foreign exchange contracts is recognized as income or expense for the year.

**8. REVENUE RECOGNITION:**

- a. Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers which coincides with the date of dispatch/bill of lading.
- b. Sale includes excise duty and freight, wherever applicable and is net of sales tax /VAT.
- c. Export incentives are accounted for when there is a certainty of receipt / utilization.
- d. Revenue from technical services recognized on the basis of milestones for rendering services as per the agreement.

**9. RESEARCH AND DEVELOPMENT EXPENDITURE**

Revenue expenditure is charged to Profit and Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

## 10. EMPLOYEE BENEFITS

### a) Gratuity :

The Company provides for gratuity, a defined benefit plan, covering eligible employees . Liability under gratuity plan is determined on actuarial valuation done by an independent valuer at the end of the year, based upon which, the Company contributes to the Amines & Plasticizers Limited Employees' Gratuity Fund.

### b) Provident Fund :

Eligible employees receive benefits from a provident fund, which is a defined contribution plan to the Trust/Government administered Trust. Both the employee and the company make contribution to the Amines & Plasticizers Limited Employees' provident Fund Trust / Government administered Trust equal to the specified percentage of the covered employee's salary. Company also contributes to a Government administered pension fund on behalf of its employees.

### c) Liability for leave encashment / entitlement is provided on the basis of actuarial valuation at the year end.

## 11. BORROWING COSTS

Borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised as a part of the cost of respective assets upto the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

## 12. INCOME TAX

### a) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

### b) Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future. The same is subject to review annually. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date

### c) MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

## 13. LEASES

Where the Company has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of the fair value or present value of minimum lease payment and liability is created for equivalent amount. Each lease rent paid is allocated between liability and interest cost so as to obtain constant periodic rate of interest on the outstanding liability for each year.

Where significant portion of risks and reward of ownership of assets acquired under lease are retained by lessor, leases are classified as Operating Lease. Lease rentals for such leases are charged to Profit and Loss account.

## 14. PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

### a) A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation.

### b) Contingent liabilities, unless the possibility of the outflow of resources embodying economic benefit is remote, are disclosed by way of notes to accounts.

### c) Contingent assets are not recognized or disclosed in the financial statement.

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## B) NOTES ON ACCOUNTS :

|   | 31.03.2010<br>Rs. | 31.03.2009<br>Rs. |
|---|-------------------|-------------------|
| 1. Contingent Liabilities not provided for in respect of (excluding interest, if any) :   |                   |                   |
| i) Disputed Sales Tax Dues  | 1,003,533         | 1,003,533         |
| ii) Claims against the Company not acknowledged as debts  | 1,368,024         | 1,368,024         |
| 2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)   | 2,180,698         | 225,000           |
| 3. The Company has revalued Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant in the year 1990-91 on the basis of reports of an external approved valuer on market value/replacement cost using standard indices. The revalued amounts (net of withdrawals) remaining substituted for the historical cost in the gross block of fixed assets as at the close of the year are Leasehold Land. Rs.21,994,500 (Rs.21,994,500), Buildings Rs.7,509,750 (Rs.7,509,750), Plant & Machinery Rs.68,530,500. (Rs.68,530,500), Research & Development Equipment Rs.470,500 (Rs.470,500) and Effluent Treatment Plant Rs.1,000,000 (Rs.1,000,000). |                   |                   |
| 4. (a) The accounts of certain Debtors, Creditors, Loans & Advances are pending confirmations, reconciliations, and adjustments, if any, having consequential impact on the profit for the year, assets and liabilities, the amounts whereof are presently not ascertainable. The management, however, does not expect any material difference affecting the current year's financial statements.   |                   |                   |
| (b) In the opinion of the Board, the Current Assets and Loans and Advances are approximately of the value stated, if realised in the ordinary course of business unless otherwise stated. The provisions for depreciation and for all known liabilities are adequate and reasonable.  |                   |                   |
| 5. Sales & Services is exclusive of Rs 456,060,324 (Previous year Rs. Nil ), being the amount of sale of trading shares & securities. Similarly purchases for resale is exclusive of Rs. 468,244,556 (Previous year Rs. Nil), being the amount of purchase of trading shares & securities,also increase /decrease in stock is exclusive of Rs.8,202,612 (Previous year Rs. Nil) being the Closing stock of Trading shares and Securities. Loss on shares and securities is shown in Schedule 12 of "Manufacturing and Other Expenses".  |                   |                   |
| 6. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.   |                   |                   |
| 7. Sundry Creditors include Rs.135,398,289 (Rs.97,367,617) being the amount of acceptances of Bills of Exchange by the Company, drawn by the Suppliers.   |                   |                   |
| 8. The break up of the deferred tax (liabilities)/assets (net) is as follows :  |                   |                   |
| Deferred Tax Assets / (Liabilities)   |                   |                   |
|   | (Rs.)             | (Rs.)             |
|   | 31.03.2010        | 31.03.2009        |
| Timing difference on account of   |                   |                   |
| Difference between book depreciation and tax depreciation   | (11,359,082)      | (9,638,942)       |
| Expenses allowable u/s 43 B of Income-Tax Act,1961  | 1,307,551         | 1,905,173         |
| Net Deferred Tax assets/(liabilities)   | (10,051,531)      | (7,733,769)       |

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|       |   |                   |                   |
|-------|---|-------------------|-------------------|
| 9. a) | The following are included under other heads of Expenses in the Profit and Loss Account : | <b>31.03.2010</b> | <b>31.03.2009</b> |
|       |   | <b>Rs.</b>        | <b>Rs.</b>        |
| i)    | Salaries, Wages and Bonus   | <b>3,531,432</b>  | 3,304,285         |
| ii)   | Contribution to Provident and other funds   | <b>227,442</b>    | 235,258           |
| iii)  | Staff and Workmen Welfare Expenses  | <b>219,452</b>    | 129,367           |
| iv)   | Repairs and Maintenance - Others  | <b>-</b>          | 28,750            |
| v)    | Stores and Spare Parts Consumed   | <b>6,493,034</b>  | 6,506,093         |
| b)    | Aggregate Expenses:   |                   |                   |
|       | Aggregate amount incurred on specific expenses:   |                   |                   |
| i)    | Salaries, Wages, Bonus and Gratuity   | <b>41,999,874</b> | 43,971,067        |
| ii)   | Contribution to Provident and other funds   | <b>2,895,042</b>  | 2,874,572         |
| iii)  | Staff and Workmen Welfare Expenses  | <b>7,309,637</b>  | 7,792,443         |
| iv)   | Repairs and Maintenance - Others  | <b>2,918,154</b>  | 5,119,953         |
| v)    | Stores and Spare Parts Consumed   | <b>6,493,034</b>  | 6,506,093         |
| 10.   | Payment to Auditors:  |                   |                   |
|       | (Excluding Service Tax Rs.48,760/- previous year Rs.57,568)                               |                   |                   |
| a)    | Audit Fees  | <b>130,000</b>    | 130,000           |
| b)    | In respect of :   |                   |                   |
| i)    | Taxation Matters  | <b>12,500</b>     | 15,000            |
| ii)   | Tax Audit Fees  | <b>70,000</b>     | 70,000            |
| iii)  | Management Services   | <b>25,000</b>     | 25,000            |
| iv)   | Certification Work  | <b>177,500</b>    | 225,000           |
| v)    | Reimbursement of out of pocket expenses   | <b>58,399</b>     | 49,070            |
|       |   | <b>473,399</b>    | 514,070           |
| 11.   | Managerial Remuneration comprise of the following:  |                   |                   |
| a)    | Salaries, Bonus and Allowances  | <b>1,122,000</b>  | 1,122,000         |
| b)    | Contribution to Provident and Family Pension Fund   | <b>79,200</b>     | 79,200            |
| c)    | Contribution to Superannuation Fund   | <b>99,000</b>     | 112,200           |
| d)    | Perquisites   | <b>259,916</b>    | 231,605           |
|       |   | <b>1,560,116</b>  | 1,545,005         |

The above excludes provision for gratuity liability, and leave entitlement for the current year which is actuarially determined on an overall basis.

12. i) Foreign exchange difference (net) debited to the Profit & Loss Account for the year Rs.5,747,817 (Rs.3,383,003)
- ii) Details of Foreign currency unhedged

| Particulars         | Foreign Currency | 2009-10                    |                         | 2008-09                    |                         |
|---------------------|------------------|----------------------------|-------------------------|----------------------------|-------------------------|
|                     |                  | Amount in Foreign Currency | Indian rupee equivalent | Amount in Foreign Currency | Indian rupee equivalent |
| <b>Assets:</b>      |                  |                            |                         |                            |                         |
| Debtors             | USD              | 1,739,947.90               | 78,541,248              | 518,576.85                 | 26,260,835              |
|                     | EUR              | -                          | -                       | 794,494.87                 | 53,542,598              |
| Advances            | USD              | 4,126.50                   | 186,270                 | 13,208.00                  | 668,856                 |
| Bank Balance        | USD              | 211,214.61                 | 9,534,227               | 11,452.11                  | 579,937                 |
|                     | EUR              | 783,448.80                 | 47,445,659              | -                          | -                       |
| <b>Total</b>        |                  | <b>2,738,737.81</b>        | <b>135,707,404</b>      | <b>1,337,731.83</b>        | <b>81,052,226</b>       |
| <b>Liabilities:</b> |                  |                            |                         |                            |                         |
| Creditors           | USD              | 901,240.20                 | 40,681,983              | 230,793.00                 | 11,687,404              |
| <b>Total</b>        |                  | <b>901,240.20</b>          | <b>40,681,983</b>       | <b>230,793.00</b>          | <b>11,687,404</b>       |

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| 13. Raw Materials consumed* | Quantity<br>(MT)           | Amount<br>(Rs.)                            |
|-----------------------------|----------------------------|--|
| a) Organic Chemicals        | 11,295.995<br>(14,743.493) | 485,900,321<br>(732,749,843)               |
| b) inorganic Chemicals      | 959.108<br>(887.370)       | 8,603,103<br>(16,441,229)                  |
|                             |                            | <b>494,503,424</b><br><b>(749,191,072)</b> |

\* Excluding proportionate quantity and value of materials purchased for repacking and received for conversion and captive use.

| 14. a) Value of imported and indigenous materials consumed and percentage thereof to total consumption | Value<br>(Rs.)                             | Percentage                       |
|--|--|----------------------------------|
| i) Imported  | 41,174,762<br>(72,954,031)                 | 8.33<br>(9.74)                   |
| ii) Indigenous   | 453,328,662<br>(676,237,041)               | 91.67<br>(90.26)                 |
|  | <b>494,503,424</b><br><b>(749,191,072)</b> | <b>100.00</b><br><b>(100.00)</b> |
| b) Stores and Spare Parts consumed of Rs.64,93,034 (Rs.65,06,093) and debited to other accounts.       | <b>31.03.2010</b><br><b>Rs.</b>            | 31.03.2009<br>Rs.                |
| 15. a) CIF value of Imports :  |  |                                  |
| i) Raw Materials   | <b>27,587,677</b>                          | 31,005,155                       |
| ii) Materials For Resale and Repacking   | <b>200,394,974</b>                         | 235,761,889                      |
| b) Expenditure in Foreign Currency : (on payment basis)  |  |                                  |
| i) Travelling Expenses   | <b>787,243</b>                             | 599,703                          |
| ii) Bank Charges & Commission  | <b>643,946</b>                             | 863,947                          |
| iii) Commission  | <b>16,841,499</b>                          | 576,217                          |
| iv) Others   | <b>1,355,477</b>                           | 2,513,194                        |
| c) Earnings in Foreign Exchange : (on accrual basis)<br>FOB value of Exports                           | <b>510,436,359</b>                         | 854,955,360                      |

## 16. A) Details of Open Interest in Equity Stock/Equity Index Futures Contracts :

| Name of Equity<br>Index Futures | No. of<br>Contracts | No of Units |       |
|---------------------------------|---------------------|-------------|-------|
|                                 |                     | Long        | Short |
| Fut IDX - Banknifty             | 1                   | –           | 250   |
| 29.04.2010                      |                     |             |       |
| (Nil)                           | (Nil)               | (Nil)       | (Nil) |
| Fut IDX - Nifty                 | 1                   | 400         | –     |
| 29.04.2010                      |                     |             |       |
| (Nil)                           | (Nil)               | (Nil)       | (Nil) |
| Fut STK - Relcapital            | 1                   | 552         | –     |
| 29.04.2010                      |                     |             |       |
| (Nil)                           | (Nil)               | (Nil)       | (Nil) |

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B) Details of Open Interest in Equity Stock /Equity Index Option Contracts :

| Name of Equity Index Options | Total premium carried forward<br>Rs. |
|------------------------------|--------------------------------------|
| Nifty Index<br>(Nil)         | Nil<br>(Nil)                         |

C) In respect of Trading in Derivative instruments, considering the nature of contracts, it is not feasible to disclose the Quantitative details.

17. Related Party Disclosures :

Related party disclosures, as required by AS-18 "Related Party Disclosures", are given below :

a) **Parties with whom the Company has entered into transactions during the year in the ordinary course of business.**

i) **Party where control exists: Subsidiaries**

APL Infotech Limited

APL Engineering Services Private Limited (wholly owned subsidiary)

ii) **Companies where Key Management Personnel have significant influence : Associates**

Multiwyn Investments & Holdings Private Limited

APL Holdings & Investments Limited

APL Investments Limited

iii) **Key Management Personnel :**

Mr. Hemant Kumar Ruia - Chairman & Managing Director

b) **Related Party Transactions :**

| NATURE OF TRANSACTION                              | Amount / Rs.                 |                               |                                |
|--|------------------------------|-------------------------------|--------------------------------|
|  | Referred to in<br>a(i) above | Referred to in<br>a(ii) above | Referred to in<br>a(iii) above |
| <b>Income</b>                                      |                              |                               |                                |
| <b>Interest on Loan</b>                            |                              |                               |                                |
| APL Infotech Limited                               | 4,458,520<br>(3,094,827)     |                               |                                |
| <b>Rent</b>  |                              |                               |                                |
| APL Engineering Services<br>Private Limited        | 3,000<br>(-)                 |                               |                                |
| <b>Expenses</b>                                    |                              |                               |                                |
| <b>Service &amp; Maintenance Charges</b>           |                              |                               |                                |
| APL Holdings & Investments Limited                 |                              | 580,800<br>(580,800)          |                                |
| APL Investments Limited                            |                              | 580,800<br>(580,800)          |                                |
| <b>Managerial Remuneration -</b>                   |                              |                               |                                |
| Mr. Hemant Kumar Ruia                              |                              |                               | 1,560,116<br>(1,545,005)       |
| <b>Finance</b>                                     |                              |                               |                                |
| <b>Loan given</b>                                  |                              |                               |                                |
| Maximum amount of debit balance<br>during the Year |                              |                               |                                |
| APL Infotech Limited                               | 29,225,726<br>(25,843,646)   |                               |                                |



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| NATURE OF TRANSACTION   | Amount / Rs.                 |                               |                                |
|---|------------------------------|-------------------------------|--------------------------------|
|   | Referred to in<br>a(i) above | Referred to in<br>a(ii) above | Referred to in<br>a(iii) above |
| APL Engineering Services Private Limited  | 15,618,510<br>(8,009,510)    |                               |                                |
| <b>Equity issued</b>  |                              |                               |                                |
| Multiwyn Investments & Holdings<br>Private Limited  |                              | —<br>(2,500,000)              | —                              |
| Mr. Hemant Kumar Ruia   |                              |                               | (17,500,000)                   |
| <b>Loans taken and repaid</b>   |                              |                               |                                |
| Maximum amount of credit balance<br>during the Year   |                              |                               |                                |
| Multiwyn Investments & Holdings<br>Private Limited  |                              | 750,000<br>(2,800,000)        | —                              |
| Mr. Hemant Kumar Ruia   |                              |                               | (3,200,000)                    |
| <b>Equity investment</b>  |                              |                               |                                |
| Equity investment in subsidiary<br>APL Engineering Services<br>Private Limited from<br>Mr Hemant Kumar Ruia |                              |                               | —<br>(100)                     |
| <b>Outstandings as at 31st March, 2010</b>  |                              | —                             | —                              |
| APL Infotech Limited  | 37,585,536<br>(30,190,788)   | —                             | —                              |
| APL Engineering Services Private Limited  | 9,668,315<br>(8,009,510)     |                               |                                |
| Apl Holdings & Investments Limited  |                              | 733,027<br>(252,175)          |                                |
| Apl Investments Limited   |                              | 733,028<br>(252,175)          |                                |

## Notes :

- No amounts in respect of related parties have been provided for/ written off / written back during the year.
- Related party relationship is as identified by the Company and relied upon by the Auditors.

|   |                   |                   |
|---|-------------------|-------------------|
| 18. The computation of Basic and Diluted Earnings per Share : | <b>31.03.2010</b> | <b>31.03.2009</b> |
|   | <b>Rs.</b>        | <b>Rs.</b>        |
| Net Profit after Tax (Rs.)                                    | <b>30,190,733</b> | 34,243,353        |
| Less: Dividend Payable on Preference Shares (Rs.)             | <b>271,390</b>    | 271,390           |
| Net Profit available to Equity Shareholders (Rs.)             | <b>29,919,343</b> | 33,971,963        |
| Weighted average no. of equity shares (denominator)           |                   |                   |
| Basic   | <b>5,502,000</b>  | 4,335,333         |
| Diluted   | <b>5,502,000</b>  | 4,335,333         |
| Nominal value of Share (Rs.)                                  | <b>10</b>         | 10                |
| Basic and Diluted Earnings Per Share ( Rs)                    | <b>5.44</b>       | 7.84              |

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19. Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits: -

i) In respect of gratuity, defined benefit scheme (based on Actuarial Valuation) -

| Description   | 31.03.2010<br>Rs.        | 31.03.2009<br>Rs.        |
|---|--------------------------|--------------------------|
| A. Expense recognised in the statement of Profit and Loss Account for the year                |                          |                          |
| – Current Service Cost  | 722,508                  | 3,855,391                |
| – Interest Cost   | 1,017,133                | –                        |
| – Expected return on plan assets  | 992,143                  | –                        |
| – Net actuarial (gain) / loss recognised during the year                                      | (981,325)                | 829,898                  |
| Total Expense   | (233,827)                | 4,685,290                |
| B. Actual return on plan assets   |                          |                          |
| – Expected return of plan assets  | 992,143                  | –                        |
| – Actuarial (gain) / loss on plan assets  | 1,235,038                | –                        |
| – Actual return of plan assets  | 2,227,181                | –                        |
| C. Net Asset / (Liability) recognised in the Balance Sheet                                    |                          |                          |
| – Present value of obligation   | 12,406,269               | 14,390,670               |
| – Fair value of plan assets   | 12,640,096               | 14,390,670               |
| – Funded status (surplus / (deficit))   | 233,827                  | –                        |
| – Net Asset / (Liability) recognised in the Balance Sheet                                     | 233,827                  | –                        |
| D. Change in Present value of Obligation during the year                                      |                          |                          |
| – Present value of obligation at the beginning of the year                                    | 14,390,670               | 14,094,418               |
| – Current Service Cost  | 722,508                  | 3,855,391                |
| – Interest Cost   | 1,017,133                | –                        |
| – Benefits paid   | 3,977,755                | 2,729,240                |
| – actuarial (gain) / loss on obligation   | (253,713)                | 829,898                  |
| – Present value of obligation at the end of the year  | 12,406,269               | 14,390,670               |
| E. Change in Assets during the year   |                          |                          |
| – Fair value of plan assets as at beginning of the year                                       | 14,390,670               | 14,094,418               |
| – Expected return on plan assets  | 992,143                  | –                        |
| – Contributions made  | –                        | 3,855,391                |
| – Benefits paid   | 3,977,755                | 2,729,240                |
| – actuarial (gains) / loss on plan assets   | (1,235,039)              | 829,898                  |
| – Fair value of plan assets at the end of the year  | 12,640,096               | 14,390,670               |
| F. Major categories of plan assets as a percentage of total plan                              |                          |                          |
| – Mutual Fund   | 90%                      | 90%                      |
| – Government Bonds  | 10%                      | 10%                      |
| G. Actuarial Assumptions  |                          |                          |
| – Discount rate   | 8.25%                    | 7.75%                    |
| – Expected rate of return on assets   | 11%                      | 11%                      |
| – Mortality Rate  | LIC (1994 – 96)<br>Table | LIC (1994 – 96)<br>Table |
| – Future salary increases consider inflation, seniority, promotion and other relevant factors | 2%                       | 2%                       |

20. The Company has taken/ given certain premises on lease, the lease agreements whereof are mutually renewable / cancellable.

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## 21. Quantitative information in respect of capacities, actual production, purchases, turnover and stock:

| Class of Goods                                       | Quantity Unit          | Installed Capacity (P.A.) | Actual Production         | Purchase for Repacking and Resale |                                  | Turnover                   |                                | Stock                |                            |                             |
|--|------------------------|---------------------------|---------------------------|-----------------------------------|----------------------------------|----------------------------|--------------------------------|----------------------|----------------------------|-----------------------------|
|  |                        |                           |                           | Quantity                          | Amount (Rs.)                     | Quantity                   | Amount (Rs.)                   | Quantity             | Amount (Rs.)               | Closing                     |
| <b>Manufacturing</b>                                 | Ethanolamines          | 10,000<br>(10,000)        | 8,270.806<br>(10,205.960) | 3,409.972<br>(2,531.477)          | 234,102,731<br>(319,642,152)     | 10,276.321<br>(11,664.506) | 961,320,614<br>(1,400,656,425) | 886.054<br>(497.876) | 65,225,710<br>(49,331,923) | 1,092.185<br>(886.054)      |
|  |                        |                           |                           | -                                 | -                                | 2,520<br>(2,750)           | 297,001<br>(360,448)           | 5,215<br>(7,965)     | 297,649<br>(842,998)       | 0.050<br>(5,215)            |
| Phthalate - Plasticizers                             | M.T.                   | 8,000<br>(8,000)          | -                         | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
| Morpholine and derivatives                           | M.T.                   | 3,600<br>(3,600)          | 874.700<br>(587.486)      | 12,000<br>(49,541)                | 1,791,635<br>(4,432,721)         | 771.284<br>(621.999)       | 155,238,996<br>(128,364,710)   | 79.536<br>(111.213)  | 13,109,404<br>(16,084,772) | 88.564<br>(79.536)          |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
| Others- (Industrial Gases)                           | M.T.                   | -                         | -                         | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
| <b>Purchase for Resale</b>                           | Ethanolamines & Others | M.T.                      | -                         | 10,984.355<br>(110.288)           | 536,094,986<br>(19,409,340)      | 11,000.595<br>(101.200)    | 544,488,405<br>(2,523,114)     | 16.288<br>(7.200)    | 2,881,400<br>(669,600)     | 0.048<br>(16.288)           |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
| Shares & securities<br>* having different face value | No.                    | -                         | -                         | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
| Technical Services                                   | -                      | -                         | -                         | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |
| <b>TOTAL (Rs.)</b>                                   | -                      | -                         | -                         | 771,989,352<br>(343,484,213)      | 1,661,979,966<br>(1,557,071,709) | -                          | (24,500,000)                   | -                    | 81,514,163<br>(66,929,293) | 112,480,958<br>(81,514,163) |
|  |                        |                           |                           | -                                 | -                                | -                          | -                              | -                    | -                          | -                           |

### NOTE:

1. Installed Capacity as certified by the Chairman & Managing Director and relied upon by the auditors, this being a technical matter.
2. Actual production includes 1197.835 M.T. (684.370 M.T.) of Ethanolamines, 106.530 M.T. (95.930 MT) of Morpholine and 2.645 MT (-) of Plasticizers used for captive consumption.
3. Closing Stock excludes handling / transit losses & samples.
4. No production in Plasticizers plant due to lack of market demand and the same is revamped to produce Morpholine derivatives.
5. Actual production includes 1137.690 M.T. ( 851.69 M.T.) of Ethanolamines produced by job work.
6. Due to numerous and heterogeneous nature of trading in shares and securities, quantitative details of the same can not be given. (also Refer Note no B (5) of Schedule 13)

# AMINES & PLASTICIZERS LIMITED



22. a) Figures shown in brackets relate to the previous year.  
b) Figures of previous year have been regrouped/rearranged, wherever necessary to conform to the current year's presentation.

## Signatories to Schedules 1 to 13

**Hemant Kumar Ruia** *Chairman & Mg. Director*

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } *Directors*

Mumbai, Dated: 28th May, 2010

**Ajay Puranik** *Company Secretary*

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELAIN TO SUBSIDIARY COMPANIES

| PARTICULARS   | APL Infotech Ltd.   | APL Engineering Services Pvt. Ltd.                            |
|---|---|---|
| Financial year of the subsidiary company ended on<br>No. of Equity Shares held by Amines & Plasticizers Limited in the subsidiary as at 31st March, 2010  | 31st March 2010<br>597500 Equity Shares of 10/- each fully paid | 31st March 2010<br>1000 Equity Shares of 10/- each fully paid |
| Extent of interest of Amines & Plasticizers Limited in the capital of the subsidiary company  | 51%   | 100%  |
| Net aggregate amount of profit / (Loss) of the subsidiary so far as it concerns the members of Amines & Plasticizers Limited as it is not dealt with the Company's accounts for the year ended 31st March, 2010 of the subsidiary | (8,230)   | 212,983   |
| Net aggregate amount of profit / (Loss) of the subsidiary so far as dealt with or provision is made for those losses in the accounts of Amines & Plasticizers Limited for the year ended 31st March, 2010 of the subsidiary       | —   | —   |

(Rs. in Lacs)

| PARTICULARS                     | As on 31st March, 2010 |                                    |
|---------------------------------|------------------------|------------------------------------|
|                                 | APL Infotech Ltd.      | APL Engineering Services Pvt. Ltd. |
| Capital                         | 117.15                 | 1.00                               |
| Reserves / (Loss)               | (7.22)                 | 1.60                               |
| Total Assets                    | 496.28                 | 324.38                             |
| Total Liabilities               | 386.35                 | 321.77                             |
| Investments                     | —                      | —                                  |
| Total Income                    | —                      | 156.91                             |
| Profit / (loss) Before Taxation | (0.16)                 | 3.13                               |
| Profit / (loss) After Taxation  | (0.16)                 | 2.13                               |
| Proposed Dividend               | —                      | —                                  |

For and on behalf of the Board

**Hemant Kumar Ruia** *Chairman & Mg. Director*

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } *Directors*

Mumbai, Dated: 28th May, 2010

**Ajay Puranik** *Company Secretary*

# AMINES & PLASTICIZERS LIMITED



Balance Sheet Abstract & Company's General Business Profile :

## I. REGISTRATION DETAILS

|                    |                  |            |   |
|--------------------|------------------|------------|---|
| Registration No.   | 1446             | State Code | 2 |
| Balance Sheet Date | 31st March, 2010 |            |   |

## II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

|              |     |                        |     |
|--------------|-----|------------------------|-----|
| Public Issue | Nil | Right Issue            | Nil |
| Bonus Issue  | Nil | Preferential Allotment | Nil |

## III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSAND)

|                   |            |              |            |
|-------------------|------------|--------------|------------|
| Total Liabilities | 834,104.00 | Total Assets | 834,104.00 |
|-------------------|------------|--------------|------------|

| SOURCES OF FUNDS | Rs. (In Thousands) |                          | Rs. (In Thousands) |
|------------------|--------------------|--------------------------|--------------------|
| Paid-up-Capital  | 56,958.50          | Reserves & Surplus       | 151,078.25         |
| Secured Loans    | 285,652.17         | Unsecured Loans          | 9,270.32           |
|                  |                    | Deferred Tax Liabilities | 10,051.53          |

| APPLICATION OF FUNDS | Rs. (In Thousands) |                          | Rs. (In Thousands) |
|----------------------|--------------------|--------------------------|--------------------|
| Net Fixed Assets     | 94,482.80          | Investments              | 10,627.95          |
| Net Current Assets   | 401,493.19         | Capital Work in Progress | 6,406.83           |

## IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

|                                      |              |                         |              |
|--------------------------------------|--------------|-------------------------|--------------|
| Turnover<br>(Including Other Income) | 1,706,973.86 | Total Expenditure       | 1,656,848.45 |
| Profit/(Loss) Before Tax             | 50,125.41    | Profit/(Loss) After Tax | 30,190.73    |
| Earnings per Share (Rs.)             |              | Dividend Rate (%)       | 14           |
| Basic                                | 5.44         |                         |              |
| Diluted                              | 5.44         |                         |              |

## V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

| Item Code No. (ITC Code) | Product Description |
|--------------------------|---------------------|
| 292211 to 292213         | Ethanolamines       |
| 291739                   | Plasticizers        |
| 293400                   | Morpholine          |

## **AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To,

The Board of Directors of

**AMINES & PLASTICIZERS LIMITED**

1. We have audited the attached Consolidated Balance Sheet of AMINES & PLASTICIZERS LIMITED (the 'Parent Company') and its subsidiaries as at March 31, 2010 and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Parent Company's management and have been prepared by them on the basis of separate financial statements and other financial information regarding component. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries APL Infotech Limited & APL Engineering Services Private Limited whose financial statements reflect total assets of Rs. 71,948,730 as at March 31, 2010 and total revenues of Rs. 15,690,625 for the year from April 01, 2009 to March 31, 2010. These financial statements have been audited by other auditors and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary is based solely on these audited financial statements.
4. We report that the consolidated financial statements have been prepared by the Parent Company's management in accordance with the requirements of the Accounting Standards (AS) 21-Consolidated Financial Statements notified in the Companies (Accounting Standard) Rules, 2006.
5. Based on our audit and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements, read together with para 3 above, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of Consolidated Balance Sheet, of the state of affairs of the parent company and its subsidiary as at March 31, 2010;
  - (ii) in the case of Consolidated Profit and Loss account, of the profit for the year ended on that date.
  - (iii) in the case of Consolidated Cash Flow, of the cash flows for the year ended on that date.

For **LODHA & Co.**  
*Chartered Accountants*

**A. M. Hariharan**  
*Partner*  
(Membership No.38323)  
(Firm Registration No. 301051E)

Place : Mumbai  
Date : 28th May, 2010

For **D. BASU & Co.**  
*Chartered Accountants*

**Atanu Chatterjee**  
*Partner*  
(Membership No. 50105)  
(Firm Registration No.301111E)

Place : Mumbai  
Date : 28th May, 2010

# AMINES & PLASTICIZERS LIMITED



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2010

|   |                 | As at 31st<br>March,<br>2010<br>Rupees | As at 31st<br>March,<br>2009<br>Rupees |
|---|-----------------|--|--|
| <b>SOURCES OF FUNDS</b>   | <b>SCHEDULE</b> |  |  |
| <b>SHAREHOLDERS' FUNDS</b>  |                 |  |  |
| Share Capital   | 1               | 56,958,500                             | 56,958,500                             |
| Reserves and Surplus  | 2               | 146,170,444                            | 127,372,875                            |
|   |                 | <b>203,128,944</b>                     | <b>184,331,375</b>                     |
| <b>LOANS FUNDS</b>  |                 |  |  |
| Secured Loans   | 3               | 285,652,167                            | 247,519,895                            |
| Unsecured Loans   | 4               | 29,270,322                             | —                                      |
|   |                 | <b>314,922,489</b>                     | <b>247,519,895</b>                     |
| <b>MINORITY INTEREST</b>  |                 | <b>5,386,463</b>                       | <b>5,394,365</b>                       |
| <b>DEFERRED TAX LIABILITY</b>   |                 | <b>10,051,531</b>                      | <b>7,733,769</b>                       |
| <b>TOTAL</b>  |                 | <b>533,489,427</b>                     | <b>444,979,405</b>                     |
| <b>APPLICATION OF FUNDS</b>   |                 |  |  |
| <b>FIXED ASSETS</b>   |                 |  |  |
| Gross Block   | 5               | 234,576,786                            | 205,342,099                            |
| Less: Depreciation  |                 | 139,652,883                            | 132,785,728                            |
| Net Block   |                 | 94,923,903                             | 72,556,371                             |
| Capital Work-In- Progress   |                 | 71,437,311                             | 48,303,641                             |
| <b>INVESTMENTS</b>  | 6               | 9,930,453                              | 9,930,453                              |
| <b>CURRENT ASSETS, LOANS AND ADVANCES</b>                                       | 7               |  |  |
| Inventories   |                 | 222,456,521                            | 188,865,292                            |
| Sundry Debtors  |                 | 262,661,812                            | 188,019,842                            |
| Cash & Bank Balances  |                 | 63,773,085                             | 20,520,960                             |
| Loans & Advances  |                 | 132,749,671                            | 134,952,874                            |
| Interest accrued on Deposits/ loans   |                 | 168,351                                | 370,488                                |
|   |                 | <b>681,809,440</b>                     | <b>532,729,456</b>                     |
| <b>Less : CURRENT LIABILITIES AND PROVISIONS</b>                                | 8               |  |  |
| Current Liabilities   |                 | 303,664,517                            | 201,295,050                            |
| Provisions  |                 | 20,947,163                             | 17,259,204                             |
|   |                 | <b>324,611,680</b>                     | <b>218,554,254</b>                     |
| <b>NET CURRENT ASSETS</b>   |                 | <b>357,197,760</b>                     | <b>314,175,202</b>                     |
| <b>MISCELLANEOUS EXPENDITURE</b><br>(to the extent not written off or adjusted) | 9               | —                                      | 13,738                                 |
| <b>TOTAL</b>  |                 | <b>533,489,427</b>                     | <b>444,979,405</b>                     |
| <b>SIGNIFICANT ACCOUNTING POLICIES<br/>AND NOTES ON ACCOUNTS</b>                | 14              |  |  |

### The Schedules referred to above form an integral part of the financial statements

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

For **D. BASU & Co.**  
Chartered Accountants

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

**Hemant Kumar Ruia** *Chairman & Mg. Director*

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } *Directors*

**Ajay Puranik** *Company Secretary*

Mumbai, Dated: 28 May, 2010

Mumbai, Dated: 28 May, 2010

# AMINES & PLASTICIZERS LIMITED



## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010

|   | SCHEDULE | Year ended<br>31st March,<br>2010<br>Rupees | Year ended<br>31st March,<br>2009<br>Rupees |
|---|----------|---|---|
| <b>INCOME</b>   |          |   |   |
| Sales and Services-Gross  | 10       | 1,781,360,740                               | 1,667,296,493                               |
| Less : Excise Duty  |          | 80,327,085                                  | 75,537,213                                  |
| Sales and Services-Net  |          | 1,701,033,655                               | 1,591,759,280                               |
| Other Income  | 11       | 4,311,205                                   | 1,507,641                                   |
| Increase/ (Decrease) in Stock   | 12       | 12,858,101                                  | 18,784,490                                  |
|   |          | <b>1,718,202,961</b>                        | <b>1,612,051,411</b>                        |
| <b>EXPENDITURE</b>  |          |   |   |
| Raw Materials consumed  |          | 502,153,211                                 | 749,191,072                                 |
| Purchase for Resale and Repacking   |          | 771,989,352                                 | 343,516,177                                 |
| Manufacturing and Other Expenses  | 13       | 391,206,285                                 | 463,621,122                                 |
| Depreciation  |          | 7,287,199                                   | 6,922,180                                   |
| Less: Transferred from Revaluation Reserve  |          | 384,820                                     | 364,357                                     |
|   |          | <b>6,902,379</b>                            | <b>6,557,823</b>                            |
|   |          | <b>1,672,251,227</b>                        | <b>1,562,886,194</b>                        |
| <b>PROFIT BEFORE TAX</b>  |          | <b>45,951,734</b>                           | <b>49,165,217</b>                           |
| Deferred Tax  |          | 2,317,762                                   | (676,272)                                   |
| Current Tax   |          | 17,688,000                                  | 15,911,465                                  |
| Fringe Benefit Tax  |          | -   | 1,072,356                                   |
| Wealth tax  |          | 16,914                                      | 22,552                                      |
| MAT Credit Entitlement  |          | -   | 1,780,681                                   |
| <b>PROFIT AFTER TAX</b>   |          | <b>25,929,058</b>                           | <b>31,054,435</b>                           |
| Less: Minority Interest   |          | (7,908)                                     | (20,152)                                    |
| <b>PROFIT AFTER MINORITY INTEREST</b>   |          | <b>25,936,966</b>                           | <b>31,074,587</b>                           |
| Balance of Profit brought forward from Previous year  |          | 107,109,406                                 | 81,432,536                                  |
| <b>PROFIT AVAILABLE FOR APPROPRIATION</b>   |          | <b>133,046,372</b>                          | <b>112,507,123</b>                          |
| <b>APPROPRIATIONS</b>   |          |   |   |
| Proposed Dividend - Preference Shares   |          | 271,390                                     | 4,613,630                                   |
| Proposed Dividend - Equity Shares   |          | 5,502,000                                   | -   |
| Corporate Dividend Tax  |          | 981,188                                     | 784,086                                     |
| <b>BALANCE OF PROFIT CARRIED TO BALANCE SHEET</b>   |          | <b>126,291,795</b>                          | <b>107,109,406</b>                          |
| Basic and Diluted Earnings Per Equity Share of face value<br>Rs.10 each (in Rupees) (Refer Note No.B-14 in Schedule 14) |          | 4.66  | 7.11  |
| <b>SIGNIFICANT ACCOUNTING POLICIES<br/>AND NOTES ON ACCOUNTS</b>  | 14       |   |   |

The Schedules referred to above form an integral part of the financial statements

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

For **D. BASU & Co.**  
Chartered Accountants

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

**Hemant Kumar Ruia** Chairman & Mg. Director

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } Directors

**Ajay Puranik** Company Secretary

Mumbai, Dated: 28 May, 2010

Mumbai, Dated: 28 May, 2010



# AMINES & PLASTICIZERS LIMITED



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010

|  | Current Year<br>(Rs.) | Previous Year<br>(Rs.) |
|--|-----------------------|------------------------|
| <b>A. Cash Flow from Operating Activities</b>                  |                       |                        |
| Net profit before tax and extraordinary items                  | 45,951,734            | 49,165,217             |
| Adjustments for:   |                       |                        |
| Depreciation   | 6,902,379             | 6,557,823              |
| Sundry Balances Written Off/Back (Net)                         | 272,639               | 1,771,373              |
| Preliminary Expenses written off                               | 13,738                | 1,527                  |
| (Profit)/ Loss on Sale of fixed assets                         | 124,880               | 348,208                |
| Interest Income  | (454,220)             | (695,761)              |
| Interest Paid  | 52,684,807            | 49,642,682             |
| Operating profit before working capital changes                | 105,495,957           | 106,791,069            |
| Adjustments for:   |                       |                        |
| Trade and other receivables*                                   | (70,659,775)          | (49,275,601)           |
| Inventories  | (33,591,224)          | (5,451,892)            |
| Trade payables   | 98,824,725            | 14,157,963             |
|  | (5,426,274)           | (40,569,530)           |
| <b>Cash generated from operations</b>                          | 100,069,683           | 66,221,539             |
| Direct taxes (paid) /Refund (net of tax paid)                  | (11,829,075)          | (14,954,009)           |
| <b>Net cash flow from operating activities (A)</b>             | 88,240,609            | 51,267,530             |
| <b>B. Cash Flow from Investing Activities</b>                  |                       |                        |
| Purchase of Fixed Assets                                       | (29,877,253)          | (2,784,650)            |
| Capital Work in Progress                                       | (23,133,670)          | (19,834,384)           |
| Investments  | -                     | (100)                  |
| Preliminary Expenses   | -                     | (5,755)                |
| Interest Received  | 454,220               | 695,761                |
| Sale of Fixed Assets   | 97,642                | 55,000                 |
| <b>Net cash flow from/ (used in) investing activities (B)</b>  | (52,459,061)          | (21,874,128)           |
| <b>C. Cash Flow from Financing Activities</b>                  |                       |                        |
| Proceeds/(Repayment) from Long Term Borrowings (Net)           | 19,354,748            | (4,954,227)            |
| Proceeds/(Repayment) from Short Term Borrowings                | 48,047,846            | 14,787,005             |
| Proceeds from issue of Share Capital                           | -                     | 20,000,000             |
| Dividend paid  | (5,397,716)           | -                      |
| Interest Paid  | (52,684,807)          | (49,642,682)           |
| <b>Net cash flow from / (used in) financing activities (C)</b> | 9,320,071             | (19,809,904)           |
| <b>Net increase/(decrease) in cash and cash equivalents</b>    |                       |                        |
| Total = A+B+C  | 45,101,618            | 9,583,498              |
| <b>Cash and Cash equivalents</b>                               |                       |                        |
| - Opening Balance  | 12,404,888            | 2,821,390              |
| - Closing Balance  | 57,506,506            | 12,404,888             |

\* Includes Margin Money in the form of Term Deposits with the Bank for margin money / bank guarantees

### Notes

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3 - 'Cash Flow Statement' notified in the Companies (Accounting Standard) Rules, 2006.
- Cash & Cash equivalents exclude bank balance in Rent account and in Term Deposits for margin money / Bank guarantees.
- Previous year's figures have been regrouped/recast, wherever necessary.

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

For **D. BASU & Co.**  
Chartered Accountants

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

**Hemant Kumar Ruia** Chairman & Mg. Director

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } Directors

**Ajay Puranik** Company Secretary

Mumbai, Dated: 28 May, 2010

Mumbai, Dated: 28 May, 2010

# AMINES & PLASTICIZERS LIMITED



## SCHEDULES ATTACHED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2010

|  | Rupees            | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|-------------------|-------------------------------------|-------------------------------------|
| <b>SCHEDULE 1</b>  |                   |                                     |                                     |
| <b>SHARE CAPITAL</b>   |                   |                                     |                                     |
| <b>Authorised :</b>  |                   |                                     |                                     |
| 9,500,000 Equity Shares of Rs. 10 each   |                   | <b>95,000,000</b>                   | 95,000,000                          |
| 50,000 Preference Shares of Rs.100 each  |                   | <b>5,000,000</b>                    | 5,000,000                           |
|  |                   | <b>100,000,000</b>                  | 100,000,000                         |
| <b>Issued, Subscribed and Paid-Up :</b>  |                   |                                     |                                     |
| 5,502,000 (55,02,000) Equity Shares of Rs. 10 each   |                   | <b>55,020,000</b>                   | 55,020,000                          |
| 19,385 (19,385) 14% Redeemable Cumulative<br>Preference Shares of Rs.100<br>each, redeemable at par on or<br>before 9th April, 2015. |                   | <b>1,938,500</b>                    | 1,938,500                           |
|  |                   | <b>56,958,500</b>                   | 56,958,500                          |
| <b>SCHEDULE 2</b>  |                   |                                     |                                     |
| <b>RESERVES AND SURPLUS</b>  |                   |                                     |                                     |
| <b>Revaluation Reserve:</b>  |                   |                                     |                                     |
| As per last Balance Sheet  | <b>14,819,853</b> |                                     | 15,184,210                          |
| Less: Transferred to Profit and Loss Account   | <b>384,820</b>    |                                     | 364,357                             |
|  |                   | <b>14,435,033</b>                   | 14,819,853                          |
| <b>Capital Reserve:</b>  |                   |                                     |                                     |
| (Surplus on re-issue of forfeited shares)  |                   |                                     |                                     |
| As per last Balance Sheet  |                   | <b>4,616</b>                        | 4,616                               |
| <b>Capital Redemption Reserve:</b>   |                   |                                     |                                     |
| As per last Balance Sheet  |                   | <b>61,500</b>                       | 61,500                              |
| Surplus as per Profit & Loss Account annexed   |                   | <b>126,291,795</b>                  | 107,109,406                         |
| Capital Reserve (Arising on Consolidation)   |                   | <b>5,377,500</b>                    | 5,377,500                           |
|  |                   | <b>146,170,444</b>                  | 127,372,875                         |

# AMINES & PLASTICIZERS LIMITED



**As at 31st  
March, 2010  
Rupees**

**As at 31st  
March, 2009  
Rupees**

## SCHEDULE 3

### SECURED LOANS

#### Loan from banks :

##### Working Capital Facilities

**285,439,879**

**246,662,355**

Secured against hypothecation of stock-in-trade (except stock of trading shares and securities) and stores and against Security of Trade Bills and by way of mortgage of the immovable properties (both present and future) of the Company, situated at Turbhe and Vadval as continuing /collateral security and is also personally guaranteed by Managing Director of the Company.

##### Vehicle Loans

**212,288**

**857,540**

Secured against hypothecation of Vehicles purchased there-against and is also personally guaranteed by Managing Director of the Company.

**285,652,167**

**247,519,895**

## SCHEDULE 4

### UNSECURED LOANS

#### Short Term :

##### Loan from Bodies Corporate

**29,270,322**

—

**29,270,322**

—

**SCHEDULE 5****FIXED ASSETS :**

Rupees

| DESCRIPTION                  | GROSS BLOCK (COST / BOOK VALUE) |            |            | DEPRECIATION           |                       |              | NET BLOCK               |                        |                        |
|------------------------------|---------------------------------|------------|------------|------------------------|-----------------------|--------------|-------------------------|------------------------|------------------------|
|                              | As at 1st April, 2009           | Additions  | Deductions | As at 31st March, 2010 | Upto 31st March, 2009 | For the year | Adjustments/ Deductions | As at 31st March, 2010 | As at 31st March, 2009 |
| Freehold Land                | 682,874                         | –          | –          | 682,874                | –                     | –            | –                       | 682,874                | 682,874                |
| Leasehold Land               | 22,042,952                      | –          | –          | 22,042,952             | 7,738,590             | 265,950      | –                       | 14,038,412             | 14,304,362             |
| Buildings                    | 19,748,839                      | 6,104,236  | –          | 25,853,075             | 11,415,966            | 472,900      | –                       | 13,964,209             | 8,332,873              |
| Plant & Machinery            | 145,714,010                     | 23,426,585 | 175,755    | 168,964,840            | 106,731,609           | 5,027,512    | 105,920                 | 111,653,201            | 38,982,401             |
| Intangible Assets (Software) | 1,353,000                       | 283,089    | –          | 1,636,089              | 219,321               | 237,349      | –                       | 456,670                | 1,133,679              |
| Furniture & Fittings         | 2,779,824                       | 63,343     | –          | 2,843,167              | 1,779,153             | 151,209      | –                       | 1,930,362              | 1,000,671              |
| Vehicles                     | 13,020,600                      | –          | 466,811    | 12,553,789             | 4,901,089             | 1,132,279    | 314,124                 | 5,719,244              | 8,119,511              |
| Total                        | 205,342,099                     | 29,877,253 | 642,566    | 234,576,786            | 132,785,728           | 7,287,199    | 420,044                 | 139,652,883            | 72,556,371             |
| Previous Year                | 203,917,285                     | 2,784,650  | 1,359,836  | 205,342,099            | 126,820,176           | 6,922,180    | 956,628                 | 132,785,728            | 72,556,371             |
| Capital Work-in-Progress     |                                 |            |            |                        |                       |              |                         | 71,437,311             | 48,303,641             |

**Notes**

- 1) Leasehold land is for the period of 95 years commencing from 1st August, 1968.
- 2) Capital work -in- progress( including Capital Advance) comprises of :

|  | 2009-2010<br>Rs.  | 2008-2009<br>Rs.  |
|--|-------------------|-------------------|
| Plant & Machinery (under installation) | 21,646,549        | 13,193,646        |
| Building & Residential Flats           | 12,277,833        | –                 |
| Vehicle                                | 140,000           | –                 |
| Software Product Development           | 37,372,929        | 35,109,995        |
| <b>Total</b>                           | <b>71,437,311</b> | <b>48,303,641</b> |

# AMINES & PLASTICIZERS LIMITED



|  | Rupees | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|--------|-------------------------------------|-------------------------------------|
| <b>SCHEDULE 6</b>  |        |                                     |                                     |
| <b>INVESTMENTS :</b>   |        |                                     |                                     |
| <b>LONG TERM</b>   |        |                                     |                                     |
| <b>(QUOTED, NON TRADE)</b>   |        |                                     |                                     |
| 2000 (1000) Equity Shares of Larsen and Toubro Limited of Rs. 2 each fully paid up.        |        | <b>3,335,046</b>                    | 3,335,046                           |
| 3200 (3200) Equity Shares of Reliance Communication Limited of Rs. 5 each fully paid up.   |        | <b>1,892,008</b>                    | 1,892,008                           |
| 3000 (3000) Equity Shares of Reliance Infrastructure Limited of Rs. 10 each fully paid up. |        | <b>4,701,399</b>                    | 4,701,399                           |
| <b>(UNQUOTED, TRADE)</b>   |        |                                     |                                     |
| <b>Government Securities :</b>   |        |                                     |                                     |
| 6 year National Savings Certificates (Lodged with the Excise Authorities)                  |        | <b>2,000</b>                        | 2,000                               |
|  |        | <b>9,930,453</b>                    | 9,930,453                           |
| Aggregate Book value of unquoted investments   |        | <b>2,000</b>                        | 2,000                               |
| Aggregate Book value of quoted investments   |        | <b>9,928,453</b>                    | 9,928,453                           |
|  |        | <b>9,930,453</b>                    | 9,930,453                           |
| <b>Aggregate Market value of quoted investments</b><br>(Refer Note No. A-6 in Schedule 14) |        | <b>6,802,690</b>                    | 3,447,570                           |

## SCHEDULE 7

### CURRENT ASSETS, LOANS AND ADVANCES :

#### A. CURRENT ASSETS

##### i) INVENTORIES

(As per inventories taken, valued and certified by the management)

|  |                    |             |
|--|--------------------|-------------|
| (a) Stores & Spare Parts and Packing Materials   | <b>19,995,895</b>  | 11,774,825  |
| (b) Raw Materials (in Transit Rs.42,30,289; Previous Year Rs.1,47,34,883)              | <b>32,818,677</b>  | 43,463,533  |
| (c) Materials-in-Process   | <b>11,482,348</b>  | 21,388,429  |
| (d) Finished Goods   | <b>104,258,513</b> | 78,632,763  |
| (e) Materials for Repacking (in Transit Rs.2,53,54,157; Previous Year Rs. 2,97,87,879) | <b>45,678,643</b>  | 30,724,342  |
| (f) Materials for Resale   | <b>19,832</b>      | 2,881,400   |
| (g) Trading Shares and Securities  | <b>8,202,613</b>   | —           |
|  | <b>222,456,521</b> | 188,865,292 |

# AMINES & PLASTICIZERS LIMITED



|  | Rupees             | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|--------------------|-------------------------------------|-------------------------------------|
| <b>ii) SUNDRY DEBTORS</b>  |                    |                                     |                                     |
| I) SECURED   |                    |                                     |                                     |
| Debtor due for a period exceeding six months<br>(Secured by way of charge on the assets of a<br>debtor in possession of the Company pursuant<br>to an order of Hon'ble Mumbai High Court.) | <b>14,469,739</b>  |                                     | 14,469,739                          |
| II) UNSECURED  |                    |                                     |                                     |
| (a) Others   |                    |                                     |                                     |
| exceeding six months :   |                    |                                     |                                     |
| Considered Good  | <b>5,776,323</b>   |                                     | 5,574,637                           |
| Considered Doubtful  | <b>1,333,465</b>   |                                     | 1,333,465                           |
|  | <b>7,109,788</b>   |                                     | 6,908,102                           |
| Less: Provision for Doubtful Debts   | <b>1,333,465</b>   |                                     | 1,333,465                           |
|  | <b>5,776,323</b>   |                                     | 5,574,637                           |
| (b) Other debts :  |                    |                                     |                                     |
| Considered Good  | <b>242,415,750</b> |                                     | 167,975,466                         |
|  |                    | <b>262,661,812</b>                  | 188,019,842                         |
| <b>iii) CASH AND BANK BALANCES</b>   |                    |                                     |                                     |
| a) Cash on Hand  | <b>108,382</b>     |                                     | 220,181                             |
| b) Cheques in Hand   | <b>—</b>           |                                     | 10,710,969                          |
| c) Balances with Scheduled Banks:  |                    |                                     |                                     |
| In Current Accounts  |                    |                                     |                                     |
| Foreign Currency Accounts  | <b>56,979,886</b>  |                                     | 579,937                             |
| Rupee Accounts   | <b>418,238</b>     |                                     | 893,801                             |
| Rent Account   | <b>1,480,455</b>   |                                     | —                                   |
| In Term/Margin Money Deposits<br>(Receipts lodged with Bank for margin<br>money / bank guarantees)   | <b>4,786,124</b>   |                                     | 8,116,072                           |
|  |                    | <b>63,773,085</b>                   | 20,520,960                          |
| <b>B. LOANS AND ADVANCES</b>   |                    |                                     |                                     |
| (Unsecured, considered good)   |                    |                                     |                                     |
| (a) Advances recoverable in cash or in kind<br>or for value to be received   | <b>21,960,115</b>  |                                     | 19,616,067                          |
| (b) Deposits   | <b>3,316,440</b>   |                                     | 3,714,353                           |
| (c) Balance with Central Excise  | <b>73,088,756</b>  |                                     | 72,476,961                          |
| (d) Export Benefit Receivable  | <b>18,395,639</b>  |                                     | 28,281,665                          |
| (e) Balances with Sales Tax  | <b>13,624,298</b>  |                                     | 10,572,144                          |
| (f) Margin for Option/Forward  | <b>2,072,739</b>   |                                     | —                                   |
| (g) Fringe Benefit Tax (net of provision of<br>Rs 1,036,228; Previous Year Rs. 1,036,228)  | <b>291,684</b>     |                                     | 291,684                             |
|  |                    | <b>132,749,671</b>                  | 134,952,874                         |
| <b>C. INTEREST ACCRUED ON DEPOSIT / LOANS</b>  |                    |                                     |                                     |
| interest accrued on deposit / loans  |                    | <b>168,351</b>                      | 370,488                             |
|  |                    | <b>681,809,440</b>                  | 532,729,456                         |

# AMINES & PLASTICIZERS LIMITED



|  | Rupees | As at 31st<br>March, 2010<br>Rupees | As at 31st<br>March, 2009<br>Rupees |
|--|--------|-------------------------------------|-------------------------------------|
| <b>SCHEDULE 8</b>  |        |                                     |                                     |
| <b>CURRENT LIABILITIES AND PROVISIONS :</b>  |        |                                     |                                     |
| <b>A. CURRENT LIABILITIES</b>  |        |                                     |                                     |
| (a) Sundry Creditors (Including due to Micro, Small and Medium Enterprises Rs Nil (previous year Rs. Nil)) (Refer Note No. B-6 of Schedule 14) |        | 288,636,129                         | 190,364,932                         |
| (b) Other Liabilities  |        | 15,028,388                          | 10,930,118                          |
|  |        | <u>303,664,517</u>                  | <u>201,295,050</u>                  |
| <b>B. PROVISIONS</b>   |        |                                     |                                     |
| (a) Income-Tax (Net of tax paid of Rs. 22,723,336; Previous Year Rs. 11,062,758)   |        | 10,618,299                          | 4,737,243                           |
| (b) Wealth Tax   |        | 17,335                              | 22,552                              |
| (c) Proposed Preference Dividend   |        | 271,390                             | 4,613,630                           |
| (d) Proposed Equity Dividend   |        | 5,502,000                           | —                                   |
| (e) Provision for Dividend Tax   |        | 981,188                             | 784,086                             |
| (f) Gratuity   |        | —                                   | 3,849,775                           |
| (f) Leave Compensation   |        | 3,556,951                           | 3,251,918                           |
|  |        | <u>20,947,163</u>                   | <u>17,259,204</u>                   |
|  |        | <u>324,611,680</u>                  | <u>218,554,254</u>                  |

## SCHEDULE 9

### Miscellaneous Expenditure

(to the extent not written off or adjusted)

|                                    |               |          |               |
|------------------------------------|---------------|----------|---------------|
| Preliminary Expenses               | 13,738        |          | 15,265        |
| Less : Written Off during the year | <u>13,738</u> | <u>—</u> | <u>1,527</u>  |
|                                    |               | <u>—</u> | <u>13,738</u> |

## SCHEDULES ATTACHED TO AND FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> March, 2010

|  | Year ended<br>31st March,<br>2010<br>Rupees | Year ended<br>31st March,<br>2009<br>Rupees |
|--|---|---|
| <b>SCHEDULE 10</b>   |   |   |
| <b>SALES AND SERVICES :</b>                                |   |   |
| Sales & Services - Gross                                   | 1,757,997,676                               | 1,632,608,922                               |
| Less: Excise Duty  | <u>80,327,085</u>                           | <u>75,537,213</u>                           |
| Sales & Services - Net (Refer Note No. B-5 in Schedule 14) | 1,677,670,591                               | 1,557,071,709                               |
| Export Benefits  | <u>23,363,064</u>                           | <u>34,687,571</u>                           |
|  | <u>1,701,033,655</u>                        | <u>1,591,759,280</u>                        |

## SCHEDULE 11

### OTHER INCOME :

#### Interest (Gross) :

|  |                  |                  |
|--|------------------|------------------|
| On Long Term Investments   | 112              | 102              |
| Others   | 454,108          | 695,659          |
| Gross: (Tax deducted at source Rs. 758,952; Previous Year Rs. 10,62,758) | <u>454,220</u>   | <u>695,761</u>   |
| Dividend Income  | 125,720          | 36,300           |
| Miscellaneous Income   | 3,731,265        | 775,580          |
|  | <u>4,311,205</u> | <u>1,507,641</u> |

# AMINES & PLASTICIZERS LIMITED



|   | Year ended<br>31st March,<br>2010<br>Rupees | Year ended<br>31st March,<br>2009<br>Rupees |
|---|---|---|
| <b>SCHEDULE 12</b>                            |   |   |
| <b>INCREASE / (DECREASE) IN STOCKS :</b>      |   |   |
| <b>Closing Stocks :</b>                       |   |   |
| Finished Goods                                | 104,258,513                                 | 78,632,763                                  |
| Materials - in - process                      | 11,482,348                                  | 21,388,429                                  |
| Materials for Resale                          | 19,832                                      | 2,881,400                                   |
|   | <b>115,760,693</b>                          | <b>102,902,592</b>                          |
| <b>Opening Stocks :</b>                       |   |   |
| Finished Goods                                | 78,632,763                                  | 75,814,339                                  |
| Materials - in - process                      | 21,388,429                                  | 7,634,163                                   |
| Materials for Resale                          | 2,881,400                                   | 669,600                                     |
|   | <b>102,902,592</b>                          | <b>84,118,102</b>                           |
|   | <b>12,858,101</b>                           | <b>18,784,490</b>                           |
| <b>SCHEDULE 13</b>                            |   |   |
| <b>MANUFACTURING AND OTHER EXPENSES :</b>     |   |   |
| Payments to and Provisions for Employees :    |   |   |
| Salaries, Wages, Bonus and Gratuity           | 40,205,098                                  | 41,872,634                                  |
| Contribution to Provident and Other Funds     | 2,667,600                                   | 2,639,314                                   |
| Staff and Workmen Welfare Expenses            | 7,112,430                                   | 7,679,937                                   |
| Power and Fuel                                | 74,415,645                                  | 119,461,870                                 |
| Laboratory Expenses                           | 1,945,954                                   | 845,535                                     |
| Conversion Charges                            | 13,882,366                                  | 8,680,525                                   |
| Repairs and Maintenance to                    |   |   |
| Plant & Machinery                             | 15,137,346                                  | 12,354,095                                  |
| Buildings                                     | 1,983,871                                   | 8,135,312                                   |
| Others  | 2,918,154                                   | 5,091,203                                   |
| Research & Development Expenses               | 4,575,829                                   | 4,373,779                                   |
| Packing Materials Consumed                    | 28,290,875                                  | 37,630,527                                  |
| Conveyance and Vehicle Expenses               | 5,457,298                                   | 5,863,121                                   |
| Rent  | 2,067,770                                   | 2,659,798                                   |
| Rates and Taxes                               | 6,913,291                                   | 10,443,813                                  |
| Insurance                                     | 1,913,222                                   | 2,020,001                                   |
| Directors' Fees                               | 81,000                                      | 65,500                                      |
| Excise Duty on Stocks                         | 3,862,895                                   | (3,868,122)                                 |
| Freight Outward                               | 25,882,946                                  | 32,735,143                                  |
| Payment to Auditors                           | 490,899                                     | 526,570                                     |
| Commission on Sales                           | 58,167,396                                  | 72,216,674                                  |
| Managerial Remuneration                       | 1,560,116                                   | 1,545,005                                   |
| Interest paid                                 | 30,782,795                                  | 32,657,034                                  |
| Other Finance Costs                           | 21,902,012                                  | 16,985,648                                  |
| Technical Fees Paid                           | 500,000                                     | 11,859,769                                  |
| Miscellaneous Expenses                        | 36,359,534                                  | 29,884,847                                  |
| Sundry Balances Written Off /Back (Net)       | 272,639                                     | 1,771,373                                   |
| Loss on Shares and Securities                 | 3,981,620                                   | -   |
| (Refer Note No. B-5 in Schedule 14)           |   |   |
| Loss on Sale of Fixed Assets (Net)            | 124,880                                     | 348,208                                     |
| Software Development Fees                     | -   | 3,888,221                                   |
| Preliminary Expenses Written Off              | 13,738                                      | 1,527                                       |
| Less: Transferred to Capital Work-in-Progress | (2,262,934)                                 | (6,747,738)                                 |
|   | <b>391,206,285</b>                          | <b>463,621,122</b>                          |



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010****SCHEDULE 14****A) SIGNIFICANT ACCOUNTING POLICIES****1. GENERAL**

- a) The financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India under the historical cost convention except for certain fixed assets, which have been revalued, in accordance with the applicable Accounting Standards (AS) notified in Companies (Accounting Standard) Rules, 2006 and on the principles of a going concern.
- b) The Group follows the mercantile system of accounting and recognizes income and expenditure on the accrual basis except those with significant uncertainties.

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principals (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

**3. PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements include the financial statements of Amines & Plasticizers Ltd. and its subsidiaries viz 1) APL Infotech Limited, India which is 51% owned and controlled 2) APL Engineering Services Private Limited, India which is wholly owned and controlled and has been prepared in accordance with the consolidation procedures laid down in AS 21 - 'Consolidated Financial Statements' notified in Companies (Accounting Standard) Rules, 2006.

The consolidated financial statements have been prepared on the following basis:

- The financial statements of the parent and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits in full.
- The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent for its separate financial statements.
- The consolidated financial statements are prepared using uniform accounting policies across the Group.
- Capital Reserve arising on consolidation :

The cost to the parent of its investment in the subsidiaries is less than the parent's portion of equity of the subsidiaries, at the date on which the investment in the subsidiaries was made, the difference is treated as a 'Capital Reserve' in the consolidated financial statements.

**4. FIXED ASSETS**

- a) Fixed Assets are stated at cost adjusted by revaluation in case of Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant.
- b) In accordance with AS 28 on 'Impairment of Assets' notified in Companies (Accounting Standard) Rules, 2006, where there is an indication of impairment of the Group's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss is recognized in the profit and loss account. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated

to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized.

- c) Intangible assets: Costs that are directly associated with identifiable and unique software products controlled by the Group, whether developed in-house or acquired and have probable economic benefits exceeding the cost beyond one year are recognized as software products.

## 5. DEPRECIATION

- a) Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Further, in the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts at the rates as determined by the valuer. The difference between the depreciation on the assets based on such revaluation and that on original cost is transferred from Revaluation Reserve Account to Profit and Loss Account.
- b) Depreciation on Gas Cylinders is provided on the basis of anticipated life, as certified by a Chartered Engineer, on straight line method @ 5.5555% per annum.
- c) Premium and Development Cost paid for Leasehold-land is amortised over the period of lease.
- d) Depreciation on Fixed Assets added/disposed off/discarded during the year has been provided on the pro-rata basis with reference to the month of addition/disposal/discarding.

## 6. INVESTMENTS

Long term Investments are stated at cost less provision, if any, for diminution in value, which is other than temporary.

All current investment are valued at lower of cost or net market value and provision is made to recognize any decline in the carrying value .

## 7. VALUATION OF INVENTORIES

- a) Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for.
- b) Cost of Stores and Spares is computed on Moving Weighted Average and other Inventories on FIFO basis.
- c) Materials-in-process are valued at raw material cost and estimated cost of conversion.
- d) Cost of finished goods includes conversion and other costs incurred in bringing the inventories to their present location and condition.

## 8. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date.

The exchange differences arising on forward foreign currency contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions are recognized in the period in which they arise based on the difference between i) foreign currency amount of the contract translated at the exchange rate on the reporting date and ii) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract or the last reporting date.

The premium or discount arising at the inception of the forward foreign currency contracts is amortized as an expense or income over the life of the contract.

Any profit or loss arising on cancellation or renewal of forward foreign exchange contracts is recognized as income or expense for the year.

## 9. REVENUE RECOGNITION

- a) Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers.

- b) Sale includes excise duty and freight, wherever applicable and is net of sales tax /VAT.
- c) Export incentives are accounted for when there is certainty of receipt / utilization.
- d) Revenue from technical services recognized on the basis of milestones for rendering services as per the agreement.

## 10. RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure is charged to Profit and Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

## 11. RETIREMENT BENEFITS

### a) Gratuity :

The Group provides for gratuity , a defined benefit plan, covering eligible employees . Liability under gratuity plan is determined on actuarial valuation done by an independent valuer at the end of the year, based upon which, the Group contributes to the Amines & Plasticizers Limited Employees' Gratuity Fund.

### b) Provident Fund :

Eligible employees receive benefits from a provident fund, which is a defined contribution plan to the Trust/Government administered Trust. Both the employee and the Group make contribution to the Amines & Plasticizers Limited Employees' provident Fund Trust / Government administered Trust equal to the specified percentage of the covered employee's salary. Group also contributes to a Government administered pension fund on behalf of its employees.

- c) Liability for leave encashment / entitlement is provided on the basis of actuarial valuation at the year end.

## 12. BORROWING COSTS

Borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised as a part of the cost of respective assets upto the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

## 13. INCOME TAX

- a) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.
- b) Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future. The same is subject to review annually.
- c) MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

## 14. LEASES

Where the Group has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of the fair value or present value of minimum lease payment and liability is created for equivalent amount. Each lease rent paid is allocated between liability and interest cost so as to obtain constant periodic rate of interest on the outstanding liability for each year.

Where significant portion of risks and reward of ownership of assets acquired under lease are retained by lessor, leases are classified as Operating Lease. Lease rentals for such leases are charged to Profit and Loss account.

## 15. PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

- a) A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation.

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- b) Contingent liabilities, unless the possibility of the outflow of resources embodying economic benefit is remote, are disclosed by way of notes to accounts.
- c) Contingent assets are not recognized or disclosed in the financial statement.

| <b>B) NOTES ON ACCOUNTS :</b>  | <b>31.03.2010<br/>Rs.</b> | <b>31.03.2009<br/>Rs.</b> |
|--|---------------------------|---------------------------|
| 1. Contingent Liabilities not provided for in respect of (excluding interest, if any):   |                           |                           |
| i) Disputed Sales Tax Dues   | <b>1,003,533</b>          | 1,003,533                 |
| ii) Claims against the Company not acknowledged as debts   | <b>1,368,024</b>          | 1,368,024                 |
| 2. Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advances)   | 13,207,227                | 225,000                   |
| 3. The Group has revalued Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant in the year 1990-91 on the basis of reports of an external approved valuer on market value/replacement cost using standard indices. The revalued amounts (net of withdrawals) remaining substituted for the historical cost in the gross block of fixed assets as at the close of the year are Leasehold Land. Rs.21,994,500 (Rs.21,994,500), Buildings Rs.7,509,750 (Rs.7,509,750), Plant & Machinery Rs. 68,530,500. (Rs.68,530,500), Research & Development Equipment Rs.470,500 (Rs.470,500) and Effluent Treatment Plant Rs.1,000,000.(Rs.1,000,000). |                           |                           |
| 4. (a) The accounts of certain Debtors, Creditors, Loans & Advances are pending confirmations, reconciliations, and adjustments, if any, having consequential impact on the profit for the year, assets and liabilities, the amounts whereof are presently not ascertainable. The management, however, does not expect any material difference affecting the current year's financial statements.  |                           |                           |
| (b) In the opinion of the Board, the Current Assets and Loans and Advances are approximately of the value stated, if realised in the ordinary course of business unless otherwise stated. The provisions for depreciation and for all known liabilities are adequate and reasonable.   |                           |                           |
| 5. Sales & Services is exclusive of Rs 456,060,324 (Previous year Rs. Nil), being the amount of sale of trading shares & securities. Similarly purchases for resale is exclusive of Rs. 468,244,556 (Previous year Rs. Nil), being the amount of purchase of trading shares & securities,also increase/decrease in stock is exclusive of Rs.8,202,612 (Previous year Rs. Nil) being the Closing stock of Trading shares and Securities. Loss on shares and securities is shown in Schedule 13 of "Manufacturing and Other Expenses".   |                           |                           |
| 6. Sundry Creditors include Rs.135,398,289 (Rs.97,367,617) being the amount of acceptances of Bills of Exchange by the Company, drawn by the Suppliers.  |                           |                           |
| 7. The break up of the deferred tax (liabilities)/assets (net) is as follows :   |                           |                           |

|   | <b>Deferred Tax Assets/(Liabilities)</b> |                   |
|---|--|-------------------|
|   | <b>(Rs.)</b>                             | <b>(Rs.)</b>      |
|   | <b>31.03.2010</b>                        | <b>31.03.2009</b> |
| <b>Timing difference on account of</b>  |  |                   |
| Difference between book depreciation and tax depreciation                                       | <b>(11,359,082)</b>                      | (9,638,942)       |
| Expenses allowable u/s 43 B of Income-Tax Act, 1961   | <b>1,307,551</b>                         | 1,451,928         |
| Net Deferred Tax assets/(liabilities)   | <b>(10,051,531)</b>                      | (8,187,014)       |
| 8. a) The following are included under other heads of Expenses in the Profit and Loss Account : |  |                   |
| i) Salaries, Wages and Bonus  | <b>3,531,432</b>                         | 3,304,285         |
| ii) Contribution to Provident and other funds   | <b>227,442</b>                           | 235,258           |
| iii) Staff and Workmen Welfare Expenses   | <b>219,452</b>                           | 129,367           |
| iv) Repairs and Maintenance - Others  | <b>-</b>                                 | 28,750            |
| v) Stores and Spare Parts Consumed  | <b>6,493,034</b>                         | 6,506,093         |

# AMINES & PLASTICIZERS LIMITED



|   |                  |                  |
|---|------------------|------------------|
| b) Aggregate Expenses:  |                  |                  |
| Aggregate amount incurred on specific expenses:               |                  |                  |
| i) Salaries, Wages, Bonus and Gratuity                        | 41,999,874       | 43,971,067       |
| ii) Contribution to Provident and other funds                 | 2,895,042        | 2,874,572        |
| iii) Staff and Workmen Welfare Expenses                       | 7,309,637        | 7,792,443        |
| iv) Repairs and Maintenance - Others                          | 2,918,154        | 5,119,953        |
| v) Stores and Spare Parts Consumed                            | 6,493,034        | 6,506,093        |
| 9. Payment to Auditors :                                      |                  |                  |
| (Excluding Service Tax Rs. 48,760/- previous year Rs. 57,568) |                  |                  |
| a) Audit Fees   | 147,500          | 142,500          |
| b) In respect of :  |                  |                  |
| i) Taxation Matters   | 12,500           | 15,000           |
| ii) Tax Audit Fees  | 70,000           | 70,000           |
| iii) Management Services                                      | 25,000           | 25,000           |
| iv) Certification Work  | 177,500          | 225,000          |
| v) Reimbursement of out of pocket expenses                    | 58,399           | 49,070           |
|   | <b>490,899</b>   | <b>526,570</b>   |
| 10. Managerial Remuneration comprise of the following :       |                  |                  |
| a) Salaries, Bonus and Allowances                             | 1,122,000        | 1,122,000        |
| b) Contribution to Provident and Family Pension Fund          | 79,200           | 79,200           |
| c) Contribution to Superannuation Fund                        | 99,000           | 112,200          |
| d) Perquisites  | 259,916          | 231,605          |
|   | <b>1,560,116</b> | <b>1,545,005</b> |

The above excludes provision for gratuity liability, and leave entitlement for the current year which is actuarially determined on an overall basis.

11. i) Foreign exchange difference (net) debited to the Profit & Loss Account for the year Rs.5,747,817 (Rs. 3,383,003)
- ii) Details of Foreign currency unhedged

| Particulars         | Foreign Currency | 2009-10                    |                         | 2008-09                    |                         |
|---------------------|------------------|----------------------------|-------------------------|----------------------------|-------------------------|
|                     |                  | Amount in Foreign Currency | Indian rupee equivalent | Amount in Foreign Currency | Indian rupee equivalent |
| <b>Assets:</b>      |                  |                            |                         |                            |                         |
| Debtors             | USD              | 1,739,947.90               | 78,541,248              | 518,576.85                 | 26,260,835              |
|                     | EUR              | —                          | —                       | 794,494.87                 | 53,542,598              |
| Advances            | USD              | 4,126.50                   | 186,270                 | 13,208.00                  | 668,856                 |
| Bank Balance        | USD              | 211,214.61                 | 9,534,227               | 11,452.11                  | 579,937                 |
|                     | EUR              | 783,448.80                 | 47,445,659              | —                          | —                       |
| <b>Total</b>        |                  | <b>2,738,737.81</b>        | <b>135,707,404</b>      | <b>1,337,731.83</b>        | <b>81,052,226</b>       |
| <b>Liabilities:</b> |                  |                            |                         |                            |                         |
| Creditors           | USD              | 901,240.20                 | 40,681,983              | 230,793.00                 | 11,687,404              |
| <b>Total</b>        |                  | <b>901,240.20</b>          | <b>40,681,983</b>       | <b>230,793.00</b>          | <b>11,687,404</b>       |

12. A) Details of Open Interest in Equity Stock/Equity Index Futures Contracts :

| Name of Equity Index Futures | No. of Contracts | No of Units |       |
|------------------------------|------------------|-------------|-------|
|                              |                  | Long        | Short |
| Fut IDX - Banknifty          | 1                | –           | 250   |
| 29.04.2010                   |                  |             |       |
| (Nil)                        | (Nil)            | (Nil)       | (Nil) |
| Fut IDX - Nifty              | 1                | 400         | –     |
| 29.04.2010                   |                  |             |       |
| (Nil)                        | (Nil)            | (Nil)       | (Nil) |
| Fut STK - Relcapital         | 1                | 552         | –     |
| 29.04.2010                   |                  |             |       |
| (Nil)                        | (Nil)            | (Nil)       | (Nil) |

B) Details of Open Interest in Equity Stock /Equity Index Option Contracts :

| Name of Equity Index Options | Total premium carried forward<br>Rs. |
|------------------------------|--------------------------------------|
| Nifty Index                  | Nil                                  |
| (Nil)                        | (Nil)                                |

C) In respect of Trading in Derivative instruments, considering the nature of contracts, it is not feasible to disclose the Quantitative details.

13. Related Party Disclosures :

Related party disclosures, as required by AS-18 “Related Party Disclosures”, are given below :

a) **Parties with whom the Company has entered into transactions during the year in the ordinary course of business.**

i) **Companies where Key Management Personnel have significant influence : Associates**

Multiwyn Investments & Holdings Private Limited

APL Holdings & Investments Limited

APL Investments Limited

ii) **Key Management Personnel :**

Mr. Hemant Kumar Ruia - Chairman & Managing Director

# AMINES & PLASTICIZERS LIMITED



## b) Related Party Transactions :

| NATURE OF TRANSACTION  | Amount/Rs.                   |                               |
|--|------------------------------|-------------------------------|
|  | Referred to in<br>a(i) above | Referred to in<br>a(ii) above |
| <b>Expenses</b>  |                              |                               |
| <b>Service &amp; Maintenance Charges</b>   |                              |                               |
| APL Holdings & Investments Limited   | 580,800<br>(580,800)         |                               |
| Apl Investments Limited  | 580,800<br>(580,800)         |                               |
| <b>Managerial Remuneration-Mr. Hemant Kumar Ruia</b>   |                              | 1,560,116<br>(1,545,005)      |
| <b>Finance</b>   |                              |                               |
| <b>Equity issued</b>   |                              |                               |
| Multiwyn Investments & Holdings Private Limited  | —<br>(2,500,000)             |                               |
| Mr. Hemant Kumar Ruia  |                              | —<br>(17,500,000)             |
| <b>Loans taken and repaid</b>  |                              |                               |
| Maximum amount of credit balance during the Year   |                              |                               |
| Multiwyn Investments & Holdings Private Limited  | 20,750,000<br>(2,800,000)    |                               |
| Mr. Hemant Kumar Ruia  |                              | —<br>(3,200,000)              |
| <b>Equity investment</b>   |                              |                               |
| Equity investment in subsidiary APL Engineering Services Private Limited from Mr Hement Kumar Ruia |                              | —<br>(100)                    |
| Outstandings as at 31st March, 2010  |                              |                               |
| Multiwyn Investments & Holdings Private Limited  | 20,000,000<br>(-)            |                               |
| Apl Holdings & Investments Limited   | 733,027<br>(252,175)         |                               |
| Apl Investments Limited  | 733,028<br>(252,175)         |                               |

### Notes :

- No amounts in respect of related parties have been provided for/ written off / written back during the year.
- Related party relationship is as identified by the Company and relied upon by the Auditors.

# AMINES & PLASTICIZERS LIMITED



|   | 31.03.2010 | 31.03.2009 |
|---|------------|------------|
|   | Rs.        | Rs.        |
| 14. The computation of Basic and Diluted Earnings per Share : |            |            |
| Net Profit after Tax (Rs.)                                    | 25,936,966 | 31,074,587 |
| Less: Dividend Payable on Preference Shares (Rs.)             | 271,390    | 271,390    |
| Net Profit available to Equity Shareholders (Rs.)             | 25,665,576 | 30,803,197 |
| Weighted average no. of equity shares (denominator)           |            |            |
| Basic   | 5,502,000  | 4,335,333  |
| Diluted   | 5,502,000  | 4,335,333  |
| Nominal value of Share (Rs.)                                  | 10         | 10         |
| Basic and Diluted Earnings Per Share ( Rs)                    | 4.66       | 7.11       |

15. Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits: -

i) In respect of gratuity, defined benefit scheme (based on Actuarial Valuation) –

| Description  | 31.03.2010<br>Rs. | 31.03.2009<br>Rs. |
|--|-------------------|-------------------|
| A. Expense recognised in the statement of Profit and Loss Account for the year |                   |                   |
| – Current Service Cost   | 722,508           | 3,855,391         |
| – Interest Cost  | 1,017,133         | –                 |
| – Expected return on plan assets   | 992,143           | –                 |
| – Net actuarial (gain) / loss recognised during the year                       | (981,325)         | 829,898           |
| Total Expense  | (233,827)         | 4,685,290         |
| B. Actual return on plan assets  |                   |                   |
| – Expected return of plan assets   | 992,143           | –                 |
| – Actuarial (gain) / loss on plan assets                                       | 1,235,038         | –                 |
| – Actual return of plan assets   | 2,227,181         | –                 |
| C. Net Asset / (Liability) recognised in the Balance Sheet                     |                   |                   |
| – Present value of obligation  | 12,406,269        | 14,390,670        |
| – Fair value of plan assets  | 12,640,096        | 14,390,670        |
| – Funded status (surplus / (deficit))  | 233,827           | –                 |
| – Net Asset / (Liability) recognised in the Balance Sheet                      | 233,827           | –                 |
| D. Change in Present value of Obligation during the year                       |                   |                   |
| – Present value of obligation at the beginning of the year                     | 14,390,670        | 14,094,418        |
| – Current Service Cost   | 722,508           | 3,855,391         |
| – Interest Cost  | 1,017,133         | –                 |
| – Benefits paid  | 3,977,755         | 2,729,240         |
| – actuarial (gain) / loss on obligation  | (253,713)         | 829,898           |
| – Present value of obligation at the end of the year                           | 12,406,269        | 14,390,670        |



# AMINES & PLASTICIZERS LIMITED



| Description   | 31.03.2010<br>Rs.      | 31.03.2009<br>Rs.      |
|---|------------------------|------------------------|
| E. Change in Assets during the year   |                        |                        |
| – Fair value of plan assets as at beginning of the year                                       | 14,390,670             | 14,094,418             |
| – Expected return on plan assets  | 992,143                | –                      |
| – Contributions made  | –                      | 3,855,391              |
| – Benefits paid   | 3,977,755              | 2,729,240              |
| – actuarial (gains) / loss on plan assets   | (1,235,039)            | 829,898                |
| – Fair value of plan assets at the end of the year  | 12,640,096             | 14,390,670             |
| F. Major categories of plan assets as a percentage of total plan                              |                        |                        |
| – Mutual Fund   | 90%                    | 90%                    |
| – Government Bonds  | 10%                    | 10%                    |
| G. Actuarial Assumptions  |                        |                        |
| – Discount rate   | 8.25%                  | 7.75%                  |
| – Expected rate of return on assets   | 11%                    | 11%                    |
| – Mortality Rate  | LIC (1994-96)<br>Table | LIC (1994-96)<br>Table |
| – Future salary increases consider inflation, seniority, promotion and other relevant factors | 2%                     | 2%                     |

## 16. Segment-wise Revenue, Results and Capital Employed as per Accounting Standard - 17

(Also Refer note no. B (5) of Schedule 14)

Rupees

|   | Chemical                                | Technical & Engineering Services  | Total                                   |
|---|---|-----------------------------------|---|
| a. Segment Revenue                                    | <b>1,685,343,030</b><br>(1,567,259,280) | <b>15,690,625</b><br>(24,500,000) | <b>1,701,033,655</b><br>(1,591,759,280) |
| b. Segment results                                    | <b>105,329,806</b><br>(97,076,842)      | <b>(1,285,331)</b><br>(6,479,060) | <b>104,044,475</b><br>(103,555,902)     |
| Less : Unallocable expenses net of unallocable income |   |                                   | <b>5,407,934</b><br>(4,748,003)         |
| : Interest  |   |                                   | <b>52,684,807</b><br>(49,642,682)       |
| Profit before tax                                     |   |                                   | <b>45,951,734</b><br>(49,165,217)       |
| Provision for taxation (current, deferred and FBT)    |   |                                   | <b>20,022,676</b><br>(18,110,782)       |
| Profit after tax                                      |   |                                   | <b>25,929,058</b><br>(31,054,435)       |

# AMINES & PLASTICIZERS LIMITED



Rupees

|  | Chemical                            | Technical & Engineering Services  | Total                               |
|--|-------------------------------------|-----------------------------------|-------------------------------------|
| c. Carrying amount of Segment Assets                             | <b>764,847,941</b><br>(597,886,575) | <b>83,322,713</b><br>(55,702,893) | <b>848,170,654</b><br>(653,589,468) |
| Unallocated Assets   |                                     |                                   | <b>9,930,453</b><br>(9,930,453)     |
| Total Assets   |                                     |                                   | <b>858,101,107</b><br>(663,519,921) |
| d. Carrying amount of Segment Liabilities                        | <b>616,015,450</b><br>(466,071,649) | <b>28,905,182</b><br>(6,777,145)  | <b>644,920,632</b><br>(472,848,794) |
| Unallocated Liabilities  |                                     |                                   | <b>10,051,531</b><br>(7,733,769)    |
| Total Liabilities  |                                     |                                   | <b>654,972,163</b><br>(480,582,563) |
| e. Cost incurred to acquire Segment fixed assets during the year | <b>22,739,656</b><br>(35,642,845)   | <b>30,271,267</b><br>(9,958,238)  | <b>53,010,923</b><br>(45,601,083)   |
| Unallocated acquisitions   |                                     |                                   | <b>-</b><br>(-)                     |
| <b>Total</b>   |                                     |                                   | <b>53,010,923</b><br>(45,601,083)   |
| f. Depreciation / Amortisation                                   | <b>6,421,929</b><br>(6,070,838)     | <b>480,450</b><br>(480,419)       | <b>6,902,379</b><br>(6,551,257)     |
| Unallocable Depreciation / Amortisation                          |                                     |                                   | <b>-</b><br>(-)                     |
| <b>Total</b>   |                                     |                                   | <b>6,902,379</b><br>(6,551,257)     |

17. The Group has taken certain premises on lease, the lease agreements whereof are mutually renewable / cancellable.
18. a) Figures shown in brackets relate to the previous year.  
b) Figures of previous year have been regrouped/rearranged, wherever necessary to conform to the current year's presentation.

## Signatories to Schedules 1 to 14

**Hemant Kumar Ruia** *Chairman & Mg. Director*

**P.H. Vaidya**  
**A.S. Nagar**  
**B.M. Jindel** } *Directors*

Mumbai, Dated: 28th May, 2010

**Ajay Puranik** *Company Secretary*

**MUMBAI**

(Corporate and Head Office)  
'D' Building,  
Shivsagar Estate,  
Dr. Annie Besant Road,  
Worli,  
Mumbai – 400 018.

**CHEMICAL PLANT**

(Unit No. I)  
Thane Belapur Road,  
Turbhe,  
Navi Mumbai – 400 705.

**APL INDUSTRIAL  
GASES PLANT**

(Unit No. II)  
Survey No. 49  
Village Vadval,  
Taluka Khalapur,  
Dist. Raigad - 420 202.

**KOLKATA**

7/2, B Hazra Road,  
Kolkata – 700 026 (W.B).

**DELHI**

H-10-B, 2nd Floor,  
Kalkaji,  
New Delhi – 110 019.

**GUWAHATI**

(Registered Office)  
C/o. Pranati Builders  
Private Limited  
Principal J.B. Road,  
Chenikuthi,  
Guwahati – 781 003.

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'D' Building, Shivsagar Estate  
Dr. Annie Besant Road,  
Worli, Mumbai - 400 018.

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