



ANNUAL REPORT  
2013-2014

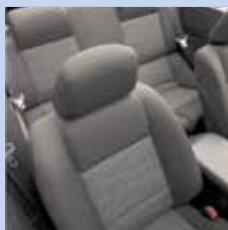
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AMINES



Alkyl Amines Chemicals Limited

# ALKYL AMINES CHEMICALS LIMITED

Thirty Fourth Annual Report 2013-14

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 34th Annual General Meeting of **ALKYL AMINES CHEMICALS LIMITED** will be held at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 on Thursday, August 7, 2014 at 2.30 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt:
  - (a) the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2014.
2. To declare dividend for the financial year ended March 31, 2014.
3. To appoint a Director in place of Mr. Kirat Patel (holding DIN 00019239), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors and to fix their remuneration.
5. To appoint cost auditors and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shobhan M. Thakore (holding DIN 00031788), Director of the Company, who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company.”
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Tarjani Vakil (holding DIN

00009603), Director of the Company, who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Premal N. Kapadia (holding DIN 00042090), Director of the Company, who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K.R.V. Subrahmanian (holding DIN 00005292), Director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV

to the Companies Act, 2013, Mr. Dilip G. Piramal (holding DIN 00032012), Director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shyam B. Ghia (holding DIN 00005264), Director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED** that in supersession of the Ordinary Resolution adopted at the 30th Annual General Meeting held on July 22, 2010 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and

is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 350 Crores (Rupees Three Hundred and Fifty Crores only) over and above the aggregate of the paid-up share capital and free reserves of the Company."

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of the Ordinary Resolution passed at the Annual General Meeting of the Company held on July 22, 2010 the consent of the Company be and is hereby accorded under Section 179 and other applicable provisions of the Companies Act, 2013, to the creation by the Board of Directors on behalf of the Company of such mortgages, charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and the Company's lenders on all or any of the immovable properties of the Company both present and future of every nature and kind whatsoever and the undertaking of the Company in certain events, to secure term loans/ working capital facilities/External Commercial Borrowings/Debentures etc. not exceeding Rs. 350 crores (Rupees Three Hundred and Fifty Crores only) from Financial Institutions/Banks and other agencies/ parties with interest thereon, commitment charges, liquidated damages, charges, expenses and other monies, such mortgages and/or charges already created or to be created in future by the Company in such manner as may be thought expedient by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to finalize the documents for creating the aforesaid mortgages and/or charges and to do all such acts, things and matters as may be necessary for giving effect to the above resolution."

**NOTES :**

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out all material facts relating to Special Business at Item Nos. 6 to 13 (both inclusive) and Corporate Governance relating to the reappointment of Directors is annexed herewith.
2. Pursuant to the provisions of the Companies Act, 2013, certain items require approval of the shareholders by a Postal Ballot (including electronic voting) and not by voting at the Annual General Meeting. For this purpose, separate Postal Ballot Notices have been sent to the shareholders. However, in view of the recent judgment of the Bombay High Court in the matter of Wadala Commodities Limited with Godrej Industries Limited, and in the absence of any further clarity on the matter, members who have not cast their votes in electronic mode or not sent their postal ballots to the scrutinizer, shall be able to exercise their votes at the annual general meeting of the Company by depositing the ballot forms that shall be provided to them at such annual general meeting, in the ballot box that shall be placed at the venue of the annual general meeting of the Company. In the circumstances, the Postal Ballot Notice dated June 3, 2014 sent to the shareholders shall be deemed to form part of this Notice as regards the business to be transacted thereunder.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
4. The Register of members and Share Transfer Books will remain closed from Thursday, July 31, 2014 to Thursday, August 7, 2014 (both days inclusive) for the purpose of Annual General Meeting and dividend.
5. Dividend, if declared at the meeting, will be paid on or after August 12, 2014 to those shareholders whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as at the close of their business hours on July 31, 2014.
6. (a) Please note that pursuant to Section 205C of the Companies Act, 1956 all unclaimed/unpaid dividends up to 2005-06 have been transferred to the Account of Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 7, 2013 (date of last Annual General Meeting) on the website of the Company ([www.alkylamines.com](http://www.alkylamines.com)), as also on the website of the Ministry of Corporate Affairs.  
(b) 12220 equity shares are lying in the unclaimed suspense account. Concerned shareholders have been reminded to claim their shares.
7. We have been offering the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through Electronic Clearing Service (ECS). This is in addition to the Bank mandate facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS facility or the Bank mandate facility (if not done earlier) are requested to complete and submit the ECS/Bank Mandate Form that is also sent with this Annual Report to the Company's Registrar and Transfer Agents so as to reach them latest by July 31, 2014. Kindly note that shareholders holding shares in dematerialised form would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.
8. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
9. The shareholders holding shares in physical form are once again advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.
10. The members may note that the Company's Equity Shares are listed on the Bombay Stock Exchange and National Stock Exchange and the listing fees to the stock exchanges have been paid.
11. Electronic copy of the Annual Report is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2014 is being sent in the permitted mode.
12. Members may also note that this Notice and the Annual Report for 2014 will also be available on the Company's website [www.alkylamines.com](http://www.alkylamines.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post, free of cost. For any communication, the shareholders may also send requests to the Company's investor e-mail id: [legal@alkylamines.com](mailto:legal@alkylamines.com)
13. Voting through electronic means
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 34th Annual General



Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The instructions are given in the attached sheet.

- II. The e-voting period commences on July 28, 2014 (9.30 am) and ends on July 30, 2014 (6.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. June 20, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- III. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. June 20, 2014.
- IV. Mr. V. Sundaram, Practising Company Secretary (Membership No. 2023) (C.P. No. 3373) of M/s. V. Sundaram & Co., has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- VI. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.alkylamines.com](http://www.alkylamines.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By order of the Board

**K. P. RAJAGOPALAN**  
General Manager (Secretarial & Legal)

**Registered Office:**

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, DBC  
Vashi, Navi Mumbai 400 703.  
CIN: L99999MH1979PLC021796

Date: June 3, 2014

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT AS REQUIRED UNDER CORPORATE GOVERNANCE AND SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 3

The members at the Annual General Meeting held on 7.8.2012 had approved appointment of Mr. Kirat Patel as Executive Director and payment of remuneration to him upto December 31, 2014. However, he retires by rotation at this meeting under the provisions of The Companies Act, 2013 and hence this resolution.

Mr. Kirat Patel, aged 61, is B. Tech. (Mechanical Engineering) from Indian Institute of Technology, Mumbai, and M.M.S. (Finance) from Jamnalal Bajaj Institute of Management, Mumbai, and has been working with the Company since its inception. He is a member of the Audit Committee, Corporate Social Responsibility Committee and Finance Committee of the Board of Directors of the Company. He is a Director of Diamines & Chemicals Limited (a company in which our company holds around 30% of the shareholding), and Chairman of its Operations Review Committee. He is also a Director of Alkyl Speciality Chemicals Limited (subsidiary of this company). He is also on the Board of the following Companies:

- 1) Anjyko Investments Private Limited
- 2) Purjeeko Investments & Trading Private Limited
- 3) YMK Trading & Consultancy Private Limited
- 4) Niyoko Trading & Consultancy Private Limited
- 5) SYK Trading & Consultancy Private Limited
- 6) Kaira Can Company Limited

Mr. Kirat Patel alongwith his relatives holds 37,869 equity shares (constituting 0.37% of the equity capital) of the company.

Mr. Kirat Patel is interested in the Resolution, since it relates to his own re-appointment. This Explanatory Statement may be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### ITEM NO. 6

Mr. Shobhan M. Thakore, aged 66 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 19/04/1988. Mr. Thakore is

Chairman of the Stakeholders Relationship Committee and member of Nomination and Remuneration Committee, the Audit Committee and Finance Committee of the Board of Directors of the Company.

Mr. Shobhan Thakore is also on the Board of the following companies.

1. Bharat Forge Limited
2. Morarjee Textiles Limited
3. Uni Deritend Limited
4. Uni Klinger Limited
5. Carborundum Universal Limited
6. Sharda Cropchem Limited
7. DSP Blackrock Investment Managers Limited (Member-Advisory Board)

He is also a member of the following Committees:

1. Bharat Forge Ltd. (Member of Audit Committee)
2. Morarjee Textiles Ltd. (Member of Audit Committee & Chairman of Investor Grievance Committee)
3. Carborundum Universal Ltd. (Chairman of CSR Committee)

Mr. S.M. Thakore is a well-known Solicitor and is a Partner of Talwar Thakore & Associates, a leading Solicitor Firm. Mr. Thakore holds 5,540 equity shares in this company.

Mr. Thakore retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Thakore being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto the conclusion of the 39th Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Thakore as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Thakore fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Thakore as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that with his vast experience in the industry, Mr. Thakore's continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Thakore as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Thakore as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Thakore, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement

may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO. 7**

Ms. Tarjani Vakil is a Non-Executive Independent Director of the Company. She joined the Board of Directors of the Company on 11/08/2005. Ms. Vakil is Chairperson of Corporate Responsibility Committee of the Board of Directors of the Company.

Ms. Tarjani Vakil, aged 77 years, is ex-Chairman of Export-Import Bank of India. She is also on the Board of the following Companies:

1. DSP Black Rock Trustee Company Private Limited
2. Aditya Birla Nuvo Limited
3. Idea Cellular Limited
4. Aditya Birla Trustee Company Private Limited
5. Birla Sun Life Insurance Company Limited

She is also Chairperson of Audit Committees of Aditya Birla Nuvo Limited and Member of Audit Committees of Birla Sun Life Insurance Company Limited, Idea Cellular Limited and DSP Black Rock Trustee Company Private Limited. She is also a Member of Finance Committee of Birla Sun Life Insurance Company Limited and Compensation Committee of Idea Cellular Limited.

Ms. Vakil retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Ms. Vakil being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto the conclusion of the 39th Annual General Meeting. A notice has been received from a member proposing Ms. Vakil as a candidate for the office of Director of the Company.

In the opinion of the Board, Ms. Vakil fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Vakil as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that with her vast experience in the industry, Ms. Vakil's continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Vakil as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Vakil as an Independent Director, for the approval by the shareholders of the Company.

Except Ms. Vakil, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**ITEM NO. 8**

Mr. Premal N. Kapadia, aged 65 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 20/07/1999. Mr. Kapadia is also a Member of the Audit Committee of the Board of Directors of the Company.

He is also on the Board of the following Companies:

1. Technimont ICB Pvt. Ltd.
2. Harshadray Pvt. Ltd.
3. TUV India Pvt. Ltd.
4. Integrated Industrial Quality Management Pvt. Ltd.
5. Kaira Can Co. Ltd.
6. Protos Engg. Co. Pvt. Ltd.
7. Silicon Interfaces Pvt. Ltd.
8. Silicon Interfaces America Inc.
9. Providian Global Solutions Pvt. Ltd.
10. De Nora India Limited
11. The West Coast Paper Mills Ltd.
12. ThyssenKrupp Industries India Pvt. Ltd.
13. Nimco Rata Iron Ore & Minerals Exports Pvt. Ltd.
14. Sujata Resources Pvt. Ltd.
15. Sujata Commodities International Ltd., Dubai
16. Sujata Commodities Services DMCC, Dubai.
17. Lucror Analytics Pte. Ltd., Singapore.
18. Clarity Solutions Pvt. Ltd.

He is also a member of the following Committees:

1. The West Coast Paper Mills Ltd. (Member of Audit Committee and Remuneration Committee)
2. De Nora India Limited (Member of Remuneration Committee)
3. Kaira Can Co. Ltd. (Chairman of Share Transfer Committee)

Mr. Kapadia retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Kapadia being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 39th Annual General Meeting. A notice has been received from a member proposing Mr. Kapadia as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Kapadia fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Kapadia as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered

Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that with his vast experience in the industry, Mr. Kapadia's continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kapadia as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Kapadia as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Kapadia, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**ITEM NO. 9**

Mr. K.R.V. Subrahmanian, aged 80 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 1999. Mr. Subrahmanian is Chairman of the Audit Committee of Board of Directors of the Company.

Mr. K.R.V. Subrahmanian is also on the Board of the following companies.

1. DSP Blackrock Investment Managers Limited
2. Bayer Material Science Private Limited
3. Lanxess India Private Limited
4. New Consolidated Construction Company Limited
5. Printcare India Private Limited
6. DSP Blackrock Pension Fund Managers Private Limited

He is also member of the following Committees:

1. DSP Blackrock Pension Fund Managers Pvt. Ltd. (Chairman of Audit Committee)
2. New Consolidated Construction Company Limited (Chairman of Share Allotment Committee and Member of Compensation Committee)
3. DSP Blackrock Pension Fund Managers Pvt. Ltd. (Risk Management Committee)

The period of office of Mr. Subrahmanian is liable to determination by retirement by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Subrahmanian being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 39th Annual General Meeting. A notice has been received from a member proposing Mr. Subrahmanian as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Subrahmanian fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy

of the draft letter for appointment of Mr. Subrahmanian as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that with his vast experience in the industry, Mr. Subrahmanian's continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Subrahmanian as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Subrahmanian as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Subrahmanian, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO. 10**

Mr. Dilip Piramal, aged 64 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 1980. He is also a member of our Nomination & Remuneration Committee. Mr. Piramal is Chairman of VIP Industries Limited.

Mr. Piramal is also on the Board of the following companies.

1. KEC International Limited
2. DGP Securities Limited
3. Kiddy Plast Limited
4. Gazelle Travels Private Limited
5. DGP Enterprises Pvt. Ltd.
6. DGP Capital Management Ltd.

He is also a member of the Audit Committee, Remuneration and Compensation Committee and Investors' Grievances & Share Transfer Committee of VIP Industries Limited.

The period of office of Mr. Piramal is liable to determination by retirement by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Piramal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 39th Annual General Meeting. A notice has been received from a member proposing Mr. Piramal as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Piramal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Piramal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that with his vast experience in the industry, Mr. Piramal's continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Piramal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Piramal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Piramal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO. 11**

Mr. S. B. Ghia, aged 66 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 1980. He is Chairman of our Nomination & Remuneration Committee and member of Stakeholders Relationship Committee and Audit Committee. Mr. Ghia is Chairman & Managing Director of Futura Polyesters Limited.

Mr. Ghia is also on the Board of the following companies.

1. Sonata Software Limited
2. AVT Natural Products Limited
3. Innovassynth Technologies (India) Limited
4. Innovassynth Investments Limited
5. FPL Properties Developers Pvt. Ltd.

He is also member of the following Committees:

1. Futura Polyesters Ltd. (Chairman of Transfer Sub Committee and Common Seal Committee and Member of Investor Grievances Committee)
2. Sonata Software Ltd. (Chairman of Investor Grievances Committee and Member of Audit Committee and Remuneration Committee)
3. AVT Natural Products Ltd. (Member of Audit Committee and Remuneration Committee)
4. Innovassynth Technologies (I) Ltd. (Chairman of Audit Committee)

The period of office of Mr. Ghia is liable to determination by retirement by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Ghia being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 39th Annual General Meeting. A notice has been received from a member proposing Mr. Ghia as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Shyam B. Ghia fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Ghia as an Independent Director setting out the terms and conditions would be available



for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that with his vast experience in the industry, Mr. Ghia's continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ghia as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ghia as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Ghia, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 11. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**ITEM NO. 12**

The members of the Company at their 30th Annual General Meeting held on July 22, 2010 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, borrowings over and above the aggregate of paid-up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 250 Crores (Rupees Two Hundred and Fifty Crores only). The Company's fund and non-fund based sanctioned limits with its Bankers for working capital and long term loans as on March 31, 2014 amounts to Rs. 210 crores (Rupees One Hundred and Thirty Five Crores only). In view of the fact that the Company proposes to expand its activities, it is proposed to increase the borrowing limits to Rs.350 crores (Rupees Three Hundred and Fifty Crore only).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money, where the money to be borrowed together with the money already borrowed by the Company will be in excess of the aggregate of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money up to Rs. 350 Crores (Rupees Three Hundred and Fifty Crores only) which is in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 12.

**ITEM NO. 13**

Section 180(1)(a) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the company. In view of the resolution relating to borrowing powers stated in Item No. 12, the Company may have to create further charges/mortgages in favour of the lenders. Therefore, a resolution enabling the Directors to create charges/mortgages on the movable/immovable properties of the Company to the extent of Rs.350 crores is proposed.

Since the invocation of security / mortgage by the lender may be regarded as a disposal of the undertaking by the Company in favour of the Institutions / Banks, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013 before creation of the said charges / mortgages.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 13 of this Notice, to enable to the Board of Directors to create charges/mortgages to secure the borrowings as mentioned in Item No. 12.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 13.

The above proposals are in the interest of the Company and the Directors recommend the Resolution Nos. 6 to 13 (both inclusive) of this Notice for consent and approval by the Members.

By order of the Board

**K. P. RAJAGOPALAN**  
General Manager (Secretarial & Legal)

**Registered Office:**

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, DBC  
Vashi, Navi Mumbai 400 703.  
CIN: L99999MH1979PLC021796

Date: June 3, 2014

## FINANCIAL HIGHLIGHTS

₹ in Lakhs

Year Ending	31.03.2010	31.03.2011	31.03.2012	31.03.2013	31.03.2014
Gross Revenue (Including Excise Duty & Sales Tax)	23,739.97	26,058.24	31,836.94	40,667.01	49,443.03
Profit before interest, depreciation & Taxation	3,646.52	3,309.74	4,473.11	5,890.03	8,660.55
Profit before Tax	1,589.86	1,360.68	2,368.25	3,592.82	6,462.41
Profit After Tax	1,003.68	1,040.49	1,716.38	2,393.20	4,288.06
Gross Fixed Assets	18,846.29	20,344.44	21,913.58	23,576.45	26,764.49
Net Fixed Assets	11,202.16	12,120.15	12,798.36	13,503.01	15,738.84
Net Current Assets	8,605.62	7,636.74	8,949.42	12,095.22	13,968.15
Equity Share Capital	1,020.61	1,020.61	1,020.60	1,020.60	1,020.60
Reserve & Surplus (Incl. Deffered Taxation (Net))	7,662.72	8,199.97	9,535.58	11,492.20	15,098.19
Book Value (Rs)	85.15	90.41	103.51	122.70	158.06
Earning per Share - Basic (Rs)	9.84	10.20	16.83	23.47	42.05
Equity Dividend (%)	30.00	30.00	40.00	50.00	80.00
<b>Financial Ratios</b>					
Net Sales to Gross Fixed Assets (%)	113.44	113.96	128.45	152.26	164.50
Return on on Capital Employed (%)	25.05	18.29	25.37	29.29	37.49
Return on Net worth (%)	11.56	11.28	16.26	19.13	26.60
PAT to Net Sales (%)	4.69	4.49	6.10	6.67	9.74

**Note:**

Financial Highlights for year 2010-11 onwards are based on Revised Schedule VI

**MANAGEMENT TEAM**

*Chairman & Managing Director*  
**Yogesh M. Kothari**

*Executive Director*  
**Kirat Patel**

*Executive Director*  
**Suneet Y. Kothari**

*Vice President (Technical)*  
**Sameer S. Katdare**

*Vice President (Manufacturing)*  
**R. N. Iyer**

*General Manager (P & A)*  
**S. S. Khade**

*General Manager  
(Technology Development)*  
**S. Saimani**

*General Manager (Marketing)*  
**Girish Naik**

*General Manager  
(R&D & Business Dev.)*  
**Dr. Prasanna Somalwar**

*General Manager  
(Finance & Accounts)*  
**Pravin Tawle**

*General Manager (Works)*  
**Milind Deshmukh**

*General Manager (Works)*  
**Sagar Jadhav**

*General Manager (Commercial)*  
**Sameer Deshpande**

*General Manager (Projects)*  
**R. K. Shah**

*General Manager  
(Secretarial & Legal)*  
**K. P. Rajagopalan**

**Non-Executive Directors :****Hemendra M. Kothari****Shyam B. Ghia****Shobhan M. Thakore****Dilip G. Piramal****Premal N. Kapadia****K. R. V. Subrahmanian****Tarjani Vakil****Registered Office :**

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, DBC, Vashi, Navi Mumbai 400 703.  
Ph. 67946618 • Fax : 67946666 • Email : legal@alkylamines.com

**Plants :****Patalganga Plant**

Plot No. A-7 & A-25,  
MIDC Patalganga Industrial Area, Dist. Raigad 410 220, Maharashtra

**Kurkumbh Plant :**

Plot No. D-6/1 & D-6/2, MIDC Kurkumbh Industrial Area,  
Tal. Daund, Dist. Pune - 413802, Maharashtra

**Auditors**

Messrs Bansi S. Mehta & Co.

**Bankers**

State Bank of India  
Axis Bank Ltd.  
Standard Chartered Bank

**Registrar & Transfer Agents****Sharex Dynamic (India) Pvt. Ltd.**

Unit No. 1, Luthra Ind. Premises, 1st Floor,  
44-E, M. Vasanti Marg, Andheri Kurla Road,  
Safed Pool, Andheri (E), Mumbai - 400 072  
Ph.: 28515606, 28515644 • Fax : 022 2851 2885  
Email : sharexindia@vsnl.com • Website : www.sharexindia.com

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**DIRECTORS' REPORT TO THE MEMBERS**

**Dear Shareholders,**

Your Directors are pleased to present the 34th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2014.

**1. FINANCIAL RESULTS:**

The financial performance of the Company for the year ended March 31, 2014 is summarised below:

	<b>2013-14</b> ₹ in Lacs	<b>2012-13</b> ₹ in Lacs
Total Revenue (including Excise & Sales tax)	<b>49443</b>	40667
Total Revenue (net of taxes)	<b>44815</b>	36720
Profit before interest, depreciation & Taxation	<b>8660</b>	5890
Interest & financial expenses	<b>1224</b>	1294
Depreciation	<b>974</b>	1003
Profit before tax	<b>6462</b>	3593
Provision for tax	<b>2174</b>	1200
Net Profit after tax	<b>4288</b>	2393
Add: balance profit b/f	<b>5500</b>	3942
Profit available for appropriation	<b>9788</b>	6335
Transfer to General Reserve	<b>429</b>	239
Equity Dividend	<b>816</b>	510
Tax on dividends	<b>138</b>	86
Balance profit carried to balance sheet	<b>8405</b>	5500

**2. DIVIDENDS:**

We recommend for your approval payment of dividend at ₹ 8/- per Equity Share on Equity Shares of ₹ 10/- each for the year ended March 31, 2014 (Previous Year: ₹ 5/- per share). The total amount of dividend including Income tax thereon would amount to ₹ 954 lacs (Previous Year ₹ 596 lacs).

**3. SHARE CAPITAL:**

In order to improve the liquidity of our equity shares on the Stock Exchanges, your Directors propose to sub-divide the equity shares of ₹ 10/- each into equity shares of ₹ 5/- each, subject to approval of the members. This will also involve amendment to the Memorandum & Articles of Association, and hence, permission of the members is being sought through a Postal ballot.

**4. OPERATIONS:**

Despite challenging macro economic conditions, total Income (gross) increased by 22% from ₹ 40667 lacs of the previous year to ₹ 49443 lacs for the year 2013-14. Profit before tax registered an 80% increase from ₹ 3593 lacs to ₹ 6462 lacs and profit after tax increased by 79% from ₹ 2393 lacs to ₹ 4288 lacs.

Further details of operations are given in the Management Discussion and Analysis Report annexed (Annexure 1).

**5. NEW PROJECTS:**

We had reported last year commissioning of our new plant to produce Acetonitrile, a chemical, which has applications in pharma and agrochemical sectors. We are in the process of enhancing the capacity of this plant, which is expected to be completed by third quarter of 2014.

As we had reported in last year's Annual Report, we are implementing a project at Dahej, Gujarat, for manufacture of methylamines, its various derivatives and speciality chemicals. The land allocation has been done by the Government of Gujarat and further steps for implementation of the Project are being taken.

**6. EXPORTS/FOREIGN EXCHANGE EARNINGS:**

During the year 2013-14, we achieved an export turnover of ₹ 9315 lacs (FOB) compared to ₹ 7725 lacs (FOB) of the previous year, i.e. an increase of 21%. Total Foreign Exchange earnings for the year 2013-14 were ₹ 9359 lacs.

**7. FOREIGN EXCHANGE OUTGO:**

During the year 2013-14, we have utilised a sum of approx. ₹ 3776 lacs (compared to ₹ 2373 lacs) in foreign currency mainly to import raw materials.



**8. ASSOCIATE/SUBSIDIARY COMPANIES****a. Diamines & Chemicals Limited, Vadodara:**

Diamines and Chemicals Ltd., Vadodara, our associate company, has achieved a total income (gross) of ₹ 4947 lacs as against ₹ 6411 lacs of the previous year and a profit after tax of ₹ 75 lacs as against ₹ 170 lacs of the previous year.

**b. Alkyl Amines (Europe) SPRL:**

Our subsidiary company, Alkyl Amines (Europe) SPRL in Belgium with an initial share capital of Euro 12400 was remaining dormant and hence, we have closed down this company on March 31, 2014.

**c. Alkyl Speciality Chemicals Limited:**

This company was engaged in marketing of speciality chemicals.

This company achieved a total income of ₹ 51.92 lacs (Previous Year: ₹ 22.82 lacs) and a profit after tax of ₹ 43.16 lacs as against ₹ 13.06 lacs of the previous year.

Pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of Diamines & Chemicals Limited and Alkyl Speciality Chemicals Limited.

The Annual Accounts of the Subsidiary company Alkyl Speciality Chemicals Limited are available for inspection by any member at the registered office during business hours. The Company will send copies thereof to the shareholders who may, if required, write to the company.

**9. CONSERVATION OF ENERGY:**

Energy conservation continues to be an active focus area for your Company since it is not only a major cost in the manufacturing process but, more importantly, a significant part of your Company's corporate social responsibilities. Your Company has taken several initiatives at each plant level in order to conserve energy which is in line with our policy of conservation of natural resources.

Our company has taken various measures for conservation of energy. These include the following:

- a) Improved steam condensate recovery by installing new design of traps and monitoring trap performance.
- b) Reduction in consumption of steam, electricity and cooling water by debottlenecking various plants, improvement in yields and planned increase in throughput.
- c) Utilization of by-product steam.
- d) New Coal fired Boiler is commissioned. Fuel Oil consumption has been reduced and Steam to Fuel ratio has improved.
- e) Air Cooled Heat exchangers have been installed and commissioned resulting in reduced water consumption for the cooling tower make up.
- f) Schemes for optimum utilization of Turbine power are in place and will be implemented shortly.

**10. SAFETY, HEALTH AND ENVIRONMENT:**

Keeping in line with the core values of being a responsible corporate citizen, an integrated Material System to ensure effective Occupational Health Management has been established by your Company.

- (a) Safety :** We encourage a high level of awareness of safety issues among our employees and strive for continuous improvement. All incidents are analysed in safety committee meetings and corrective actions, wherever necessary, are taken immediately. Employees are trained in safe practices to be followed at workplace. Active participation is done in Mutual Aid scheme in the respective industrial areas. We are active and leading member of Local and District Crisis Group and have earned reputation amongst society around and statutory authorities for prompt technical support during Disaster Management events.

External safety audit is carried out by outside agencies and the audit recommendations are being implemented.

Safety promotional activities such as celebration of national safety week, world environment day, fire service day, and participation in regional safety competition are done regularly.

The Company conducted Mock drill for onsite emergency scenario in presence of Observers from Directorate of Industrial Safety and Health and experts from other industries, the systematic mitigation actions were appreciated by the observers.

The Company has a Disaster Management Plan within the Company and to surrounding industry, either in the form of providing risk information to the community or to respond in case of any emergency, as a part of its social responsibility. As a part of Disaster Management Programme, to create awareness about the immediate and timely actions to be taken at the time of disasters like gas leak, accidents etc., mock drills are conducted.

- (b) Health :** Health of employees is of utmost importance. Periodic check up of employees is done to monitor their health. Regular work area monitoring to check concentration of chemicals, noise level, and quality of ambient air is done. We also have well equipped Occupation Health Centers with a full time Doctor, appropriate staff and own AMBULANCE

Vehicle at both manufacturing sites at Patalganga and Kurkumbh. We have team of employees trained as FIRST AIDERS who contribute their skills while on duty as well as away from duties to serve the society. Occupational Health and Safety issues are continuous focus points for your Company. Both sites are certified to OHSAS 18001:2007.

- (c) **Environment:** In line with our IMS Policy, we give utmost importance to Environment protection and adherence to pollution control norms. Environmental Management System at Patalganga has been re-certified to ISO 14001:2004. Kurkumbh unit was certified as ISO 14001:2004 in April 2011. We have completed successfully the surveillance audits.

Environment protection and adherence to pollution control norms is of high concern for our company.

- i) **Air Emissions** – We monitor regularly emissions from various sources and are very particular about compliance with statutory requirement. Projects are undertaken for reduction of emissions.
- ii) **Liquid Waste Treatment** – We have integrated Effluent Treatment Plants and we maintain outlet standards within the prescribed limits. Continuous efforts are made to minimize the quantity of effluent generated and feasibility of recycling of treated effluent is being studied. The company has planned substantial investment for expanding as well as upgrading its effluent treatment capacity to meet long term requirements. Our Company is also a member of the CETP located at Patalganga and Kurkumbh. Pilot Plant trials of RO system were conducted to confirm the suitability of RO process for recovering water from treated effluent and recycle it for process use. The 1<sup>st</sup> phase of up-gradation of ETP has been completed and its performance is under observation.
- iii) **Solid Waste Management** – Solid wastes are either incinerated or disposed off to secured landfill. The manufacturing sites at Patalganga and Kurkumbh are members of the Authorized Common Hazardous Waste Transport, Storage & Disposal Facility namely; Mumbai Waste Management Limited, Taloja, and Maharashtra Enviro Power Limited, Ranjangaon respectively. We have successfully implemented further Solid waste reduction in some plants in terms High Boilers generation by process modification.
- iv) **Green belt** – Tree plantation inside and outside the factory premises is given utmost importance. So far we have planted nearly 8320 trees in and around our plant sites.
- v) **Non-conventional Renewable Energy and Natural Resource conservation** – We use Solar Water heaters at the staff colony. Measures like gravitational water supply, Sewage water gardening, Rain water harvesting, and number of GO GREEN activities are also undertaken at the staff colony.

## 11. RESPONSIBLE CARE:

Responsible Care® is a wide-ranging voluntary initiative of International Council of Chemical Associations, being implemented in India by Indian Chemical Council to safely handle the products from inception in the research laboratory, through manufacture and distribution, to ultimate reuse, recycle and disposal, and to involve the public in the decision making processes. We have launched Responsible Care® initiative in September 2012 and we are in the process of getting our company certified for Responsible Care®. Various programs and studies related to safety, environment and health have been taken up and are being implemented.

## 12. CORPORATE SOCIAL RESPONSIBILITY:

As per provisions of The Companies Act, 2013, we have constituted a CSR Committee of Directors consisting of Ms. Tarjani Vakil (Chairperson), Mr. Yogesh M. Kothari and Mr. Kirat Patel, as members. We recognise the fact that, beyond the day to day conduct of its business, as a responsible corporate citizen it has to discharge its duties towards the larger society in which it operates. Some of the core areas identified by your Company are Education, Health, Environment, women empowerment etc. The expected CSR expenditure for the year 2014-15 is ₹ 55 lacs.

During the year 2013-14, we continued with various community development activities in and around the rural areas situated in Kurkumbh as well as Patalganga Complexes and elsewhere as identified by our Corporate Social Responsibility Cell. The activities included:

- a) Constructing class rooms/supplying furniture/equipments/ uniforms/ books etc. required by schools and other institutions in and around rural areas in Kurkumbh and Patalganga.
- b) Conducting Career Guidance Workshop for 10th and 12th Students.
- c) Facilitating dialogue with various constituents, establishments and departments concerned with environment, safety and social welfare, with a view to achieve co-ordination and co-operation in successful implementation of the programme.
- d) Tree Plantation programmes in and around both the Complexes of the Company and also nearby village (for environmental protection) helping to minimize the global warming scenario.
- e) Encouraging research in the country by instituting the “Alkyl Amines Young Scientist Award” through ICT, Mumbai.
- f) Provision of water tankers to the villages in Kurkumbh.

**13. CODE OF CONDUCT:**

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management, which is available on the company's website. All Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

**14. FIXED DEPOSITS:**

The Company has not accepted any fixed deposits from the public within the meaning of the Companies (Acceptance of Deposits) Rules, 1975, during the year.

**15. INSURANCE**

The Properties and Assets of the Company are adequately insured.

**16. DIRECTORS:**

Mr. K.R.V.Subrahmanian, Mr. S. B. Ghia, Mr. D. G. Piramal, Mr. S.M. Thakore, Mr. P. N. Kapadia and Ms. Tarjani Vakil, being Independent Directors, are being appointed for a term of 5 years as per provisions of The Companies Act, 2013. Mr. Kirat Patel, retire by rotation at the Annual General Meeting and, being eligible, has offered himself for re-appointment.

Your Directors recommend the re-appointment of all these Directors.

**17. STATUTORY AUDITORS:**

Members are requested to appoint Auditors and fix their remuneration. M/s. Bansilal S. Mehta & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment. The Company has received a Certificate from them to the effect that their appointment, if made, will be within the prescribed limit under Section 224(1-B) of the Companies Act, 1956.

**18. COST AUDITORS:**

The Members are also requested to appoint Cost Auditor Mr. Hemant V. Shah for audit of cost accounts. The Company has received a letter from him confirming that his appointment will be in accordance with the limits specified in Section 141(3)(g) of the Companies Act, 2013.

**19. RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of The Companies Act, 1956:

- (a) That in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- (b) That such accounting policies as mentioned in Note 1 to the annual accounts have been selected and applied consistently and judgements and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on March 31, 2014 and of the profit of the company for that year;
- (c) That proper and sufficient care has been taken 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 to prevent and detect fraud and other irregularities;
- (d) That the Annual accounts for the year ended 31st March, 2014 have been prepared on a going concern basis.

**20. CORPORATE GOVERNANCE**

A separate detailed Corporate Governance report is attached herewith as Annexure 4.

**21. ACKNOWLEDGEMENTS:**

The Directors wish to place on record their appreciation of the continuous support received by the Company from the investors, participating Financial Institutions, Banks, Central/State Government Departments, its Customers and Suppliers.

For and on behalf of the Board

**YOGESH M. KOTHARI**  
Chairman & Managing Director

**Place:** Mumbai

**Date:** May 15, 2014

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ANNEXURE 1

#### INDUSTRY STRUCTURE AND DEVELOPMENT

We are global manufacturers and suppliers of amines and amine-based chemicals. We have two manufacturing sites, one at Patalganga and the other at Kurkumbh. We have an R&D Centre located at Pune equipped with advanced equipments and analytical instruments. We have an excellent team of technical and commercial professionals with expertise in chemicals manufacture and marketing.

Our products have application in important industries like pharmaceuticals, agro-chemicals, water treatment chemicals, foundry chemicals, rubber chemicals, etc. We cater to both domestic and international market. We have competition both from local producers and international producers.

For more details please refer to our web-site [www.alkylamines.com](http://www.alkylamines.com)

#### PERFORMANCE

Total Income (net of taxes) amounted to ₹ 44815 lacs compared to ₹ 36720 lacs of the previous year.

#### OPPORTUNITIES AND THREATS

The Chemical Industry is critical for the economic development of our country, providing products and enabling technical solutions in virtually all sectors of the economy. Your Company has the advantage of having a product range of speciality chemicals, covering a broad spectrum of applications. The demand for our products is driven by a wide range of end use industries.

Your Company is ready to take the challenges of increased demand by continuously investing in upgradation and expansion of its manufacturing capacities. The in-house R&D Department has been consistently developing quality products and is also striving for achieving cost efficiencies.

The industries in which our products have application, like pharmaceuticals, agrochemicals, rubber chemicals etc are growing at a reasonable pace. A lot of new drugs are going off patent and Indian pharmaceutical industry, to whom our company supplies its products, is suitably placed to take advantage of this situation and have good growth potential, especially because of its cost advantage compared to international players. We have a fair chance of improving our position as a reliable supplier of good quality chemicals to these industries. Our Core Competence in chemical handling and manufacturing supported by an able technical team, should provide a lot of opportunities and scope to the company to improve its performance. We enjoy leadership position in some of the products in domestic market, driven by strong in-house technology, diversified product portfolio and customer base.

The commodity nature of some of our products makes them susceptible to fluctuations in raw material prices and exchange rates. The company is vulnerable to alcohol price volatility. Domestic alcohol prices are dependent on the cyclicity of the sugar industry and Government policy for its use in oil sector. Other petroleum based raw materials are subject to international gas/crude oil price fluctuation.

Being a global player, we are also exposed to competition not only from domestic players but also large international players. Cheap imports especially from countries like China could pose problems, which would have to be faced by consistency in quality of the products and improving production efficiencies.

#### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The operating profit before tax amounted to ₹ 6462 lacs compared to ₹ 3593 lacs reported last year.

During the year, our domestic sales amounted to ₹ 39365 lacs compared to ₹ 32114 lacs of the previous year. Export sales increased to ₹ 9315 lacs (FOB) compared to ₹ 7725 lacs of the previous year.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have in place internal control systems in all spheres of activities commensurate with the size of the Company. The system is helping the Managers to advantageously assimilate information and make more knowledge-based and efficiency-driven decisions. The internal control is supplemented by effective internal audit being carried out by an external firm of chartered accountants. The Audit Committee of Directors regularly reviews the findings of the Internal Auditors and effective steps to implement the suggestions/observations of the Auditors are taken and monitored regularly.

Your Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

#### RISKS AND CONCERNS

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set



for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for all manufacturing sites are analyzed to minimize risk associated with protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company. The Company fulfills its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at all manufacturing sites.

## **HUMAN RESOURCES**

The Company believes that its employees are the key to driving sustainable performance and developing competitive advantage. The HR policies and procedures of your Company are geared towards nurturing and development of Human Capital. Your Company has transparent processes for rewarding performance and retaining talent.

Skill Gap Analysis and other systems are also in place to identify the training interventions required. Employee relations at all locations continued to remain cordial. Your Directors wish to acknowledge the sincere and dedicated efforts of the employees of the company and would like to thank them for the same.

Information required to be given pursuant to the provisions of Section 217(2A) of The Companies Act, 1956 is given in the Annexure, a copy of which can be obtained by the members from the Company's Registered Office on request.

## **OUTLOOK**

For the year 2014-15, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products, launching new products and creating new business in untapped growth market segments in Export market.

Though there is sluggish demand in certain sectors and also increased competition from global and domestic players, we expect the trend shown in 2013-14 to continue in the year 2014-15. With the global growth of chemicals focused more on Asia, it is expected that there will be further growth in chemical industry.

During the year 2014-15, we expect the investments, which we made in our new product Acetonitrile, and also in debottlenecking capacities of other products, add to both our topline and bottomline.

We will continue with our efforts for improving our market share while re-looking at business strategies and models, wherever necessary. With our continuous efforts for improving efficiencies and margins, barring, unforeseen circumstances, we expect to achieve better results for the year 2014-15.

## **CAUTIONARY STATEMENT**

Statements made in the report, including those stated under the caption "Management Discussion and Analysis" describing the company's plans, projections and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

For and on behalf of the Board of Directors

**YOGESH M. KOTHARI**

Chairman & Managing Director

**Place:** Mumbai

**Date:** May 15, 2014

## ANNEXURE 2

## FORM - A

## Disclosure of particulars with respect to Conservation of Energy

Particulars	01.04.2013 to 31.03.2014	01.04.2012 to 31.03.2013
<b>A. POWER AND FUEL CONSUMPTION:</b>		
<b>1. Electricity</b>		
<b>1. A) Purchased</b>		
Units (KWH in Lacs)	185	176
Total Amount (Rs in Lacs)	1408	1394
Avg. Rate/Unit	7.63	7.93
<b>1. B) Own Generation</b>		
(i) Through Diesel Generator		
Units (KWH in Lacs)	0.22	0.21
Units/Ltr of Diesel Oil (KWH)	2.58	2.25
Cost/Unit (₹ /KWH)	19.82	20.13
(ii) Through Steam Turbine/Generator		
Units (KWH in Lacs)	22.41	24.13
Units/Kg of Fuel		
<b>2. Coal</b>		
Qty (MT)	55414	48435
Total Amount (Rs in Lacs)	3051.27	2564.84
Avg. Rate (Rs/MT)	5506	5295
<b>3. Furnace Oil and Lacs</b>		
Qty (MT)	89	524
Total Amount (Rs in Lacs)	37.76	212.17
Avg. Rate (Rs/MT)	42492	40516
<b>4. Bagasse</b>		
Qty (MT)	4924	12429
Total Amount (Rs In Lacs)	85.42	214.22
Avg. Rate (Rs/MT)	1735	1724
<b>B. CONSUMPTION PER UNIT OF PRODUCTION:</b>		
Standards if Any	N.A.	N.A.
<b>Production</b>		
a) Amines and Amines Derivatives (MT)	42020	37320
b) Hydrogen (M3)	2500424	2757907
<b>Electricity Consumption/Unit</b>		
a) Amines and Amines Derivatives (KWH/MT)	473	511
b) Hydrogen (KWH/M3)	0.293	0.248
<b>Coal Consumption / Unit</b>		
Amines and Amine Derivatives (MT/MT)	1.461	1.495
<b>FO/LSHS Consumption / Unit</b>		
Amines and Amine Derivatives (MT/MT)	0.002	0.014
<b>Bagasse Consumption / Unit</b>		
Amines and Amine Derivatives (MT/MT)	0.217	0.618

**ANNEXURE 3**
**FORM B**
**1. Specific area in which R & D carried out by the company:**

- (a) Worked on the improvement of various processes/products already commercialized in order to achieve better yields & minimum wastage.
- (b) Development of processes for the manufacture of various new mixed amine derivatives which find use as Pharma & Agro-Intermediates.
- (c) Development of processes for the manufacture of various new mixed amine derivatives useful as Speciality Chemicals.
- (d) Continued development of processes for manufacture of chemicals based on customer specific requirements.

**2. Benefits derived as a result of the above R & D.**

- a) Developed processes for three new products.
- b) Developed a new process for two existing products.

**3. Future plans of action**

- a. Development of processes for the manufacture of new Pharma and Agro intermediates.
- b. Scale up of the processes for mixed amines to be used in Pharma & Agro-chemical industries.

**4. Expenditure on R & D**

- |  |   |               |
|--|---|---------------|
| a. Capital   | : | ₹ 24.09 lacs  |
| b. Revenue   | : | ₹ 397.08 lacs |
| c. Total   | : | ₹ 421.17 lacs |
| d. Total R & D Expenditure as a percentage of turnover | : | 0.94 %        |

**5. Technology absorption, adaptation and innovation**

- |  |   |                 |
|--|---|-----------------|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation.   | ] |                 |
| 2. Benefits derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution etc.                       | ] | As stated above |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year following information may be furnished | ] | Not applicable  |
| a) Technology imported   |   |                 |
| b) Year of Import  |   |                 |
| c) Has technology been fully absorbed.   |   |                 |
| d) If not fully absorbed, areas where this has not taken place, reasons therefor, and future plans of action.  |   |                 |

## ANNEXURE 4

## CORPORATE GOVERNANCE REPORT

1. Our philosophy on Code of Governance is aimed at safeguarding and adding value to the interest of the various stakeholders of our company including shareholders, lenders, employees and public at large. At Alkyl Amines Chemicals Limited, ("ALKYL"), we are committed to Good Corporate Governance to ensure that all functions of the Company are discharged in a professionally sound and competent manner. Given below is the requisite information relating to corporate functioning of your Company at apex level for the purposes of due transparency on this aspect.

## 2. BOARD OF DIRECTORS

## i) Composition of Board:

The Board of Directors of the Company consists of 10 members. Three of the Directors, i.e. the Chairman & Managing Director and two Executive Directors, are Executive Directors and rest of the 7 Directors are non-executive Directors, who bring a wide range of skills and experience to the Board. The Board of Directors of the Company as on 31st March, 2014 is as under:

Name	Designation / Category	No. of Directorships and Committee Memberships / Chairmanships in other Companies (excluding Pvt. Cos.)		
		Other Director-ships	*Committee Member-ships	*Committee Chairmanships
Mr. Yogesh M. Kothari	Chairman & Managing Director (Promoter)	Two	---	One
Mr. Hemendra M. Kothari	Non-executive Director (Brother of Mr. Yogesh Kothari)	---	---	---
Mr. Shyam B. Ghia	Non-Executive Director (Independent)	Five	Five	Two
Mr. Shobhan M. Thakore	Non-Executive Director (Independent)	Six	Three	One
Mr. Dilip G. Piramal	Non-Executive Director (Independent)	Five	Two	---
Mr. Premal N. Kapadia	Non-Executive Director (Independent)	Four	Two	One
Mr. K.R.V. Subrahmanian	Non-Executive Director (Independent)	Two	One	One
Ms. Tarjani Vakil	Non-Executive Director (Independent)	Five	Three	One
Ms. Meena Verma**	Non-Executive Director	---	---	---
Mr. Kirat Patel	Executive Director	Three	One	---
Mr. Suneet Kothari	Executive Director (son of Mr. Yogesh Kothari)	One	---	---

\*Member/Chairman of Audit Committees and Share Transfer/Investor Grievance Committees.

\*\*Export-Import Bank of India had withdrawn nomination of Ms. Meena Verma, who was their nominee on our Board on January 10, 2014.



**ii) Attendance record of each Director:**

Four Board Meetings were held during the year 2013-14. These meetings were held on 16.05.2013, 07.08.2013, 22.10.2013 and 27.01.2014. The attendance record of all the Directors at the Board Meetings and the last Annual General Meeting between 01.04.2013 to 31.03.2014 is as under:-

<b>Name</b>	<b>No. of Board Meetings held</b>	<b>No. of Board Meetings attended</b>	<b>Attended last AGM</b>
Mr. Yogesh M. Kothari	Four	Four	Yes
Mr. Hemendra M. Kothari	Four	Four	No
Mr. Shyam B. Ghia	Four	Three	No
Mr. Shobhan M. Thakore	Four	One	No
Mr. Dilip G. Piramal	Four	Four	No
Mr. Premal N. Kapadia	Four	Four	No
Mr. K.R.V. Subrahmanian	Four	Four	Yes
Ms. Tarjani Vakil	Four	Three	No
Ms. Meena Verma	Four	Two	No
Mr. Kirat Patel	Four	Four	Yes
Mr. Suneet Kothari	Four	Three	Yes

**3. COMMITTEES OF THE BOARD OF DIRECTORS****i) Audit Committee**

The Company has an Audit Committee of the Board of Directors since April 2000. The Audit Committee comprises of five Directors, i.e. Mr. K.R.V. Subrahmanian (Chairman), Mr. Shyam B. Ghia, Mr. Premal N. Kapadia and Mr. Shobhan M. Thakore (all being Non-Executive and independent) and also Mr. Kirat Patel. The Committee met 4 times during the year 2013-2014 on 16.05.2013, 07.08.2013, 22.10.2013 and 27.01.2014. The attendance of the Audit Committee Members is as under:-

<b>Name</b>	<b>No. of Audit Committee Meetings held</b>	<b>No. of Audit Committee Meetings attended</b>
Mr. K.R.V. Subrahmanian	Four	Four
Mr. Shyam B. Ghia	Four	Three
Mr. Premal N. Kapadia	Four	Four
Mr. Shobhan M. Thakore	Four	One
Mr. Kirat Patel	Four	Four

Mr. K. P. Rajagopalan, General Manager (Secretarial & Legal) & Company Secretary of the Company, acts as Secretary to the Audit Committee. The Account & Finance Officials of the Company, Statutory Auditors and Internal Auditors also attended the meetings of Audit Committee.

The terms of reference of Audit Committee include overview of the company's financial reporting process, review with management the various aspects of financial statements including quarterly, half yearly and annual results, adequacy of internal controls and internal audit function, various audit reports, significant judgments affecting the financial statements, compliance with accounting standards and Company's financial & risk management policies. It reports to the Board of Directors about its findings & recommendations pertaining to above matters. No personnel have been denied access to the Audit Committee.

**ii) Remuneration Committee of the Board**

The Company has also set up a Remuneration Committee of Directors, consisting of Mr. S.B. Ghia, Chairman, Mr. S.M. Thakore and Mr. Dilip G. Piramal. The main criteria for fixing remuneration of the Directors are performance and also practice in the industry. The terms of reference of the Remuneration Committee include review and recommendation to the board of directors of the remuneration paid to the directors. The Committee meets as and when required to consider remuneration of Directors. No meetings of the committee were held during the year 2013-2014.

**Remuneration of Directors:**

Remuneration paid/payable to the Directors for the year from 1.4.2013 to 31.3.2014 is given below:

(₹ in lacs)

Name	Remuneration (₹)	Sitting Fee (₹) (Gross)	Commission ₹*	Total (₹)
Mr. Yogesh M. Kothari	117.65	Nil	238.91	356.56
Mr. Hemendra M. Kothari	Nil	0.80	9.16	9.96
Mr. Shyam B. Ghia	Nil	1.28	9.16	10.44
Mr. Shobhan M. Thakore	Nil	1.26	9.16	10.42
Mr. Dilip G. Piramal	Nil	0.80	9.16	9.96
Mr. Premal N. Kapadia	Nil	1.60	9.16	10.76
Mr. K.R.V. Subrahmanian	Nil	1.60	9.16	10.76
Ms. Tarjani Vakil	Nil	1.00	9.16	10.16
Ms. Meena Verma (Payable to Exim Bank)	Nil	0.40	7.16	7.56
Mr. Kirat Patel	47.68	Nil	71.31	118.99
Mr. Suneet Y. Kothari	41.81	Nil	71.31	113.13

\*Commission will be paid during the year 2014-2015.

Remuneration to Executive Directors includes salary and perquisites. The Company does not have any stock option scheme.

The Executive Directors of the Company, namely, the Managing Director & two Executive Directors, have been appointed for a period of three years. Either party is entitled to terminate the appointment by giving not less than six months' notice in writing to the other party.

**iii) Share Transfer/Investors' Grievance Committee:**

- a) The Share Transfer/Investors' Grievance Committee consists of Mr. Shobhan M. Thakore, Mr. Shyam B. Ghia and Mr. Yogesh M. Kothari, whose terms of reference include approval of share transfers and overview of investor grievance handling system. Mr. Shobhan M. Thakore is the Chairman of this Committee.
- b) Total 4 meetings of Shareholders/Investors' Grievances Committee were held during the year 2013 -2014 on the following dates:

06.05.2013	26.09.2013	31.12.2013	19.03.2014
------------	------------	------------	------------

- c) The attendance of the Shareholders / Investors' Grievance Committee Members is as under:-

Name	Category	No. of meetings held	No. of meetings Attended
Mr. Shobhan M. Thakore	Independent	Four	Three
Mr. Yogesh M. Kothari	Executive Director	Four	Four
Mr. Shyam B. Ghia	Independent	Four	Four

- d) Mr. K. P. Rajagopalan, General Manager (Secretarial & Legal) is the Compliance Officer.

- e) No. of shareholder complaints received during 2013-2014:

Relating to non-receipt of annual report	:	2
Relating to loss of shares	:	0
Relating to transmission of shares	:	0
Others	:	4

- f) No. of shareholder complaints not solved to the satisfaction of the shareholders:

Relating to non-receipt of annual report	:	None
Relating to loss of shares	:	None
Relating to transmission of shares	:	None
Others	:	None

- g) No. of pending share transfers as on 31.3.2014 : None

**iv) Finance Committee :**

The Company also has a Finance Committee of Directors to consider finance related decisions consisting of Mr. Yogesh M. Kothari, Chairman, Mr. Kirat Patel and Mr. Shobhan M. Thakore. During the year 2013-2014 the Finance Committee Meetings were held on 10.06.2013, 22.08.2013, 13.09.2013 and 14.03.2014

Name	No. of Finance Committee Meetings held	No. of Finance Committee Meetings attended
Mr. Yogesh M. Kothari	Four	Four
Mr. Shobhan M. Thakore	Four	Four
Mr. Kirat Patel	Four	Four

**v) Corporate Social Responsibility Committee:**

The Company has in October 2013 set up a Corporate Social Responsibility Committee, consisting of Ms. Tarjani Vakil (Chairperson), Mr. Yogesh M. Kothari and Mr. Kirat Patel. During the year 2013-14 the Committee Meetings were held on 04.12.2013 and 27.03.2014. The attendance record of Directors is as under:

Name	No. of Committee Meetings held	No. of Meetings attended
Ms. Tarjani Vakil	Two	Two
Mr. Yogesh M. Kothari	Two	Two
Mr. Kirat Patel	Two	Two

**4. GENERAL BODY MEETINGS:**

i) Location and time where last three Annual General Meetings were held and details of special resolutions passed:

No. of AGM	Venue	Date	Time
33rd AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra  No special resolution was passed at the meeting	August 7, 2013	2.30 P.M.
32nd AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra  Special resolutions were passed for : a) Approval of the terms of re-appointment and remuneration of Mr. Suneet Kothari, Executive Director of the Company b) Approval of the terms of re-appointment and remuneration of Mr. Kirat Patel, Executive Director of the Company c) Approval of the terms of re-appointment and remuneration of Mr. Yogesh M. Kothari, Chairman & Managing Director of the Company d) Approval of payment of commission to all directors (other than the Managing Director and the Executive Directors)	August 7, 2012	2.30 P.M.
31st AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra  No special resolution was passed at the meeting	August 4, 2011	2.30 P.M.

No special resolution by postal ballot was passed during last year.

This year, we are proposing voting by means of e-voting for which necessary instructions are given in the notice convening the annual general meeting.

**5. DISCLOSURES:**

- i) A list of transactions with related parties as per Accounting Standard AS-18 is mentioned in Note 32 to the Audited Accounts.
- ii) No penalty/stricture was imposed on the Company by Stock Exchange(s), SEBI or any other authority, or any matter related to capital markets, during the last three years.
- iii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company has complied with all mandatory requirements of Clause 49 of the Listing agreement.

**6. MEANS OF COMMUNICATION:**

- i) Company is publishing the results in National & Regional Newspapers like Economic Times and Maharashtra Times. Quarterly Results are also put on the Company's web-site, [www.alkylamines.com](http://www.alkylamines.com)
- ii) Management Discussion & Analysis is part of Annual Report 2013-2014.

**7. GENERAL SHAREHOLDER INFORMATION:**

- i) Annual General Meeting  
Date : August 7, 2014  
Time : 2.30 pm  
Venue : Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703.
- ii) Financial Year: April to March
- iii) Dates of Book Closure : From 31.07.2014 to 07.08.2014 (both days inclusive)
- iv) Dividend Payment Date : On and from August 12, 2014
- v) The equity shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.
- vi) Stock code. (BSE): 506767 (NSE): ALKYLAMINE
- vii) Market Price Data - High & Low at BSE and NSE of the equity shares of the Company during each month for the year 2013-2014 as compared to BSE Sensex/Nifty are as under:

	BSE (₹)		NSE (₹)	
	High	Low	High	Low
April '13	160.00	130.00	155.75	126.10
May '13	159.95	140.00	156.00	139.00
June '13	150.00	135.00	147.95	138.30
July '13	168.00	125.00	149.90	130.00
Aug. '13	145.00	130.00	143.50	130.00
Sept. '13	155.00	130.00	151.00	131.00
Oct. '13	189.85	145.00	189.90	145.00
Nov. '13	228.00	182.50	220.00	180.00
Dec. '13	262.10	223.50	260.50	225.00
Jan. '14	259.00	217.00	259.95	215.00
Feb. '14	250.00	216.00	239.95	212.00
Mar. '14	260.00	220.05	260.00	196.00

## viii) Share Transfer System:

Share transfers in physical form are registered and returned within the stipulated time, if documents are clear in all respects. The Committee of Directors for Share Transfers meets frequently to approve transfer of shares.

## ix) Distribution of Shareholding as on 31st March, 2014 :

Shareholding of Nominal Value (₹)	No. of Holders	(%) of Holders	Total Amount	% of Amt.
UPTO 5000	6270	92.55	7029470	6.89
5001 TO 10000	248	3.66	1817820	1.78
10001 TO 20000	108	1.59	1520780	1.49
20001 TO 30000	25	0.37	607620	0.60
30001 TO 40000	21	0.31	734290	0.72
40001 TO 50000	17	0.25	798850	0.78
50001 TO 100000	34	0.50	2394660	2.35
100001 AND ABOVE	52	0.77	87078470	85.39
TOTAL	6775	100.00	101981960	100.00

## x) Shareholding pattern as on 31st March, 2014

No.	Category of shareholders	No. of Shares held	% of share-holding
01	I) Indian Promoter & Persons acting in concert	7554018	74.072
	II) Non-resident persons acting in concert	12376	0.121
	Sub-Total (A)	7566394	74.193
02	Mutual Funds	676	0.007
03	Banks/Financial Institutions/ Insurance Cos., Central Govt./State Govt. Institutions/Venture Capital Funds	0	0.000
	Sub-Total (B)	676	0.007
04	Private Corporate Bodies	227142	2.227
05	NRIs/OCBs	155961	1.529
06	Clearing members	338	0.003
07	Indian Public	2247685	22.041
	Sub-Total (C)	2631126	25.800
	Total Share Capital (A+B+C)	10198196	100

## xi) Shareholding of Directors as on 31st March, 2014

Name	No. of Equity Shares held
Mr. Yogesh M. Kothari	6103311
Mr. Hemendra M. Kothari	106700
Mr. Shyam B. Ghia	----
Mr. Shobhan M. Thakore	5540
Mr. Dilip G. Piramal	----
Mr. Premal N. Kapadia	----
Mr. K.R.V. Subrahmanian	----
Ms. Tarjani Vakil	----
Mr. Kirat Patel	26785
Mr. Suneet Y. Kothari	76662

## xii) Dematerialization of shares and liquidity:

Trading in Equity Shares of the Company is permitted only in dematerialised Form. All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within the stipulated time.

Other details are as under:

Approximate time taken for share transfer if the documents are clear in all respects : 15 Days.

Demat ISIN Number for Equity Shares of the Company in NSDL & CDSL ISIN

- INE150B01013

Total No. of Shares as on 31.3.2014

- 10198196 Shares

Total No. of shares dematerialised upto 31.03.2014

- 9767086 Shares

Percentage to total paid up capital

- 95.773 %

## xiii) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity : Nil

## xiv) Plant locations:

Patalganga Plant :

A-7/A-25, MIDC,

Patalganga Industrial Area,

Village Kaire, Taluka Khalapur, Dist. Raigad.

Kurkumbh Plant:

D-6/1 & D-6/2, MIDC,

Kurkumbh Industrial Area,

Taluka Daund, Dist. Pune.

## xv) Address for correspondence:

Alkyl Amines Chemicals Ltd.,

401-407, Nirman Vyapar Kendra, Plot No. 10,

Sector 17, DBC, Vashi,

Navi Mumbai 400703. Maharashtra

xvi) Company's Registrar & Share transfer Agents : -

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit No.1, Luthra Industrial Premises,

1st Floor, 44-E, M. Vasanji Marg,

Andheri Kurla Road, Safed Pool,

Andheri (East), Mumbai 400 072.

Tel Nos. : 022 28515606, 28515644

Fax No. : 022 2851 2885

Email Address: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

Website: [www.sharexindia.com](http://www.sharexindia.com)

#### **8. CODE OF CONDUCT:**

Your company has always encouraged and supported compliance to ethical business practices in personal and corporate behavior by its employees. Your company in order to further strengthen corporate governance practices has framed a specific code of conduct, for the members of the Board of Directors and Senior Management personnel of the Company.

For **ALKYL AMINES CHEMICALS LTD.**

**K. P. RAJAGOPALAN**

General Manager (Secretarial & Legal)



**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members of **ALKYL AMINES CHEMICALS LIMITED**

We have examined the compliance of conditions of corporate governance by Alkyl Amines Chemicals Limited, for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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 implementations 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 based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no Investor grievances were pending for a period of one month against the company as per the records maintained by the Shareholders/Investors Grievance Committee.

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 **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**Place:** Mumbai  
**Dated:** May 15, 2014

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**ALKYL AMINES CHEMICALS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Alkyl Amines Chemicals Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii. in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of Section 227(4A) of the Act, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 purpose 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, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- e. On the basis of the written representations received from the directors of the Company as on March 31, 2014, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**Place:** Mumbai

**Dated:** May 15, 2014

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under the heading of  
"Report on Other Legal and Regulatory Requirements" of our report of even date to the members of  
**Alkyl Amines Chemicals Limited** on the financial statements for the year ended March 31, 2014]

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we report that:

- i. a. The Company is maintaining proper records of fixed assets to show full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets of the Company have been physically verified by the management according to a phased programme designed to cover all the fixed assets over a period of three years, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancy was noticed on such verification.
- c. The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern.
- ii. a. Inventories have been physically verified by the management during the year or at the year-end. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as on March 31, 2014.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.

- iii. a. As per the information furnished, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.

As the Company has not granted any such loan, Clause 4(iii)(b) of the Order relating to the rate of interest and other terms and conditions, whether prima facie prejudicial to the interest of the Company, Clause 4(iii)(c) relating to regularity of the receipt of principal amount and interest and Clause 4(iii)(d) relating to steps for recovery of overdue amount of more than rupees one lakh, are not applicable.

- b. As per the information furnished, the Company has taken unsecured inter corporate deposits from seven companies and unsecured loans from three directors covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was ₹ 2,547.41 lakhs and the year end balance of loan taken from such parties was ₹ 2,170.00 lakhs.

In our opinion, the rate of interest and other terms and conditions on which loans have been taken from Companies, firms or other parties listed in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.

The Company is regular in repayment of the principal amounts as stipulated and as also in the payment of interest.

- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. As informed to us, the Company is not engaged in the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- v. a. According to the information and explanations given to us and the records of the Company examined by us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of the Act have been so entered; and
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements (including purchase of services) entered into the register in pursuance of Section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to the prevailing market prices at the relevant time, wherever applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence, the question of complying with the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder, does not arise.

- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. a. According to the information and explanations given to us and the records examined by us, the Company has been regular in depositing 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 and there were no arrears of such Statutory dues as on March 31, 2014 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, as may be applicable, given herein below are the details of dues of Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess which have not been deposited on account of disputes and the forum where the dispute is pending :

Name of the Statute	Forum where dispute is pending	Nature of the Dues	Period to which the amount relates	Amount (₹ in lakhs)
The Income-tax Act, 1961	The Assessing Officer is yet to give effect to the orders of the Income-tax Appellate Tribunal	Disallowance of expenditure/ deductions and interest	Assessment Year 1998-1999 Assessment Year 1999-2000 Assessment Year 2003-2004	84.89*
	The Income-tax Appellate tribunal	Disallowance of expenditure/ deductions and interest	Assessment Year 2004-2005 Assessment Year 2007-2008 Assessment Year 2008-2009 Assessment Year 2009-2010	68.52**
	Commissioner of Income-tax (Appeals)	Non-granting of MAT credit and interest	Assessment Year 2008-2009	71.99
		Disallowance of expenditure/ deduction and interest	Assessment Year 2011-2012	24.71***
The Central Excise Act, 1994	The Customs, Excise and Service Tax Appellate Tribunal	Dispute relating to Cenvat Credit (interest and penalty)	Financial Year 2006-2007 Financial Year 2007-2008	9.52
The Finance Act, 1994	The Customs, Excise and Service Tax Appellate Tribunal	Service tax on toll processing (interest and penalty)	Financial Year 2004-2005	33.87

\* Amounts deposited under protest is ₹ 84.71 lakhs.

\*\* Amounts deposited under protest is ₹ 41.05 lakhs.

\*\*\* Amounts deposited under protest is ₹ 101.02 lakhs.

- x. There are no accumulated losses of the Company as on March 31, 2014 and the Company has not incurred any cash losses during such financial year and in the immediately preceding financial year.
- xi. According to the information and explanations given to us and records of the Company examined by us, the Company has not defaulted in repayment of dues to financial institutions, bankers or debenture holders.
- xii. According to the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.

- xiii. As the Company is not a chit fund, Nidhi, mutual benefit fund or a society, Clause 4(xiii) of the Order is not applicable.
- xiv. According to the information and explanations given to us, as the Company is not dealing or trading in shares, securities, debentures and other investments, the requirements of Clause 4(xiv) of the Order relating to the maintenance of the proper records of the transactions and contracts and making of timely entries therein are not applicable.
- xv. According to the information and explanations given to us, as the Company has not given any guarantee for loans taken by others from banks or financial institutions, the requirement of Clause 4(xv) of the Order to comment on whether the terms and conditions, whereof are prejudicial to the interest of the Company, is not applicable.
- xvi. According to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised other than amounts temporarily placed pending utilisation of the funds for the intended use.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short term basis have not been utilised for long term investments.
- xviii. According to the information and explanations given to us, as the Company has not made any preferential allotment of shares during the year, Clause 4(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us, as the Company has not issued any debentures, the question of creating security or charges in respect thereof does not arise.
- xx. As the Company has not raised any money by public issues during the year, Clause 4(xx) of the Order is not applicable.
- xxi. Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud (i.e. intentional material misstatements resultant from fraudulent financial reporting and misappropriation of assets) on or by the Company has been noticed or reported during the course of our audit except *an instance of incorrect documentation by an ex-employee involving an amount of ₹ 6.39 lakhs*, which has been recovered without any loss, whatsoever, to the company.

For **BANSI S. MEHTA & CO.**

Chartered Accountants

Firm Registration No. 100991W

**PARESH H. CLERK**

Partner

Membership No. 36148

**Place:** Mumbai

**Dated:** May 15, 2014

## BALANCE SHEET AS AT MARCH 31, 2014

	Note	₹ In Lakhs	As At March 31, 2014 ₹ In Lakhs	As At March 31, 2013 ₹ In Lakhs
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	2	1,020.60		1,020.60
Reserves and Surplus	3	12,998.04		9,664.50
			14,018.64	10,685.10
<b>Non-current Liabilities</b>				
Long-term Borrowings	4	6,484.15		5,996.67
Deferred Tax Liabilities (Net)	5	2,100.15		1,827.70
Long-term Provisions	6	183.27		203.98
			8,767.57	8,028.35
<b>Current Liabilities</b>				
Short-term Borrowings	7	7,056.51		7,347.23
Trade Payables	8	4,911.58		3,790.73
Other Current Liabilities	9	3,038.03		2,558.12
Short-term Provisions	10	1,048.87		783.74
			16,054.99	14,479.82
<b>TOTAL</b>			<b>38,841.20</b>	<b>33,193.27</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	11	15,369.02		12,599.59
Intangible Assets		110.98		10.66
Capital Work-in-Progress		169.28		732.16
Intangible Assets under Development		89.56		160.60
		15,738.84		13,503.01
Non-current Investments	12	226.02		234.27
Long-term Loans and Advances	13	1,138.72		1,484.83
Other Non-current Assets	14	294.58		NIL
			17,398.16	15,222.11
<b>Current Assets</b>				
Inventories	15	8,271.76		7,268.66
Trade Receivables	16	8,979.76		7,596.52
Cash and Bank Balances	17	2,285.83		1,543.70
Short-term Loans and Advances	18	1,868.08		1,532.57
Other Current Assets	19	37.61		29.71
			21,443.04	17,971.16
<b>TOTAL</b>			<b>38,841.20</b>	<b>33,193.27</b>
<b>Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements</b>				
	1 - 41			

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

Place : Mumbai  
Dated : May 15, 2014

Place : Mumbai  
Dated : May 15, 2014



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

			For the Year ended March 31, 2014	For the Year ended March 31, 2013
	Note	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Revenue from Operations	20		48,085.97	39,588.02
Less : Excise Duty on Sales			3,475.85	3,002.00
Revenue from Operations (Net)			44,610.12	36,586.02
Other Income	21		204.75	133.79
<b>Total Revenue</b>			<b>44,814.87</b>	<b>36,719.81</b>
<b>Expenses</b>				
Cost of Materials Consumed	22		24,124.36	20,529.39
Changes in Inventories of Finished Goods and Work-in-Progress	23		(73.52)	(501.06)
Employee Benefits Expense	24		2,591.33	2,087.62
Finance Costs	25		1,224.24	1,293.83
Depreciation and Amortisation Expense			973.90	1,003.38
Other Expenses	26		9,512.15	8,713.83
<b>Total Expenses</b>			<b>38,352.46</b>	<b>33,126.99</b>
<b>Profit before exceptional items and Tax</b>			<b>6,462.41</b>	<b>3,592.82</b>
Exceptional items			NIL	NIL
<b>Profit before Tax</b>			<b>6,462.41</b>	<b>3,592.82</b>
Tax Expense:				
Current Tax		1,885.65		1,040.00
Deferred Tax		272.44		159.98
Current Tax Adjustments of Earlier Years		16.26		(0.36)
			2,174.35	1,199.62
<b>Profit for the Year</b>			<b>4,288.06</b>	<b>2,393.20</b>
Earnings Per Equity Share:				
Basic and Diluted (₹)			42.05	23.47
<b>Notes (Including Significant Accounting Policies) Forming Part of the Financial</b>	<b>1 - 41</b>			

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place : Mumbai  
Dated : May 15, 2014

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

Place : Mumbai  
Dated : May 15, 2014

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	For the Year ended March 31, 2014 ₹ In Lakhs	For the Year ended March 31, 2013 ₹ In Lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax	6,462.41	3,592.82
<b>Adjustments for :</b>		
Loss on Sale/Scrap of Fixed Assets	7.54	8.36
Assets Written Off	75.84	82.40
Depreciation and Amortisation Expense	973.90	1,003.38
Interest Expense	1,208.88	1,188.50
Dividend Income	(14.89)	(29.78)
Interest on Deposits and Others	(89.86)	(36.03)
Unrealised Loss/(Gain) on Foreign Exchange	215.15	237.40
Exchange difference on translation of foreign currency cash and cash equivalents	(0.12)	4.51
Provision for Bad and Doubtful Debts	40.61	38.02
<b>Operating Profit Before Working Capital Changes</b>	<b>8,879.46</b>	<b>6,089.58</b>
<b>Adjustments for :</b>		
Long-term Loans and Advances and Other Non-current Assets	(506.24)	201.99
Inventories	(1,003.10)	(2,295.84)
Trade Receivables and Short-term Loans and Advances	(1,974.51)	(2,373.58)
Other Current Assets	(7.90)	27.51
Long-term Liabilities and Long-term Provisions	(20.71)	(3.78)
Trade Payables, Other Current Liabilities and Short-term Provisions	1,289.12	1,468.54
<b>Cash Generated From Operations</b>	<b>6,656.12</b>	<b>3,114.42</b>
Income Tax paid	(2,061.77)	(866.12)
<b>Net Cash From Operating Activities</b>	<b>4,594.35</b>	<b>2,248.30</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,625.09)	(2,399.66)
Sale of Fixed Assets	2.95	3.42
Disposal of Investments	8.25	NIL
Dividend Income	14.89	29.78
Interest on Deposits and Others	89.86	36.03
Bank Deposits having Original Maturity of more than 3 months	(78.12)	(411.29)
<b>Net Cash From Investing Activities</b>	<b>(2,587.26)</b>	<b>(2,741.72)</b>

	For the Year ended March 31, 2014 ₹ In Lakhs	For the Year ended March 31, 2013 ₹ In Lakhs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Deferred Sales Tax Payment	(86.71)	(32.85)
Proceeds from Long-term Borrowings	841.13	773.81
Increase/Decrease in Short-term Borrowings	(290.72)	1,518.14
Interest Paid	(1,208.88)	(1,266.86)
Dividend Paid (Including Dividend Distribution Tax)	(596.57)	(474.11)
<b>Net Cash From Financing Activities</b>	<b>(1,341.75)</b>	<b>518.13</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>665.34</b>	<b>24.71</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>516.90</b>	<b>496.70</b>
Exchange difference on translation of foreign currency cash and cash equivalents	0.12	(4.51)
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>1,182.36</b>	<b>516.90</b>
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	0.97	1.70
Other Bank Balances		
- On Current Accounts	660.76	240.83
- On Unpaid Dividend Accounts	26.63	24.37
- On Deposit Accounts	494.00	250.00
	<b>1,182.36</b>	<b>516.90</b>

**Note:**

Purchase of Fixed Assets includes addition to Capital Work-in-Progress during the year.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

**Place :** Mumbai  
**Dated :** May 15, 2014

**Place :** Mumbai  
**Dated :** May 15, 2014

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014****1 SIGNIFICANT ACCOUNTING POLIES****1.1 BASIS OF PREPARATION**

The accounts have been prepared on the basis of going concern under historical cost convention as also on accrual basis and in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 as applicable.

**1.2 USE OF ESTIMATES:**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known/materialised.

**1.3 FIXED ASSETS (TANGIBLE/INTANGIBLE):**

- i. Land (Freehold) is carried at cost;
- ii. Land (Leasehold) is carried at cost less amortisation;
- iii. Other Fixed Assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.
- iv. Cost for the aforesaid purposes comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of recoverable duties and interest on borrowings attributable to the acquisition of qualifying Fixed Assets upto the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalised, if any, in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates".
- v. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work-in-Progress".
- vi. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

**1.4 DEPRECIATION AND AMORTISATION:**

- i. Depreciation on assets installed/acquired after April 2, 1987 is provided pro-rata on straight line method at the rates and on the basis specified in Schedule XIV to the Companies Act, 1956, as revised by Notification No.G.S.R.756 (E) dated December 16, 1993 and further revised by Notification No.101 (E) of the Department of Company Affairs on the following basis:
  - a. In respect of assets installed/acquired prior to April 1, 1993 at the rates computed by allocating the unamortised value of assets existing as on March 31, 1993 as per the books of account, over the remaining part of the specified period which is recomputed by applying to the original cost, the revised rates prescribed in Schedule XIV to the Companies Act, 1956.
  - b. In respect of assets installed/acquired on/after April 1, 1993 at the rates prescribed in Schedule XIV to the Companies Act, 1956.
- ii. Leasehold land is being amortised over the period of lease.
- iii. Intangible assets are amortised over their estimated useful life on the straight line method as follows:
  - a. Development of R & D Products/Processes (Internally generated) : Five years.
  - b. Patents : Ten years.
  - c. REACH Registration : Five years.
- iv. Exchange Differences capitalised in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates" are depreciated over the balance life of the assets from the year in which such differences have been capitalised.

**1.5 INVESTMENTS:**

- i. Investments, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of investments.
- ii. Profit or loss on sale of long-term investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

**1.6 INVENTORIES:**

- i. Raw materials, packing materials, stores and spares, furnace oil and fuel are valued at cost or net realisable value, whichever is lower. Cost comprises basic cost (net of CENVAT and VAT, if any) and other costs incurred in bringing them to their respective present location and condition.

Cost is determined on a Weighted Average basis.

- ii. Work-in-Progress and finished goods are valued at cost or net realisable value, whichever is lower.

Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity. Excise duty on finished goods awaiting clearance has been provided for and included in cost thereof.

Cost is determined on a Weighted Average basis.

**1.7 TAXATION:**

- i. Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- ii. Deferred Tax : Deferred tax is recognised, subject to consideration of prudence, on timing differences between taxable and accounting income which originates in one period and are capable of reversal in one or more subsequent periods (adjusted for reversals expected during tax holiday period). The tax effect is calculated on accumulated timing differences at the year end based on tax rates and laws enacted or substantially enacted as of the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such deferred tax assets. In other situations, deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realise such deferred tax assets.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**1.8 REVENUE RECOGNITION:****i. Sales of Manufactured Goods:**

Sales of goods in respect of domestic sales are recognised on despatch of goods to the customer. 'Sales' include packing charges, excise duty and are net of returns.

Sales of goods in respect of export sales are recognised as and when the shipment of goods takes place.

**ii. Recognition of Export Benefits:**

Export Benefit Entitlements under the Duty Entitlement Pass Book Scheme and Duty drawback Scheme of the Government of India are recognised in the year in which the Export Sales are accounted for.

Advance License Benefits on Exports are accounted in the year of utilisation of license.

**iii. Income from Certified Emission Reductions:**

Income from Certified Emission Reduction (CERs) in respect of the project registered with Executive Board established under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) is accounted on the basis of CERs generated from such project when the same are duly certified by UNFCCC. However, at the year end, since no CER is duly certified no amount for the same is recognised.

**1.9 EMPLOYEE BENEFITS:****i. Defined Contribution Plan:**

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for as a specific contribution of the Employee costs to fund these benefits as specified under the law. Therefore, any excess payment made will be considered as an advance and shortfall, if any, will be adjusted.

**ii. Defined Benefit Plan:**

**Gratuity-** In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of profit and loss as income or expense. The Company has an employee gratuity fund managed by Life Insurance Corporation of India ("LIC"), except for the Managing Director, for which also the necessary provision is made based on an actuarial valuation.

**Compensated Absences-** The Company provides for the encashment of leave with pay based on policy of the Company in this regard. The employees are entitled to accumulate such leave subject to certain limits, for the future encashment. The Company records an obligation for Leave Encashment in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated leave as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

**1.10 RESEARCH AND DEVELOPMENT COSTS:**

- i. Revenue expenditure on research, if any, is charged in the Statement of Profit and Loss of the year in which it is incurred.
- ii. Development Expenditure :
  - a. incurred on development of new processes for products which, as per the Management, are completed and are expected to generate future economic benefits, are shown as internally generated intangible assets and is amortised in accordance with policies stated for Amortisation in Note No. 1.4.iii.
  - b. incurred on development of new processes for products which, as per the Management, are yet to be completed, are reflected as Intangibles Under Development;
  - c. other development expenses are charged to the Statement of Profit and Loss in the year in which it is incurred.

**1.11 FOREIGN CURRENCY TRANSACTIONS:**

- i. Transactions in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited/ charged to the Statement of Profit and Loss.
- iii. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed asset have been recognised in the Statement of Profit and Loss. However, on the basis of the option available to the Company, exchange differences arising on Long-term Foreign Currency Monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of a depreciable capital asset, has been added or deducted from the cost of such assets (Refer Note 28).
- iv. In case of forward contracts, the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract.
- v. As required by the Announcement of the Institute of Chartered Accountants of India on positions of derivatives, keeping in view the principle of prudence as per Accounting Standard 1 on "Disclosure of Accounting Policies", outstanding forward contracts at the Balance Sheet date are reflected by marking them to market and accordingly, the resulting mark to market losses are provided in the Statement of Profit and Loss.

**1.12 SEGMENT REPORTING POLICIES:****i. Identification of segments**

Primary Segment is identified based on the nature of products, the different risks and returns and the internal business reporting system. Secondary Segment is identified based on the geographical location of its customers.

**ii. Segment Policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**1.13 LEASE RENTALS:**

Lease rentals are accounted consistent with the payment schedule provided in the lease agreement.

**1.14 BORROWING COSTS:**

Borrowing costs, attributable to the acquisition/construction of qualifying assets, are capitalised, net of income, if any. Other borrowing costs are charged as an expense in the period in which the same are incurred. Borrowing costs comprise of interest and other cost incurred in connection with borrowing of funds.

**1.15 IMPAIRMENT OF ASSETS:**

If internal/external indications suggest that an asset of the Company may be impaired, the recoverable amount of asset/cash generating unit is determined on the date of Balance Sheet and if it is less than its carrying amount, the carrying amount of asset/cash generating unit is reduced to the said recoverable amount. Subsequently, if there is a change in the indication, since the last impairment was recognised, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognised for an asset in prior accounting period is reversed. The recoverable amount is measured as the higher of the net selling price and value in use of such assets/cash generating unit, which is determined by the present value of the estimated future cash flows.

An impairment of intangible assets is conducted annually or more often if there is an indication of any decrease in value. The impairment loss, if any, is charged to the Statement of Profit and Loss.

**1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- i. The Company recognises as Provisions, the liabilities being present obligations arising from past events, the settlement of which is expected to result in an outflow of resources and which can be measured only by using a substantial degree of estimation.
- ii. Contingent Liability is disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.
- iii. Contingent Assets are neither recognised nor disclosed.

	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>2. SHARE CAPITAL</b>		
<b>Authorised :</b>		
15,000,000 (15,000,000) Equity Shares of ₹ 10 par value	<b>1,500.00</b>	1,500.00
1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value	<b>1,500.00</b>	1,500.00
	<b>3,000.00</b>	3,000.00
<b>Issued, Subscribed And Paid Up :</b>		
10,198,196 (10,198,196) Equity Shares of ₹ 10 par value fully paid	<b>1,019.82</b>	1,019.82
Shares forfeited	<b>0.78</b>	0.78
	<b>1,020.60</b>	1,020.60

**2.1 Reconciliation of the number of shares outstanding and amount of share capital :**

	As At March 31, 2014		As At March 31, 2013	
Equity shares of ₹ 10 par value	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
At the beginning	<b>10,198,196</b>	<b>1,019.82</b>	10,198,196	1,019.82
Changes during the year	<b>NIL</b>	<b>NIL</b>	NIL	NIL
At the end	<b>10,198,196</b>	<b>1,019.82</b>	10,198,196	1,019.82

**2.2 Rights, preferences and restrictions**

- The Company has only one class of shares referred to as equity shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on May 15, 2014, proposed a final dividend of ₹ 8 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended March 31, 2014 amounted to ₹ 954.52 lakhs including corporate dividend tax of ₹ 138.66 lakhs.

During the year ended March 31, 2013, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 5. The Dividend appropriation for the year ended March 31, 2013 amounted to ₹ 596.57 lakhs including corporate dividend tax of ₹ 86.66 lakhs.

- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :**

	As At March 31, 2014		As At March 31, 2013	
Name of the Shareholder	No. of shares	% held	No. of shares	% held
Yogesh M. Kothari	<b>6,103,311</b>	<b>59.85</b>	6,123,311	60.04



		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>3. RESERVES AND SURPLUS</b>			
Capital Reserve		9.68	9.68
Capital Redemption Reserve		25.00	25.00
Securities Premium		1,290.97	1,290.97
General Reserve			
As per last Balance Sheet	2,838.82		2,599.82
Add : Transfer from Surplus	429.00		239.00
		3,267.82	2,838.82
Surplus			
As per last Balance Sheet	5,500.03		3,942.40
Add: Net Profit after Tax transferred from Statement of Profit and Loss	4,288.06		2,393.20
Less : Appropriations			
General Reserve	429.00		239.00
Proposed Dividend	815.86		509.91
Tax on Dividend	138.66		86.66
		8,404.57	5,500.03
		12,998.04	9,664.50
<b>4. LONG-TERM BORROWINGS</b>			
Term Loans [Refer Note 4.1 (a)]			
Secured			
From Banks	3,951.58		2,736.69
From Other Parties - Financial Institutions	106.25		533.55
		4,057.83	3,270.24
Deferred Payment Liability			
Unsecured			
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 4.1 (b)(i)]		791.32	902.93
Loans and advances from related parties			
Unsecured [Refer Note 4.1 (b)(ii)]		1,385.00	830.00
Deposits - Inter Corporate [Refer Note 4.1 (b)(iii)]			
Unsecured			
From Related Parties (Refer Note 32)	250.00		474.50
From Others	NIL		519.00
		250.00	993.50
		6,484.15	5,996.67

**4.1 Nature of Security and Terms of Repayment of Long-term Borrowings:**

		As At March 31, 2014	As At March 31, 2013
	Rate of Interest	₹ In Lakhs	₹ In Lakhs
<b>a. Nature of security</b>			
<b>I. Term Loan from Banks:</b>			
i. Term Loans of ₹ 1,125 lakhs repayable in 60 monthly instalments from November 30, 2009 to part finance Company's normal capital expenditure at Patalganga are secured by:	Ranging from 13.50% p.a. to 15.25% p.a.	NIL	140.63
a. Mortgage of the Company's immovable properties specified in the relevant loan agreements;			
b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.			
The mortgage and charges referred to above rank pari-passu inter se.			
ii. Term Loan of ₹ 800 lakhs repayable in 60 monthly instalments from October 31, 2009 to part finance Company's normal capital expenditure at Kurkumbh is secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc.	Ranging from 13.35% p.a. to 15% p.a.	41.24	201.20
iii. Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of :			
USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012 and USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 and	3.48% p.a. to 3.66% p.a.*	2,950.66	3,127.53
USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015	LIBOR plus 3.05% p.a.	1,944.32	NIL
iv. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	Ranging from 8.86% p.a. to 10.95% p.a.	33.43	43.02
		4,969.65	3,512.38
Less : Current Maturities of Long-term Debt (Refer Note 9)		1,018.07	775.69
		3,951.58	2,736.69
* Rate of Interest for the year ended March 31, 2013 was LIBOR plus 2.50% p.a. to 3.00% p.a.			
<b>II. Term Loan from Other Parties - Financial Institutions:</b>			
i. Term Loan of ₹ 1,700 lakhs repayable in 16 instalments from July 25, 2011 is secured by:	12.00% p.a.	531.25	956.25
a. Mortgage of the Company's immovable properties specified in the relevant loan agreements;			
b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.			
The mortgage and charges referred to above rank pari-passu inter se.			
ii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments of 36 months	8.70% p.a.	NIL	2.64
		531.25	958.89
Less : Current Maturities of Long-term Debt (Refer Note 9)		425.00	425.34
		106.25	533.55

## b. Terms of repayment of unsecured borrowings:

		As At March 31, 2014	As At March 31, 2013	
Terms of Repayment		₹ In Lakhs	₹ In Lakhs	
<b>Borrowings:</b>				
i.	Deferred payment liability	Repayable after 10 years from the respective year in which actual tax was collected starting from April 26, 2012.	871.84	958.55
Less : Current Maturities of Long-term Debt (Refer Note 9)		80.52	55.62	
		791.32	902.93	
ii.	Loans and advances from Related Parties	Not repayable before March 31, 2015 and carries interest rate ranging from 10.50% p.a. to 12.00% p.a.	1,185.00	830.00
iii.	Deposits - Inter Corporate	Not repayable before March 31, 2015 and carries interest rate ranging from 10.25% p.a. to 11.25% p.a.	904.00	993.50

## 5. Deferred Tax Liabilities (Net)

	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>Items of Timing Difference</b>	<b>Accumulated Deferred Tax (Assets) / Liabilities</b>	<b>Accumulated Deferred Tax (Assets) / Liabilities</b>
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	<b>2,272.86</b>	2,012.55
	<b>2,272.86</b>	2,012.55
<b>Deferred Tax Assets</b>		
Provision for doubtful debts and advances	<b>(82.95)</b>	(72.36)
Provision for Gratuity	<b>(44.11)</b>	(71.66)
Provision for Leave Encashment	<b>(40.68)</b>	(35.36)
Disallowance under section 43B	<b>(4.97)</b>	(5.47)
	<b>(172.71)</b>	(184.85)
<b>Net Deferred Tax (Assets) / Liabilities</b>	<b>2,100.15</b>	1,827.70

	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>6. Long-term Provisions</b>		
Provision for Employee Benefits (Refer Note 30)		
For Gratuity	<b>100.90</b>	130.28
For Leave Encashment	<b>82.37</b>	73.70
	<b>183.27</b>	203.98
	<b>183.27</b>	203.98

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>7. Short-term Borrowings</b>			
Loans repayable on demand (Refer Note 7.1)			
Secured			
From Banks			
Cash Credit Facilities		<b>5,937.51</b>	6,353.73
Loans and Advances from Related Parties			
Unsecured		<b>215.50</b>	693.00
Deposits - Inter Corporate			
Unsecured			
From Related Parties (Refer Note 32)	<b>319.50</b>		260.50
From Others	<b>584.00</b>		40.00
		<b>903.50</b>	300.50
		<b>7,056.51</b>	7,347.23

7.1 Cash Credits including Working Capital Demand Loan are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

**8. Trade Payables**

Micro, Small and Medium Enterprises (Refer Note 8.1)	<b>33.75</b>		34.16
Others	<b>4,877.83</b>		3,756.57
		<b>4,911.58</b>	3,790.73
		<b>4,911.58</b>	3,790.73

8.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:

**Principal amount remaining unpaid and interest due thereon**

- Principal Amount	<b>33.17</b>	33.90
- Interest	<b>NIL</b>	NIL
Interest paid in term of Section 16	<b>NIL</b>	NIL
Interest due and payable for the period of delay in payment	<b>0.58</b>	0.26
Interest accrued and remaining unpaid	<b>NIL</b>	NIL
Interest due and payable even in succeeding years	<b>NIL</b>	NIL

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>9. Other Current Liabilities</b>			
Current maturities of Long-term Debt			
Term Loans			
Secured			
From Banks [Refer Note 4.1 (a) (I)]	1,018.07		775.69
From Other Parties - Financial Institutions			
[(Refer Note 4.1 (a) (II)]	425.00		425.34
		1,443.07	1,201.03
Deferred payment liabilities			
Unsecured			
Sales Tax Deferral under the Package Scheme of			
Incentives, 1993 [Refer Note 4.1 (b)(i)]		80.52	55.62
Interest accrued but not due on borrowings		9.83	16.37
Unpaid Dividends		26.63	24.37
Other Payables			
- For Capital Expenses		49.95	189.79
- Others*		1,428.03	1,070.94
		3,038.03	2,558.12
* Others include Statutory Dues, Advance from Customers and other year-end provisions.			
<b>10. Short-term Provisions</b>			
Provision for Employee Benefits (Refer Note 30)			
For Gratuity	28.88		80.55
For Leave Encashment	37.31		30.34
		66.19	110.89
Others			
For Proposed Dividend	815.86		509.91
For Tax on Dividend	138.66		86.66
		954.52	596.57
Provision for taxes	1,901.65		1,597.00
Less : Taxes paid	1,873.49		1,520.72
		28.16	76.28
		1,048.87	783.74

**11. Fixed Assets**

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As At April 01, 2013	During the year	As At March 31, 2014	Upto March 31, 2013	For the year	Deduction/ Adjustments	As At March 31, 2014	As At March 31, 2013
		Additions	Other Adjustments					
<b>Current Year</b>								
<b>Tangible Assets</b>								
Land								
Freehold Land	1.15	-	-	1.15	-	-	1.15	1.15
Leasehold Land (Note 11.2)	303.20	1,106.89	28.45	1,438.54	8.96	-	1,369.94	243.56
Buildings	3,182.74	21.53	-	3,204.27	94.35	-	2,232.30	2,305.12
Plant and Equipment (Note 11.3)								
Machinery	17,729.60	2,282.04	209.80	20,221.44	777.70	-	11,029.87	9,315.73
Electrical Equipments	51.78	3.32	-	55.10	2.45	-	30.01	29.14
Furniture and Fixtures	152.58	9.46	-	162.04	2.70	-	38.92	32.16
Vehicles	188.96	14.65	-	173.67	16.18	20.59	120.42	131.30
Office Equipments	269.54	57.18	-	323.76	14.24	1.10	122.48	81.40
Others								
Electrical Installations	770.52			770.52	36.10		423.93	460.03
<b>Total</b>	<b>22,650.07</b>	<b>3,495.07</b>	<b>238.25</b>	<b>26,350.49</b>	<b>952.68</b>	<b>21.69</b>	<b>15,369.02</b>	<b>12,599.59</b>
<b>Intangible Assets</b>								
<b>Internally Generated</b>								
Development of R&D Products/Processes	33.62		-		5.72	-	4.94	10.66
<b>Others</b>								
Patents	-	8.83	-	8.83	0.12	-	8.71	-
REACH Registration	-	112.71	-	112.71	15.38	-	97.33	-
<b>Total</b>	<b>33.62</b>	<b>121.54</b>	<b>-</b>	<b>155.16</b>	<b>21.22</b>	<b>-</b>	<b>110.98</b>	<b>10.66</b>
<b>Capital Work-in-Progress</b>								
	732.16	3,109.45	62.46	169.28	-	-	169.28	732.16
<b>Total</b>	<b>732.16</b>	<b>3,109.45</b>	<b>62.46</b>	<b>169.28</b>	<b>-</b>	<b>-</b>	<b>169.28</b>	<b>732.16</b>
<b>Intangible Assets Under Development</b>								
<b>Internally Generated</b>								
Development of R&D Products/Processes	73.88	-	-	-	-	-	-	73.88
<b>Others</b>								
Patents	29.00	9.26	-	29.43	-	-	29.43	29.00
REACH Registration	57.72	115.13	-	60.13	-	-	60.13	57.72
<b>Total</b>	<b>160.60</b>	<b>124.39</b>	<b>-</b>	<b>89.56</b>	<b>-</b>	<b>-</b>	<b>89.56</b>	<b>160.60</b>

## 11. Fixed Assets (Continued)

DESCRIPTION		GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2013	During the year		As At March 31, 2014	Upto March 31, 2013	For the year	Deduction/ Adjustments	Upto March 31, 2014	As At March 31, 2014	As At March 31, 2013
		Additions	Other Adjustments							
Previous Year										
Tangible Assets										
Land										
Freehold Land	1.15	-	-	1.15	-	-	-	-	1.15	1.15
Leasehold Land (Note 11.2)	303.20	-	-	303.20	55.76	3.88	-	59.64	243.56	247.44
Buildings	2,818.70	345.02	19.02	3,182.74	790.16	87.46	-	877.62	2,305.12	2,028.54
Plant and Equipment (Note 11.3)										
Machinery	16,819.95	835.31	83.09	17,729.60	7,607.41	812.53	6.07	8,413.87	9,315.73	9,212.54
Electrical Equipments	51.78			51.78	20.21	2.43	-	22.64	29.14	31.57
Furniture and Fixtures	150.36	2.16	0.06	152.58	113.36	7.06	-	120.42	32.16	37.00
Vehicles	180.53	25.84	-	188.96	49.13	16.84	8.31	57.66	131.30	131.40
Office Equipments	279.05	21.27	-	269.54	187.92	31.00	30.78	188.14	81.40	91.13
Others										
Electrical Installations	709.97	58.01	2.54	770.52	275.03	35.46	-	310.49	460.03	434.94
Total	21,314.69	1,287.61	104.71	22,650.07	9,098.98	996.66	45.16	10,050.48	12,599.59	12,215.71
Intangible Assets										
Internally Generated										
Development of R&D Products/Processes	33.62	-	-	33.62	16.24	6.72	-	22.96	10.66	17.38
Total	33.62	-	-	33.62	16.24	6.72	-	22.96	10.66	17.38
Capital Work-in-Progress	421.36	1,645.55	89.30	732.16	-	-	-	-	732.16	421.36
Total	421.36	1,645.55	89.30	732.16	-	-	-	-	732.16	421.36
Intangible Assets Under Development										
Internally Generated										
Development of R&D Products/Processes	128.73	-	-	73.88	-	-	-	-	73.88	128.73
Others										
Patents	15.18	13.82	-	29.00	-	-	-	-	29.00	15.18
REACH Registration	-	57.72	-	57.72	-	-	-	-	57.72	-
Total	143.91	71.54	-	160.60	-	-	-	-	160.60	143.91



11.1. Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION		GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2013	During the year			As At March 31, 2014	Upto March 31, 2013	For the year	Deduction/ Adjustments	Upto March 31, 2014	As At March 31, 2014	As At March 31, 2013
		Additions	Other Adjustments	Deduction/ Transfer							
Tangible Assets											
Plant and Equipment											
Machinery	152.72	1.98	-	-	154.70	79.77	5.38	-	85.15	69.55	72.95
Electrical Equipments	9.50	0.09	-	-	9.59	3.59	0.45	-	4.04	5.55	5.91
Furniture and Fixtures	52.69	3.90	-	-	56.59	37.79	3.42	-	41.21	15.38	14.90
Vehicles	12.15	-	-	-	12.15	4.50	1.15	-	5.65	6.50	7.65
Office Equipments	7.95	0.79	-	0.17	8.57	4.58	0.46	0.09	4.95	3.62	3.37
Others											
Electrical Installations	0.37	-	-	-	0.37	0.20	0.02	-	0.22	0.15	0.17
Current year	235.38	6.76	-	0.17	241.97	130.43	10.88	0.09	141.22	100.75	104.95
Previous year	231.95	3.86	-	0.43	235.38	117.97	12.89	0.43	130.43	104.95	
Intangible Assets											
Internally Generated											
Development of R&D Products/Processes	33.62	-	-	-	33.62	22.96	5.73	-	28.69	4.93	10.66
Others											
Patents	-	8.83	-	-	8.83	-	0.12	-	0.12	8.71	-
Current year	33.62	8.83	-	-	42.45	22.96	5.85	-	28.81	13.64	10.66
Previous year	33.62	-	-	-	33.62	16.24	6.72	-	22.96	10.66	
Capital Work-in-Progress	-	14.83	-	6.76	8.07	-	-	-	-	8.07	-
Current year	-	14.83	-	6.76	8.07	-	-	-	-	8.07	-
Previous year	2.98	0.45	-	3.43	-	-	-	-	-	-	
Intangible Assets Under Development											
Internally Generated											
Development of R&D Products/Processes	73.88	-		73.88	-	-	-	-	-	-	73.88
Others											
Patents	29.00	9.26	-	8.83	29.43	-	-	-	-	29.43	29.00
Current year	102.88	9.26	-	82.71	29.43	-	-	-	-	29.43	102.88
Previous year	143.91	13.82	-	54.85	102.88	-	-	-	-	102.88	

11.2. The Lease Deed from MIDC in respect of Plot Nos. D-6/2, R-1 and R-2 of the value of ₹ 131.13 lakhs (Previous Year ₹ 131.13 lakhs) and from GIDC in respect of Plot Nos. D-2/CH/149-2 of the value of ₹ 1,135.33 lakhs (Previous Year ₹ NIL) is yet to be executed.

11.3. Plant, Machinery and Equipments include ₹ 382.12 lakhs (Previous Year ₹ 382.12 lakhs) being value of machinery installed at third party premises of Job Contractor, duly confirmed by them.

11.4. Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Fixed Assets. It also includes write off of Capital Work-in-Progress of ₹ 1.48 lakhs (Previous Year ₹ 27.55 lakhs) and Intangible Assets Under Development of ₹ 73.88 lakhs (Previous Year ₹ 54.85 lakhs).

11.5. Other Adjustments represent Borrowings Costs of ₹ 157.93 lakhs (Previous Year ₹ 124.38 lakhs) and Exchange Differences of ₹ 142.78 lakhs (Previous Year ₹ 69.63 lakhs) capitalised in terms of AS - 11.

For related disclosures refer Note 28 to the financial statements

11.6. Depreciation for the year is shown as reduced by the write back of excess depreciation of prior period ₹ 138.94 lakhs (Previous Year ₹ NIL).

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>12. Non-current Investments</b>			
Long-term investments - valued at cost less provision for other than temporary diminution			
Trade			
In equity instruments of Subsidiaries			
Unquoted			
Fully paid Equity shares			
<b>Quantity</b> <b>Investee Company</b>			
1,638,266      Alkyl Speciality Chemicals Limited		<b>81.91</b>	81.91
(1,638,266)      of ₹ 10 each			
100      Alkyl Amines Europe SPRL*		<b>NIL</b>	8.25
(100)      of Euro 124 each			
In equity instruments of Associate			
Quoted			
Fully paid Equity shares			
<b>Quantity</b> <b>Investee Company</b>			
2,977,997      Diamines and Chemicals Limited		<b>144.11</b>	144.11
(2,977,997)      of ₹ 10 each			
		<b>226.02</b>	234.27

	Cost ₹ In Lakhs	Market Value ₹ In Lakhs	Cost ₹ In Lakhs	Market Value ₹ In Lakhs
Aggregate amount of Quoted Investments	<b>144.11</b>	<b>623.89</b>	144.11	732.59
Aggregate amount of Unquoted Investments	<b>81.91</b>	<b>Not Applicable</b>	90.16	Not Applicable
Total	<b>226.02</b>	<b>623.89</b>	234.27	732.59

\* The Investee Company has been liquidated and hence, ceases to be the Company's subsidiary. The Balance receivable on its liquidation is appropriately disclosed as 'Advance recoverable in cash or in kind' in Note 18.

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>13. Long-term Loans and Advances</b>			
Unsecured			
Capital Advances			
Considered Good		40.21	711.18
Security Deposits			
Considered Good	86.75		90.34
Considered Doubtful	4.64		4.64
Less : Provision for Doubtful Deposits	4.64		4.64
		86.75	90.34
Other Loans and Advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	706.44		489.73
Taxes Paid	2,017.99		1,351.63
Less : Provision for Taxes	1,712.67		1,158.05
	305.32		193.58
		1,011.76	683.31
		1,138.72	1,484.83
<b>14. Other Non-current Assets</b>			
Inventories (Refer Note 14.1)		163.00	NIL
Trade Receivables			
Considered Doubtful			
-Outstanding for a period exceeding six months from the date they are due for payment	174.72		157.81
Less : Provision for Doubtful Debts	174.72		157.81
		NIL	NIL
Cash and Bank Balances			
Other Bank Balances			
-On Fixed Deposit Accounts			
With maturity beyond 12 months from Balance Sheet date (Held as margin money)		1.45	NIL
Other loans and advances			
Advances recoverable in cash or in kind for value to be received			
Considered Doubtful	38.73		38.73
Less : Provision for Doubtful Advances	38.73		38.73
		NIL	NIL
Advance to Suppliers			
Considered Doubtful	25.95		10.78
Less : Provision for Doubtful Advances	25.95		10.78
		NIL	NIL
Others		130.13	NIL
		294.58	NIL

14.1 Catalysts not expected to be used within a period of 12 months from the date of the Balance Sheet are considered Non-current.

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>15. Inventories</b>			
Raw Materials		<b>3,152.41</b>	2,316.42
Packing Materials		<b>130.78</b>	108.77
(Includes in transit ₹ 0.38 lakhs, Previous Year ₹ NIL)			
Work-in-Progress		<b>483.58</b>	705.30
Finished Goods		<b>3,291.53</b>	2,958.14
(Includes in transit ₹ 128.72 lakhs, Previous Year ₹ 137.17 lakhs)			
Stores and Spares		<b>461.10</b>	417.98
Other Utilities, Catalyst, etc.		<b>752.36</b>	762.05
		<b>8,271.76</b>	7,268.66
<b>15.1 Details of Inventories :</b>			
a. Work-in-Progress			
Amines and Amines Derivatives		<b>415.34</b>	607.10
Other Speciality Chemicals		<b>68.24</b>	98.20
		<b>483.58</b>	705.30
b. Finished Goods			
Amines and Amines Derivatives		<b>3,200.55</b>	2,867.37
Other Speciality Chemicals		<b>90.39</b>	90.11
Industrial Gases		<b>0.59</b>	0.66
		<b>3,291.53</b>	2,958.14
<b>16. Trade Receivables</b>			
Unsecured, Considered Good			
Outstanding for a period exceeding six months from the date they are due for payment	<b>0.06</b>		31.06
Others	<b>8,979.70</b>		7,565.46
		<b>8,979.76</b>	7,596.52
		<b>8,979.76</b>	7,596.52

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>17. Cash and Bank Balances</b>			
Cash and cash equivalents			
Cash on hand	0.97		1.70
Balances with Banks			
-On Current Accounts	660.76		240.83
-On Unpaid Dividend Accounts	26.63		24.37
-On Deposit Accounts with original maturity of less than 3 months	494.00		250.00
		1,182.36	516.90
Other Bank Balances			
-On Fixed Deposit Accounts			
With maturity within 12 months from Balance Sheet date		1,103.47	1,026.80
		2,285.83	1,543.70
<b>18. Short-term Loans and Advances</b>			
Unsecured, Considered Good			
Security Deposits		NIL	8.93
Other Loans and advances			
Advances recoverable in cash or in kind for value to be received	268.34		344.80
Less : Provision for Doubtful Advances	2.10		NIL
	266.24		344.80
Advances to Suppliers	797.35		711.67
Balances with Excise and Service Tax Authorities	804.49		467.17
		1,868.08	1,523.64
		1,868.08	1,532.57
<b>19. Other Current Assets</b>			
Interest Receivable on Bank/Security deposits		18.89	3.50
Deferred Premium on Forward Contracts		2.70	26.21
Others		16.02	NIL
		37.61	29.71

		For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>20. Revenue From Operations</b>			
Sale of Products - Manufactured Goods		<b>47,504.50</b>	38,898.58
Other Operating Revenues			
Scrap and Raw Material Sales	<b>138.82</b>		119.16
Toll and Other Processing Income	<b>325.06</b>		473.81
Export Incentives	<b>115.68</b>		90.32
Miscellaneous Income	<b>1.91</b>		6.15
		<b>581.47</b>	689.44
		<b>48,085.97</b>	39,588.02
Less : Excise Duty on Sales		<b>3,475.85</b>	3,002.00
		<b>44,610.12</b>	36,586.02
<b>20.1 Details of Sales of Products:</b>			
Amines and Amines Derivatives		<b>41,160.29</b>	36,128.10
Other Speciality Chemicals		<b>5,943.82</b>	2,366.49
Industrial Gases		<b>400.39</b>	403.99
		<b>47,504.50</b>	38,898.58
<b>21. Other Income</b>			
Interest on Deposits and Others		<b>89.86</b>	36.03
Dividend on Long-term Investments		<b>14.89</b>	29.78
Insurance Claims		<b>4.54</b>	0.22
Amounts/Excess Provision written back (Refer Note 30)		<b>60.99</b>	38.42
Miscellaneous Income		<b>34.47</b>	29.34
		<b>204.75</b>	133.79

		For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>22. Cost of Materials Consumed</b>			
Raw Materials			
Opening Stock	2,316.42		600.26
Add: Purchases	23,611.72		21,073.10
	25,928.14		21,673.36
Less: Closing Stock	3,152.41		2,316.42
		22,775.73	19,356.94
Packing Materials			
Opening Stock	108.77		104.53
Add: Purchases	1,370.64		1,176.69
	1,479.41		1,281.22
Less: Closing Stock	130.78		108.77
		1,348.63	1,172.45
		24,124.36	20,529.39
<b>22.1 Details of Raw Materials Consumed</b>			
Denatured Ethyl Alcohol, Methanol and other Alcohols		14,128.43	13,177.04
Industrial Gases		3,631.86	3,208.60
Others		5,015.44	2,971.30
		22,775.73	19,356.94
<b>23. Changes in Inventories of Finished Goods and Work-In-Progress</b>			
Finished Goods			
Closing Stock	3,291.53		2,958.14
Less : Opening Stock	2,958.14		2,106.81
		(333.39)	(851.33)
Excise Duty Provision on Finished Goods			
Closing Stock	362.03		323.89
Less : Opening Stock	323.89		196.54
		38.14	127.35
Work-in-Progress			
Closing Stock	483.58		705.31
Less : Opening Stock	705.31		928.23
		221.73	222.92
		(73.52)	(501.06)

		For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>24. Employee Benefits Expense</b>			
Salaries and wages			
Directors' Remuneration		585.38	354.66
Salaries, Wages and Benefits (Refer Note 26.1)		1,585.48	1,328.05
Contribution to Provident Fund and Other Funds		153.85	202.80
Staff Welfare Expenses (Refer Note 26.1)		266.62	202.11
		<u>2,591.33</u>	<u>2,087.62</u>
<b>25. Finance Costs</b>			
Interest Expense			
On Cash Credit Facilities/Buyers' Credit	473.42		437.97
On Term Loans	226.90		275.28
On Others (Refer Note 26.1)	391.29		350.81
		1,091.61	1,064.06
Other Borrowing Costs			
Bank Charges		80.00	86.56
Foreign Exchange Loss (as adjustment to Interest cost)		15.36	105.33
Other Finance Charges		37.27	37.88
		<u>1,224.24</u>	<u>1,293.83</u>
<b>26. Other Expenses</b>			
Stores and Spares Consumed		981.50	902.58
Power and Fuel		5,178.38	4,829.56
Rent		19.36	17.92
Repairs and Maintenance (Refer Note 26.1)			
Building	99.06		14.68
Plant and Machinery	427.62		303.36
Others	131.92		99.35
		658.60	417.39
Insurance (Refer Note 26.1)		64.63	60.73
Rates and Taxes (Refer Note 26.1)		27.25	19.21
Auditors' Remuneration			
Audit Fees	8.00		6.00
Tax Audit Fees	2.85		2.15
Taxation Matters	0.70		0.60
Certification Work	7.61		2.50
		19.16	11.25
Foreign Exchange Loss (Net)		53.51	78.49
Processing Charges		573.89	677.69
Export Expenses (Refer Note 26.1)		539.60	434.05
Diminution in Carbon Emission Reduction (Refer Note 26.2)		NIL	131.98
Miscellaneous Expenses (Refer Note 26.1)		1,396.27	1,132.98
		<u>9,512.15</u>	<u>8,713.83</u>



	For the year ended March 31, 2014	For the year ended March 31, 2013
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>26.1 Details of Expenses for prior period:</b>		
Expenses		
Employee Benefits Expense (Reflected in Note 24)		
Salaries, Wages, Benefits and Staff Welfare Expenses	<b>0.89</b>	0.96
Finance Cost (Reflected in Note 25)		
Interest Expense - Others	<b>NIL</b>	13.38
Other Expenses (Reflected in Note 26)		
Repairs and Maintenance:		
Building, Plant and Machinery and Others	<b>5.17</b>	4.18
Insurance	<b>0.03</b>	NIL
Rates and Taxes	<b>NIL</b>	0.25
Export Expenses	<b>1.12</b>	NIL
Miscellaneous Expenses	<b>5.25</b>	0.46
<b>Total Expenses for prior period</b>	<b>12.46</b>	19.23

26.2 From the financial year 2009-10, the Company decided not to recognise Carbon Credits based on mere generation and recognise only when it is certified. Accordingly, the Carbon Credit which was already recognised upto March 31, 2009, on the basis of credits generated, though not certified, continues to be reflected after giving effect due to its realisable value of ₹ NIL (₹ 128.90 lakhs). Accordingly, the amount of ₹ NIL (₹ 131.98 lakhs) is charged for the year as Diminution in Carbon Emission Reduction and at the year end, the amount of Carbon Credit was carried at ₹ NIL.

26.3 No expense is incurred and transferred to Intangible Assets under Development during the year.

26.4 Expenses incurred on Research and Development during the year are included in the Statement of Profit and Loss as under:

	For the year ended March 31, 2014	For the year ended March 31, 2013
Nature of expenses	₹ In Lakhs	₹ In Lakhs
Cost of Material Consumed (In Note 22)		
Raw Material	<b>4.10</b>	3.86
Packing Material	<b>0.29</b>	0.23
Employee Benefits Expense (In Note 24)		
Salaries and Wages	<b>209.10</b>	174.69
Contribution to Provident and Other Funds	<b>21.17</b>	18.10
Staff Welfare Expenses	<b>10.03</b>	8.04
	<b>240.30</b>	200.83
Depreciation	<b>17.94</b>	19.62
Other Expenses (In Note 26)		
Stores and Spares Consumed	<b>11.10</b>	12.94
Rent	<b>13.20</b>	12.00
Repairs and Maintenance:		
Building	<b>0.20</b>	NIL
Plant and Machinery	<b>0.88</b>	1.05
Others	<b>3.43</b>	2.86
Insurance	<b>0.33</b>	0.31
Rates & Taxes	<b>0.38</b>	NIL
Miscellaneous Expenses	<b>104.93</b>	82.36
	<b>134.45</b>	111.52
<b>Total</b>	<b>397.08</b>	336.06

**27. Contingent Liabilities and Commitments**

Particulars	As at March 31, 2014		As at March 31, 2013	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>27.1 Contingent Liabilities :</b> (to the extent not provided for)				
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts		<b>69.38</b>		61.40
ii. Income Tax (Amount deposited ₹ 226.98 lakhs) (Previous Year ₹ 174.59 lakhs)		<b>267.92</b>		272.37
iii. Inter State Sales Tax against "C" Form		<b>736.26</b>		462.34
iv. Central Excise/Service Tax		<b>43.39</b>		48.70
v. By its order dated February 18, 2002, the Hon'ble High Court, Mumbai, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 771.15 lakhs (Previous Year ₹ 561.99 lakhs).				
<b>27.2 Commitments :</b>				
i. Estimated amount of contracts remaining to be executed on capital account		<b>161.12</b>		1,347.50
Less : Advances		<b>40.21</b>		711.18
Net Estimated Amount		<b>120.91</b>		636.32
ii. Other Commitments		<b>NIL</b>		NIL

**28. Fixed Assets:**

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS - 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 142.78 lakhs (Previous Year ₹ 69.63 lakhs) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Fixed Assets (to its Machinery and Machinery under installation - Capital Work-in-Progress). In terms of the clarification issued by the Ministry of Corporate Affairs by Circular No. 25/2012 of August 9, 2012, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS - 11.

Disclosures required for the above capitalisation of AS - 11:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
i. Amounts capitalised:		
During the year	<b>142.78</b>	69.63
Cumulative upto the year end	<b>320.47</b>	177.69
ii. Amounts amortised:		
During the year	<b>16.58</b>	9.64
Cumulative upto the year end	<b>31.11</b>	14.53
iii. Amount remaining to be amortised as at year end	<b>289.36</b>	163.16

**29.** The Company has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.

**30. "Employee Benefits" as per Accounting Standard 15:**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ In Lakhs		₹ In Lakhs	
Obligation at period beginning	433.43	343.53	104.04	85.52
Current service cost	26.77	18.91	17.57	12.77
Interest cost	35.76	29.20	8.58	7.27
Actuarial (gain)/loss	(41.14)	48.95	(2.75)	8.71
Benefits paid	(19.59)	(7.16)	(7.76)	(10.23)
<b>Obligations at the year end</b>	<b>435.23</b>	<b>433.43</b>	<b>119.68</b>	<b>104.04</b>
-Funded	334.33	342.97	NIL	NIL
-Unfunded	100.90	90.46	119.68	104.04
<b>Change in plan assets</b>				
Plan assets at period beginning, at fair value	222.60	134.24	N.A.	N.A.
Expected return on plan assets	19.37	11.54	N.A.	N.A.
Actuarial gain/(loss)	3.09	3.98	N.A.	N.A.
Contributions	79.98	80.00	N.A.	N.A.
Benefits paid	(19.59)	(7.16)	N.A.	N.A.
<b>Plan assets at the year end, at fair value</b>	<b>305.45</b>	<b>222.60</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Reconciliations of present value of the obligation and the fair value of plan assets</b>				
Fair value of plan assets at the end of the year	305.45	222.60	NIL	NIL
Present value of the defined benefit obligations at the end of the year	435.23	433.43	119.68	104.04
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>129.78</b>	<b>210.83</b>	<b>119.68</b>	<b>104.04</b>
-Funded	28.88	120.37	NIL	NIL
-Unfunded	100.90	90.46	119.68	104.04
<b>Cost for the year</b>				
Current Service cost	26.77	18.91	17.57	12.77
Interest cost	35.76	29.20	8.58	7.27
Expected return on plan assets	(19.37)	(11.54)	NIL	NIL
Actuarial (gain)/loss	(44.23)	44.97	(2.75)	8.71
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>(1.07)</b>	<b>81.54</b>	<b>23.40</b>	<b>28.75</b>
Net Cost as above :				

For the year ended March 31, 2014 is after considering Gratuity Expense of ₹ 10.44 lakhs included in Directors' Remuneration shown in Note 24 on 'Employee Benefits Expense' and write back of Provision for Gratuity of ₹ 11.51 lakhs for Other Employees shown in Note 21 on 'Other Income'.

For the year ended March 31, 2013 is after considering Gratuity Expense of ₹ 9.98 lakhs included in Directors' Remuneration and ₹ 71.54 lakhs included in Contribution to Provident Fund and Other Funds in Note 24 on 'Employee Benefits Expense'.

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ In Lakhs		₹ In Lakhs	
<b>Category of assets</b>				
Insurer Managed Funds	305.45	222.60	N.A.	N.A.
<b>Assumptions used to determine the benefit obligations:</b>				
Interest rate	9.31%	8.25%	9.31%	8.25%
Estimated rate of return on plan assets	8.70%	8.70%	N.A.	N.A.
Expected rate of increase in salary	5.00%	5.00%	5.00%	5.00%
Actual return on plan assets (₹ In lakhs)	22.46	15.52	N.A.	N.A.

The estimate of future salary increases considered in actuarial valuation takes into account general trend in inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is determined considering several applicable factors, mainly the composition of the plan assets held and historical results of the return on the plan assets.

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Experience adjustment					
On plan liability (gain)/ loss	1.00	39.07	34.78	15.13	84.13
On plan assets gain/ (loss)	3.10	3.97	2.44	1.20	0.79
Present value of benefit obligation	435.23	433.43	343.53	280.82	247.12
Fair value of plan assets	305.45	222.60	134.24	92.07	88.50
Excess of obligation over plan assets (net)	129.78	210.83	209.29	188.75	158.62

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2014. The Company is expected to contribute ₹ 56.56 lakhs for the year ended March 31, 2015.

### 31. Disclosure as per Accounting Standard 17 on "Segment Reporting":

#### 31.1 Primary Segment:

The Company is exclusively engaged in the business of "Specialty Chemicals". This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes one single primary segment.

#### 31.2 Secondary Segment (by Geographical Segment) :

Particulars	Within India		Outside India		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Segment Revenue	34,915.69	28,532.78	9,694.43	8,053.24	44,610.12	36,586.02
Carrying amount of Segment Assets	36,260.36	31,755.34	2,580.84	1,437.93	38,841.20	33,193.27
Capital Expenditure	15,581.38	13,371.26	157.46	57.72	15,738.84	13,503.01

Note:

The segment revenue in geographical segments considered for disclosure is as follows:

- Revenue within India includes sales to customers located within India and Other Operating Revenue earned in India.
- Revenue outside India includes sales to customers located outside India and Other Operating Revenue earned outside India.

**32. Disclosure as per Accounting Standard 18 on “Related Party Disclosures”:**

32.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 32.2 below. There were no amounts written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

₹ In Lakhs

Particulars	Subsidiary Companies		Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 32.2 (I) (i) below]	[with 32.2 (I) (ii) below]	[with 32.2 (II) below]	[with 32.2 (III) and (IV) below]	[with 32.2 (V) below]	[with 32.2 (VI) below]
Sales of Products			NIL (38.11)			
Purchases			1.51 (4.36)			
Other Income			NIL (1.85)			
Miscellaneous Income (Rent)	0.68 (0.68)					
Miscellaneous Expenses (Professional Fees)		29.49 (14.15)				
Miscellaneous Expenses (Commission)	49.18 (22.85)					
<b>Transactions on our behalf :</b>						
Cenvat Credit Availed by			0.83 (NIL)			
Miscellaneous Expenses recovered from			0.27 (0.09)			
Miscellaneous Expenses reimbursed to	0.27 (0.18)		6.07 (0.11)			
<b>Transactions on their behalf :</b>						
Taxes paid	0.74 (1.65)					
<b>Refund of Advances given :</b>			NIL (8.10)			
<b>Loans and Advances - Unsecured :</b>						
Loan from Directors –Received						
Yogesh Kothari				140.00 (850.00)		
Others				93.00 (123.00)		
Loan from Directors – Repaid						
Yogesh Kothari				110.00 (250.00)		
Others				45.50 (30.00)		
Deposit - Inter Corporate – Received					87.00 (145.00)	
Deposit - Inter Corporate – Repaid					252.50 (NIL)	
<b>Interest Expenses :</b>						
On Loans from Directors						
Yogesh Kothari				207.31 (167.82)		
Others				17.01 (6.46)		

Particulars	Subsidiary Companies		Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 32.2 (I) (i) below]	[with 32.2 (I) (ii) below]	[with 32.2 (II) below]	[with 32.2 (III) and (IV) below]	[with 32.2 (V) below]	[with 32.2 (VI) below]
On Deposit - Inter Corporate						
YMK Trading & Consultancy Private Limited					<b>36.97</b> (26.12)	
Others					<b>22.39</b> (13.64)	
Kamiko Investment & Trading Private Limited						<b>9.72</b> (10.18)
DSP HMK Holdings Private Limited						<b>14.30</b> (15.00)
ADIKO Investment Private Limited						<b>14.30</b> (15.00)
<b>Dividend Income</b>			<b>14.89</b> (29.78)			
<b>Directors' Remuneration:</b>						
Yogesh Kothari				<b>356.56</b> (199.85)		
Kirat Patel				<b>118.99</b> (82.35)		
Suneet Kothari				<b>113.13</b> (74.93)		
Hemendra Kothari						
Sitting Fees				<b>0.80</b> (0.20)		
Commission				<b>9.16</b> (4.99)		
Outstanding Balance As At March 31, 2014						
Loans From Directors						
Yogesh Kothari				<b>1,430.00</b> (1,400.00)		
Others				<b>170.50</b> (123.00)		
Deposit - Inter Corporate						
YMK Trading & Consultancy Private Limited					<b>139.50</b> (245.00)	
Others					<b>95.00</b> (155.00)	
Kamiko Investment & Trading Private Limited						<b>85.00</b> (85.00)
DSP HMK Holdings Private Limited						<b>125.00</b> (125.00)
ADIKO Investment Private Limited						<b>125.00</b> (125.00)
Non-Current Investments	<b>81.91</b> (81.91)	<b>NIL</b> (8.24)	<b>144.11</b> (144.11)			
Trade Payables and Other Current Liabilities	<b>NIL</b> (74.90)		<b>NIL</b> (0.05)			

**32.2 Relationships:**

- I. Subsidiary Companies:
  - i. Alkyl Speciality Chemicals Limited
  - ii. Alkyl Amines Europe SPRL, Belgium
- II. Associate Company:
  - Diamines and Chemicals Limited
- III. Key Management Personnel:
  - i. Yogesh M. Kothari (also has a control over the Company)
  - ii. Kirat Patel
  - iii. Suneet Y. Kothari
- IV. Relative of Key Management Personnel:
  - Hemendra M. Kothari
- V. Entities on which Key Management Personnel has Control:
  - i. Niyoko Trading & Consultancy Private Limited
  - ii. YMK Trading & Consultancy Private Limited
  - iii. Anjyko Investments Private Limited
  - iv. SYK Trading & Consultancy Private Limited
- VI. Entities on which relative of Key Management Personnel has control:
  - i. Kamiko Investment & Trading Private Limited
  - ii. DSP HMK Holdings Private Limited
  - iii. ADIKO Investment Private Limited

**33. Disclosure as per Accounting Standard 19 on "Leases":****33.1 Where the Company is a Lessee:**

- i. The Company has taken residential, office and godown premises under operating lease on leave and licence agreement. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent payments are recognised in the Statement of Profit and Loss as 'Rent' under 'Other Expenses' in Note 26.
- iii. Future minimum lease rental payable is as under:

Particulars	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Within 1 year	13.20	13.20
After 1 year but before 5 years	30.80	44.00
After 5 years	NIL	NIL

- iv. Land taken on lease have been amortised over the respective lease period and ₹ 8.96 lakhs (Previous Year ₹ 3.88 lakhs) has been amortised during the year.

**33.2 Where the Company is a Lessor:**

- i. The Company has given office premises under operating lease on leave and licence agreement. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent receipts are recognised in the Statement of Profit and Loss as 'Miscellaneous Income' under 'Other Income' in Note 21.

iii. Future minimum lease rental receivable is as under:

Particulars	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Within 1 year	0.60	0.60
After 1 year but before 5 years	NIL	0.60
After 5 years	NIL	NIL

**34. "Earnings per Share" as per Accounting Standard 20:**

Particulars	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>Numerator for Basic and diluted earnings per Share</b>		
Net Profit/ (Loss) after tax for the year before Preference Dividend	4,288.06	2,393.20
Less : Preference Dividend and Tax thereon	NIL	NIL
Net Profit/ (Loss) after tax for the year (a)	4,288.06	2,393.20
<b>Denominator for Basic and Diluted Earnings per Share</b>		
Weighted average number of Shares (b)	10,198,196	10,198,196
<b>Basic and Diluted Earnings per Share [(a) / (b)] (In ₹)</b>	42.05	23.47
Face value per Share (In ₹)	10.00	10.00

**35. Disclosure as per Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":**

Particulars	As At April 1, 2013	Additions during the year	Paid/reversed during the year	As At March 31, 2014
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Leave Encashment	104.04	23.40	7.76	119.68
	(85.52)	(28.75)	(10.23)	(104.04)
Gratuity	210.83	(1.07)	79.98	129.78
	(209.29)	(81.54)	(80.00)	(210.83)
Proposed Dividend	509.91	(815.86)	509.91	(815.86)
	(407.93)	(509.91)	(407.93)	(509.91)
Tax on Proposed Dividend	86.66	138.66	86.66	138.66
	(66.18)	(86.66)	(66.18)	(86.66)

**36. Consumption of Imported/Indigenous Materials:**

Particulars	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
	Percentage	Value	Percentage	Value
		₹ In Lakhs		₹ In Lakhs
<b>Raw Materials</b>				
Imported	16.20%	3,689.62	11.08%	2,144.59
Indigenous	83.80%	19,086.11	88.92%	17,212.35
<b>Total</b>	100.00%	22,775.73	100.00%	19,356.94
<b>Stores and Spares</b>				
Imported	9.49%	93.14	31.67%	285.88
Indigenous	90.51%	888.36	68.33%	616.70
<b>Total</b>	100.00%	981.50	100.00%	902.58



**37. Value of Imports calculated on C.I.F. basis:**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Raw Materials	3,337.05	1,984.69
Stores and Spares	39.22	19.85
Capital Goods	119.27	57.87
<b>Total</b>	<b>3,495.54</b>	<b>2,062.41</b>

**38. Expenditure in Foreign Currency:**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
i. Interest		
Term Loan	134.57	61.99
Less : Capitalised	14.33	5.41
	120.24	56.58
Others	65.76	NIL
Cash Credit Facilities/Buyer's Credit	NIL	183.16
ii. Bank Charges	6.93	27.87
Less : Capitalised	NIL	22.76
	6.93	5.11
iii. Other Expenses		
Commission on Sales	27.88	24.57
Professional Charges	167.58	87.75
Less : Capitalised	115.13	57.72
	52.45	30.03
Freight Inward	5.96	0.17
Miscellaneous Expenses	5.68	11.38
Less : Capitalised	4.14	NIL
	1.54	11.38
<b>Total</b>	<b>280.76</b>	<b>311.00</b>

**39. Earnings in Foreign Currency:**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Export of Goods at F.O.B. value	9,314.78	7,725.10
Other Income	44.64	NIL
<b>Total</b>	<b>9,359.42</b>	<b>7,725.10</b>

**40. Financial and Other Derivative Instruments:**

40.1 Derivative contracts entered into by the Company are for hedging foreign currency risks. The following contracts have remained outstanding:

Particulars	Balance As At March 31, 2014		Balance As At March 31, 2013		
	In Foreign currency (In Lakhs)	₹ In Lakhs	In Foreign currency (In Lakhs)	₹ In Lakhs	
Forward Contracts for					
Export Trade Receivables	USD	1.70	100.20	NIL	NIL
Import Trade Receivables	USD	3.76	228.23	8.19	450.69
	EURO	NIL	NIL	2.51	176.75
FCNR(B) Loan	USD	NIL	NIL	29.50	1,623.98
Currency and Interest Rate Swap for					
ECB Loans	USD	62.00	3,767.12	NIL	NIL

**40.2 Foreign Currency exposure that are not hedged by the derivative instruments:**

Particulars		Balance As At March 31, 2014		Balance As At March 31, 2013	
		In Foreign currency (In Lakhs)	₹ In Lakhs	In Foreign currency (In Lakhs)	₹ In Lakhs
Export Trade Receivables	USD	25.87	1,524.92	23.31	1,254.94
	EURO	10.68	864.44	2.92	200.39
	GBP	0.38	37.62	NIL	NIL
	INR	NIL	90.39	NIL	NIL
Import Trade Payables	USD	0.22	13.29	0.49	27.07
	EURO	NIL	NIL	0.05	3.19
Interest on FCNR(B) Loan payable	USD	NIL	NIL	0.14	7.74
ECB Loans	USD	18.56	1,127.86	56.81	3,127.53
Interest on ECB payable	USD	2.20	134.57	0.06	3.24
Packing Credit in Foreign Currency	USD	24.58	1,493.60	18.19	1,001.57
	EURO	5.33	445.48	1.04	73.01
Balance with Bank	USD	2.13	125.29	0.73	39.14
Export Commission Payable	USD	0.19	11.83	0.08	4.27
	EURO	0.01	0.69	NIL	NIL

All outstanding derivatives are marked to market on the date of Balance Sheet and accordingly, mark to market loss of ₹ 138.42 lakhs (Previous Year Loss of ₹ 49.76 lakhs) has been recognised.

41. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

Place : Mumbai  
Dated : May 15, 2014

Place : Mumbai  
Dated : May 15, 2014

**FINANCIAL HIGHLIGHTS YEAR 2013-2014**

Information under Section 212 of the Companies Act, 1956 relating to the subsidiary companies and also details regarding associate company

₹ In Lakhs

Particulars	Alkyl Amines Chemicals Ltd.	Alkyl Speciality Chemicals Ltd.	Alkyl Amines Europe Sprl*	Diamines and Chemicals Ltd. (Consolidated)
Status of Investee		Subsidiary Company	Subsidiary Company	Associate Company
% of Holding of AACL (Approx.)		99.99%	100%	30%
Share Capital	1,020.60	163.83	-	978.32
Reserves & Surplus	15,098.19	(2.41)	-	2,814.04
[Including Deferred Taxation (Net)]				
Balance of Profit & Loss A/c	8,404.57	(53.51)	-	1,636.51
Total Assets	38,841.20	164.98	-	6,454.22
Total Liabilities	38,841.20	164.98	-	6,454.22
Investments	226.02	-	-	9.67
Gross Turnover/Other Income	49,443.03	51.92	29.49	4,947.08
Operating Profit (PBIDT)	8,660.55	43.16	11.70	612.30
Profit before Tax	6,462.41	43.16	11.70	43.15
Provision for Taxation	2,174.35	-	-	4.27
Profit after Tax	4,288.06	43.16	11.70	38.88
Proposed Dividend	80%	-	-	-

Exchange Rate - 1 EURO = ₹ 80.97

\*Closed as on March 31, 2014

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Alkyl Amines Chemicals Limited

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Alkyl Amines Chemicals Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements 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 Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- ii. in the case of Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- iii. in the case of Consolidated Cash Flow Statement, of the Cash Flow of the Group for the year ended on that date.

**Other Matters**

The financial statements of an associate, in which the share of loss of the Company is ₹ 3.47 lakh, which have been included in the consolidated financial statements have been audited by us.

We did not audit the financial statements of a subsidiary, which ceased to be so as on March 31, 2014, whose financial statements reflect total assets (net) of ₹ 10.49 lakh as at March 31, 2014, total revenue of ₹ 34.79 lakh and net cash outflow amounting to ₹ 2.04 lakh for the year ended on that date; the said revenue and the net cash outflow for the year ended on that date have been considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us and our opinion is based solely on the report of the other auditor.

Our Opinion is not qualified in respect of other matters.

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place : Mumbai

Dated : May 15, 2014

**BALANCE SHEET AS AT MARCH 31, 2014**

			As At March 31, 2014	As At March 31, 2013
	Note	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	3	1,020.60		1,020.60
Reserves and Surplus	4	13,977.35		10,602.79
			<b>14,997.95</b>	<b>11,623.39</b>
<b>Non-current Liabilities</b>				
Long-term Borrowings	5	6,484.15		5,996.67
Deferred Tax Liabilities (Net)	6	2,100.15		1,827.70
Long-term Provisions	7	183.27		203.98
			<b>8,767.57</b>	<b>8,028.35</b>
<b>Current Liabilities</b>				
Short-term Borrowings	8	7,056.51		7,347.23
Trade Payables	9	4,912.08		3,790.96
Other Current Liabilities	10	3,038.47		2,486.53
Short-term Provisions	11	1,051.49		783.74
			<b>16,058.55</b>	<b>14,408.46</b>
<b>TOTAL</b>			<b>39,824.07</b>	<b>34,060.20</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	12	15,369.02		12,599.59
Intangible Assets		110.98		10.66
Capital Work-in-Progress		169.28		732.16
Intangible Assets under Development		89.56		160.60
		<b>15,738.84</b>		<b>13,503.01</b>
Non-current Investments	13	1,043.90		1,050.32
Long-term Loans and Advances	14	1,142.88		1,486.12
Other Non-current Assets	15	311.95		13.69
			<b>18,237.57</b>	<b>16,053.14</b>
<b>Current Assets</b>				
Inventories	16	8,271.76		7,268.66
Trade Receivables	17	8,979.76		7,596.52
Cash and Bank Balances	18	2,402.95		1,546.91
Short-term Loans and Advances	19	1,894.42		1,565.26
Other Current Assets	20	37.61		29.71
			<b>21,586.50</b>	<b>18,007.06</b>
<b>TOTAL</b>			<b>39,824.07</b>	<b>34,060.20</b>
<b>Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements</b>				
	1 - 46			

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

Place : Mumbai  
Dated : May 15, 2014

Place : Mumbai  
Dated : May 15, 2014

**STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED MARCH 31, 2014**

			For the Year ended March 31, 2014	For the Year ended March 31, 2013
	Note	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Revenue from Operations	21		48,085.97	39,588.02
Less : Excise Duty on Sales			3,475.85	3,002.00
Revenue from Operations (Net)			44,610.12	36,586.02
Other Income	22		217.56	136.83
<b>Total Revenue</b>			<b>44,827.68</b>	<b>36,722.85</b>
<b>Expenses</b>				
Cost of Materials Consumed	23		24,124.36	20,529.39
Changes in Inventories of Finished Goods and Work-in-Progress	24		(73.52)	(501.06)
Employee Benefits Expense	25		2,594.48	2,089.96
Finance Costs	26		1,224.65	1,293.83
Depreciation and Amortisation Expense			973.90	1,003.38
Other Expenses	27		9,478.54	8,694.80
<b>Total Expenses</b>			<b>38,322.41</b>	<b>33,110.30</b>
<b>Profit before exceptional items and Tax</b>			<b>6,505.27</b>	<b>3,612.55</b>
Exceptional items			NIL	NIL
<b>Profit before Tax</b>			<b>6,505.27</b>	<b>3,612.55</b>
Tax Expense:				
Current Tax		1,885.65		1,040.00
Deferred Tax		272.44		159.98
Current Tax (MAT)		8.34		2.38
Less : MAT Credit Entitlement		(8.34)		(2.38)
Current Tax Adjustments of Earlier Years		16.26		(0.36)
			2,174.35	1,199.62
<b>Profit for the Year</b>			<b>4,330.92</b>	<b>2,412.93</b>
Share of Profit / (Loss) of Associate Company			(3.47)	8.34
<b>Profit for the Year</b>			<b>4,327.45</b>	<b>2,421.27</b>
Earnings Per Equity Share:				
Basic and Diluted (₹)			42.43	23.74
<b>Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements</b>	1-46			

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

Place : Mumbai  
Dated : May 15, 2014

Place : Mumbai  
Dated : May 15, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014**

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax	6,505.27	3,612.55
<b>Adjustments for :</b>		
Loss on Sale/Scrap of Fixed Assets	7.54	8.36
Assets Written Off	75.84	82.40
Depreciation and Amortisation Expense	973.90	1,003.38
Interest Expense	1,209.29	1,188.50
Dividend Income	(14.89)	(29.78)
Interest on Deposits and Others	(98.01)	(39.13)
Loss on disposal of Investments	12.00	NIL
Unrealised Loss/(Gain) on Foreign Exchange	215.15	237.40
Exchange difference on translation of foreign currency cash and cash equivalents	(0.12)	4.51
Provision for Bad and Doubtful Debts	40.61	38.02
<b>Operating Profit Before Working Capital Changes</b>	<b>8,926.58</b>	<b>6,106.21</b>
<b>Adjustments for :</b>		
Long-term Loans and Advances and Other Non-current Assets	(343.25)	207.41
Inventories	(1,166.10)	(2,295.84)
Trade Receivables and Short-term Loans and Advances	(1,971.01)	(2,375.85)
Other Current Assets	(7.90)	27.51
Other Long-term Liabilities and Long-term Provisions	(20.71)	(4.05)
Trade Payables, Other Current Liabilities and Short-term Provisions	1,361.37	1,450.05
<b>Cash Generated From Operations</b>	<b>6,778.98</b>	<b>3,115.44</b>
Income Tax paid	(2,067.51)	(872.82)
<b>Net Cash From Operating Activities</b>	<b>4,711.47</b>	<b>2,242.62</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,625.09)	(2,399.66)
Sale of Fixed Assets	2.95	3.42
Dividend Income	14.89	29.78
Interest on Deposits and Others	98.01	39.13
Disposal of Investments	(14.24)	NIL
Effect of Exchange Fluctuation on Foreign Currency	6.87	(3.06)
Bank Deposits having Original Maturity of more than three months	(173.71)	(411.57)
<b>Net Cash From Investing Activities</b>	<b>(2,690.32)</b>	<b>(2,741.96)</b>

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Deferred Sales Tax Payment	(86.71)	(32.85)
Proceeds from Long-term Borrowings	841.13	773.81
Increase/Decrease in Short-term Borrowings	(290.72)	1,518.14
Interest Paid	(1,209.29)	(1,266.86)
Dividend Paid (Including Dividend Distribution Tax)	(596.57)	(474.11)
<b>Net Cash From Financing Activities</b>	<b>(1,342.16)</b>	<b>518.13</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>678.99</b>	<b>18.79</b>
<b>Cash and Cash Equivalents at the Beginning Of the Year</b>	<b>520.11</b>	<b>505.83</b>
Exchange difference on translation of foreign currency cash and cash equivalents	0.12	(4.51)
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>1,199.22</b>	<b>520.11</b>
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	0.97	1.70
Other Bank Balances		
- On Current Accounts	677.62	244.04
- On Unpaid Dividend Accounts	26.63	24.37
- On Deposit Accounts	494.00	250.00
	<b>1,199.22</b>	<b>520.11</b>

**Note:**

Purchase of Fixed Assets includes addition to Capital Work-in-Progress during the year.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

**Place :** Mumbai  
**Dated :** May 15, 2014

**Place :** Mumbai  
**Dated :** May 15, 2014



**NOTES ON CONSOLIDATION FINANCIAL STATEMENTS****1. BASIS OF CONSOLIDATION****1.1. Basis of Preparation**

The Consolidated Financial Statements (CFS) are prepared in accordance with Accounting Standard - 21 (AS-21) – “Consolidated Financial Statements” and Accounting Standard - 23 (AS-23) – “Accounting for Investments in Associates in Consolidated Financial Statements” as referred to in Section 211(3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs).

**1.2. Principles of Consolidation**

- a. The CFS relate to Alkyl Amines Chemicals Limited (“the Company”), its subsidiary Alkyl Speciality Chemicals Limited, Alkyl Amines Europe SPRL\* and its associate Diamines and Chemicals Limited (“the Group”). The financial statements of the subsidiary companies and associate used in consolidation are drawn/prepared for consolidation upto the same reporting date as the Company.

The consolidated statements are prepared on the following basis:

- The financial statements of subsidiary companies have been combined on line to line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions and the unrealised profits/losses as per AS-21.
  - In case of a foreign subsidiary, being non-integral foreign operations, revenue items, which are not material, and all assets and liabilities are converted at the rate prevailing at the end of the year. To the extent items of income and expenses which are material are translated at exchange rates at the date of transactions. All resulting exchange differences arising out of the translation are accumulated in foreign currency translation reserve.
  - The difference between the cost of investments in subsidiaries over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the CFS as Goodwill or Capital Reserve, as the case may be.
  - The investment in the associate company is accounted for in the CFS using the Equity Method of accounting as contained in AS- 23.
- b. The CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s standalone financial statements.

**1.3. Companies included in Consolidation**

The following companies are considered for the CFS:

Name of Company	Subsidiary/ Associate	Country of incorporation	% of holding
Alkyl Speciality Chemicals Limited	Subsidiary	India	99.99
Alkyl Amines Europe SPRL *	Subsidiary	Belgium	100.00
Diamines and Chemicals Limited	Associate	India	30.44

\*This Company is closed on March 31, 2014 and hence, ceases to be a subsidiary from March 31, 2014.

**2. SIGNIFICANT ACCOUNTING POLICIES****2.1. BASIS OF PREPARATION:**

The accounts have been prepared on the basis of going concern under historical cost convention as also on accrual basis and in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the Companies Act, 1956 / Companies Act, 2013.

**2.2. USE OF ESTIMATES:**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known / materialised.

**2.3. OTHER SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL INFORMATION:**

The other Significant Accounting Policies are set out in Significant Accounting Policies as given in the Standalone Financial Statements of the Holding Company, Alkyl Amines Chemicals Limited and its subsidiaries Alkyl Speciality Chemicals Limited and Alkyl Amines Europe SPRL. Additional information not impacted by the Consolidation of Financial Statements is also set out in the Notes [forming part of the Financial Statements] of the Holding Company and Subsidiary Companies, respectively.

	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>3. Share Capital</b>		
<b>Authorised :</b>		
15,000,000 (15,000,000) Equity Shares of ₹ 10 par value	1,500.00	1,500.00
1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value	1,500.00	1,500.00
	<b>3,000.00</b>	<b>3,000.00</b>
<b>Issued, Subscribed And Paid Up :</b>		
10,198,196 (10,198,196) Equity Shares of ₹ 10 par value fully paid	1,019.82	1,019.82
Shares forfeited	0.78	0.78
	<b>1,020.60</b>	<b>1,020.60</b>
	<b>1,020.60</b>	<b>1,020.60</b>

**3.1 Reconciliation of the number of shares outstanding and amount of share capital :**

	As At March 31, 2014		As At March 31, 2013	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
<b>Equity shares of ₹ 10 par value</b>				
At the beginning	10,198,196	1,019.82	10,198,196	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end	10,198,196	1,019.82	10,198,196	1,019.82

**3.2 Rights, preferences and restrictions**

- The Company has only one class of shares referred to as equity shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on May 15, 2014, proposed a final dividend of ₹ 8 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended March 31, 2014 amounted to ₹ 954.52 lakhs including corporate dividend tax of ₹ 138.66 lakhs.  
  
During the year ended March 31, 2013, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 5. The Dividend appropriation for the year ended March 31, 2013 amounted to ₹ 596.57 lakhs including corporate dividend tax of ₹ 86.66 lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :**

	As At March 31, 2014		As At March 31, 2013	
Name of the Shareholder	No. of shares	% held	No. of shares	% held
Yogesh M. Kothari	6,103,311	59.85	6,123,311	60.04

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>4. Reserves and Surplus</b>			
Revaluation Reserve (Of the Associate Company)			
Transferred from General reserve	93.18		96.18
Less: Transferred to Statement of Profit and Loss	3.00		3.00
		90.18	93.18
Capital Reserve		142.70	142.70
Capital Redemption Reserve		25.00	25.00
Securities Premium		1,290.97	1,290.97
General Reserve			
As per last Balance Sheet	2,838.82		2,599.82
Add : Transfer from Surplus	429.00		239.00
		3,267.82	2,838.82
Foreign Currency Translation Reserve (Refer Note 31)	(12.00)		(6.87)
Less : Transferred on disposal of Subsidiary	(12.00)		NIL
		NIL	(6.87)
Surplus			
As per last Balance Sheet	6,218.99		4,633.29
Add : Net Profit after Tax transferred from Statement of Profit and Loss	4,327.45		2,421.27
Less : On Disposal of Subsidiary	2.24		Nil
Less : Appropriations			
General Reserve	429.00		239.00
Proposed Dividend	815.86		509.91
Tax on Dividend	138.66		86.66
		9,160.68	6,218.99
		13,977.35	10,602.79
<b>5. Long-term Borrowings</b>			
Term Loans [Refer Note 5.1 (a) below]			
-Secured			
From Banks	3,951.58		2,736.69
From Other Parties - Financial Institutions	106.25		533.55
		4,057.83	3,270.24
Deferred Payment Liability			
-Unsecured			
Sales Tax Deferral under the Package Scheme of			
Incentives, 1993 [Refer Note 5.1 (b)(i) below]		791.32	902.93
Loans and advances from Related Parties			
-Unsecured [Refer Note 5.1 (b)(ii) below]		1,385.00	830.00
Deposits - Inter Corporate [Refer Note 5.1 (b)(iii) below]			
-Unsecured			
From Related Parties (Refer Note 37)	250.00		474.50
From Others	NIL		519.00
		250.00	993.50
		6,484.15	5,996.67

**5.1 Nature of Security and Terms of Repayment of Long-term Borrowings:**

		As At March 31, 2014	As At March 31, 2013
	Rate of Interest	₹ In Lakhs	₹ In Lakhs
<b>a. Nature of security</b>			
<b>I. Term Loan from Banks:</b>			
i. Term Loans of ₹ 1,125 lakhs repayable in 60 monthly instalments from November 30, 2009 to part finance Company's normal capital expenditure at Patalganga are secured by:	Ranging from 13.50% p.a. to 15.25% p.a.	NIL	140.63
a. Mortgage of the Company's immovable properties specified in the relevant loan agreements;			
b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.			
The mortgage and charges referred to above rank pari-passu inter se.			
ii. Term Loan of ₹ 800 lakhs repayable in 60 monthly instalments from October 31, 2009 to part finance Company's normal capital expenditure at Kurkumbh is secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc.	Ranging from 13.35% p.a. to 15% p.a.	41.24	201.20
iii. Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of :			
USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012 and USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 and	3.48% p.a. to 3.66% p.a.*	2,950.66	3,127.53
USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015	LIBOR plus 3.05% p.a.	1,944.32	NIL
iv. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	Ranging from 8.86% p.a. to 10.95% p.a.	33.43	43.02
		4,969.65	3,512.38
Less : Current Maturities of Long-term Debt (Refer Note 10)		1,018.07	775.69
		3,951.58	2,736.69
*Rate of Interest for the year ended March 31, 2013 was LIBOR plus 2.50% p.a. to 3.00% p.a.			
<b>II. Term Loan from Other Parties - Financial Institutions:</b>			
i. Term Loan of ₹ 1,700 lakhs repayable in 16 instalments from July 25, 2011 is secured by:	12.00% p.a.	531.25	956.25
a. Mortgage of the Company's immovable properties specified in the relevant loan agreements;			
b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.			
The mortgage and charges referred to above rank pari-passu inter se.			
ii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments of 36 months	8.70% p.a.	NIL	2.64
		531.25	958.89
Less : Current Maturities of Long-term Debt (Refer Note 10)		425.00	425.34
		106.25	533.55

**b. Terms of repayment of unsecured borrowings:**

Borrowings	Terms of Repayment	As At March 31, 2014	As At March 31, 2013
		₹ In Lakhs	₹ In Lakhs
i. Deferred Payment Liability	Repayable after 10 years from the respective year in which actual tax was collected starting from April 26, 2012.	<b>871.84</b>	958.55
Less : Current Maturities of Long-term Debt (Refer Note 10)		<b>80.52</b>	55.62
		<b>791.32</b>	902.93
ii. Loans and advances from Related Parties	Not repayable before March 31, 2015 and carries interest rate ranging from 10.50% p.a. to 12% p.a.	<b>1,185.00</b>	830.00
iii. Deposits - Inter Corporate	Not repayable before March 31, 2015 and carries interest rate ranging from 10.25% p.a. to 11.25% p.a.	<b>904.00</b>	993.50

**6. Deferred Tax Liabilities (Net)**

	As At March 31, 2014	As At March 31, 2013
<b>Items of Timing Difference</b>	<b>Accumulated Deferred Tax (Assets) / Liabilities</b>	<b>Accumulated Deferred Tax (Assets) / Liabilities</b>
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	<b>2,272.86</b>	2,012.55
	<b>2,272.86</b>	2,012.55
<b>Deferred Tax Assets</b>		
Provision for doubtful debts and advances	<b>(82.95)</b>	(72.36)
Provision for Gratuity	<b>(44.11)</b>	(71.66)
Provision for Leave Encashment	<b>(40.68)</b>	(35.36)
Disallowance under section 43B	<b>(4.97)</b>	(5.47)
	<b>(172.71)</b>	(184.85)
<b>Net Deferred Tax (Assets) / Liabilities</b>	<b>2,100.15</b>	1,827.70

	As At March 31, 2014	As At March 31, 2013
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>7. Long-term Provisions</b>		
Provision for Employee Benefits (Refer Note 35)		
For Gratuity	<b>100.90</b>	130.28
For Leave Encashment	<b>82.37</b>	73.70
	<b>183.27</b>	203.98
	<b>183.27</b>	203.98

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>8. Short-term Borrowings</b>			
Loans repayable on demand (Refer Note 8.1)			
Secured			
From Banks			
Cash Credit Facilities		5,937.51	6,353.73
Buyers' Credit			
Loans and Advances from Related Parties			
Unsecured		215.50	693.00
Deposits - Inter Corporate			
Unsecured			
From Related Parties (Refer Note 37)	319.50		260.50
From Others	584.00		40.00
		<b>903.50</b>	<b>300.50</b>
		<b>7,056.51</b>	<b>7,347.23</b>
8.1 Cash Credits including Working Capital Demand Loan are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.			
<b>9. Trade Payables</b>			
Micro, Small and Medium Enterprises (Refer Note 9.1)	33.75		34.16
Others	4,878.33		3,756.80
		<b>4,912.08</b>	<b>3,790.96</b>
		<b>4,912.08</b>	<b>3,790.96</b>
9.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:			
Principal amount remaining unpaid and interest due thereon			
- Principal Amount		33.17	33.90
- Interest		NIL	NIL
Interest paid in term of Section 16		NIL	NIL
Interest due and payable for the period of delay in payment		0.58	0.26
Interest accrued and remaining unpaid		NIL	NIL
Interest due and payable even in succeeding years		NIL	NIL

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>10. Other Current Liabilities</b>			
Current maturities of Long-term Debt			
Term Loans			
Secured			
From Banks [Refer Note 5.1(a)(I)]	1,018.07		775.69
From Other Parties - Financial Institutions			
[Refer Note 5.1(a)(II)]	425.00		425.34
		1,443.07	1,201.03
Deferred payment liabilities			
Unsecured			
Sales Tax Deferral under the Package Scheme of			
Incentives, 1993 [Refer Note 5.1 (b)(i)]		80.52	55.62
Interest accrued but not due on borrowings		9.83	16.37
Unpaid Dividends		26.63	24.37
Other Payables			
- For Capital Expenses		49.95	189.79
- Others*		1,428.47	999.35
		3,038.47	2,486.53
* Others include Statutory Dues, Advance from Customers and other year-end provisions.			
<b>11. Short-term Provisions</b>			
Provision for Employee Benefits (Refer Note 35)			
For Gratuity	28.88		80.55
For Leave Encashment	37.31		30.34
		66.19	110.89
Others			
For Proposed Dividend	815.86		509.91
For Tax on Dividend	138.66		86.66
		954.52	596.57
Taxes Paid	1,910.00		1,597.00
Less : Provision for Taxes	1,879.22		1,520.72
		30.78	76.28
		1,051.49	783.74

12. Fixed Assets

₹ In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2013	During the year		As At March 31, 2014	Upto March 31, 2013	For the year	Deduction/ Adjustments	Upto March 31, 2014	As At March 31, 2014
		Additions	Other Adjustments						
<b>Current Year</b>									
<b>Tangible Assets</b>									
Land									
Freehold Land	1.15	-	-	1.15	-	-	-	-	1.15
Leasehold Land (Note 12.2)	303.20	1,106.89	28.45	1,438.54	59.64	8.96	-	68.60	1,369.94
Buildings	3,182.74	21.53	-	3,204.27	877.62	94.35	-	971.97	2,232.30
Plant and Equipment (Note 12.3)									
Machinery	17,729.60	2,282.04	209.80	20,221.44	8,413.87	777.70	-	9,191.57	11,029.87
Electrical Equipments	51.78	3.32	-	55.10	22.64	2.45	-	25.09	30.01
Furniture and Fixtures	152.58	9.46	-	162.04	120.42	2.70	-	123.12	38.92
Vehicles	188.96	14.65	-	173.67	57.66	16.18	20.59	53.25	120.42
Office Equipments	269.54	57.18	-	323.76	188.14	14.24	1.10	201.28	122.48
Others									
Electrical Installations	770.52	-	-	770.52	310.49	36.10	-	346.59	423.93
<b>Total</b>	<b>22,650.07</b>	<b>3,495.07</b>	<b>238.25</b>	<b>26,350.49</b>	<b>10,050.48</b>	<b>952.68</b>	<b>21.69</b>	<b>10,981.47</b>	<b>15,369.02</b>
<b>Intangible Assets</b>									
<b>Internally Generated</b>									
Development of R&D Products/Processes	33.62	-	-	33.62	22.96	5.72	-	28.68	4.94
<b>Others</b>									
Patents	-	8.83	-	8.83	-	0.12	-	0.12	8.71
REACH Registration	-	112.71	-	112.71	-	15.38	-	15.38	97.33
<b>Total</b>	<b>33.62</b>	<b>121.54</b>	<b>-</b>	<b>155.16</b>	<b>22.96</b>	<b>21.22</b>	<b>-</b>	<b>44.18</b>	<b>110.98</b>
<b>Capital Work-in-Progress</b>									
	732.16	3,109.45	62.46	169.28	-	-	-	-	169.28
<b>Total</b>	<b>732.16</b>	<b>3,109.45</b>	<b>62.46</b>	<b>169.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169.28</b>
<b>Intangible Assets Under Development</b>									
<b>Internally Generated</b>									
Development of R&D Products/Processes	73.88	-	-	-	-	-	-	-	-
<b>Others</b>									
Patents	29.00	9.26	-	29.43	-	-	-	-	29.43
REACH Registration	57.72	115.13	-	60.13	-	-	-	-	60.13
<b>Total</b>	<b>160.60</b>	<b>124.39</b>	<b>-</b>	<b>89.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89.56</b>
<b>Total</b>	<b>160.60</b>	<b>124.39</b>	<b>-</b>	<b>89.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89.56</b>



12. Fixed Assets (Continued)

₹ In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	As At April 01, 2013	During the year		As At March 31, 2014	Upto March 31, 2013	For the year	Deduction/ Adjustments	Upto March 31, 2014	As At March 31, 2014	As At March 31, 2013
		Additions	Other Adjustments							
Previous Year										
Tangible Assets										
Land										
Freehold Land	1.15	-	-	1.15	-	-	-	-	1.15	1.15
Leasehold Land (Note 12.2)	303.20	-	-	303.20	55.76	3.88	-	59.64	243.56	247.44
Buildings	2,818.70	345.02	19.02	3,182.74	790.16	87.46	-	877.62	2,305.12	2,028.54
Plant and Equipment (Note 12.3)										
Machinery	16,819.95	835.31	83.09	17,729.60	7,607.41	812.53	6.07	8,413.87	9,315.73	9,212.54
Electrical Equipments	51.78	-	-	51.78	20.21	2.43	-	22.64	29.14	31.57
Furniture and Fixtures	150.36	2.16	0.06	152.58	113.36	7.06	-	120.42	32.16	37.00
Vehicles	180.53	25.84	-	188.96	49.13	16.84	8.31	57.66	131.30	131.40
Office Equipments	279.05	21.27	-	269.54	187.92	31.00	30.78	188.14	81.40	91.13
Others										
Electrical Installations	709.97	58.01	2.54	770.52	275.03	35.46	-	310.49	460.03	434.94
Total	21,314.89	1,287.61	104.71	22,650.07	9,098.98	996.66	45.16	10,050.48	12,599.59	12,215.71
Intangible Assets										
Internally Generated										
Development of R&D Products/Processes	33.62	-	-	33.62	16.24	6.72	-	22.96	10.66	17.38
Total	33.62	-	-	33.62	16.24	6.72	-	22.96	10.66	17.38
Capital Work-in-Progress	421.36	1,645.55	89.30	732.16	-	-	-	-	732.16	421.36
Total	421.36	1,645.55	89.30	732.16	-	-	-	-	732.16	421.36
Intangible Assets Under Development										
Internally Generated										
Development of R&D Products/Processes	128.73	-	-	73.88	-	-	-	-	73.88	128.73
Others										
Patents	15.18	13.82	-	29.00	-	-	-	-	29.00	15.18
REACH Registration	-	57.72	-	57.72	-	-	-	-	57.72	-
Total	143.91	71.54	-	160.60	-	-	-	-	160.60	143.91

₹ In Lakhs

12.1. Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As At April 01, 2013	During the year		Deduction/Transfer	As At March 31, 2014	Upto March 31, 2013	For the year	Deduction/Adjustments	Upto March 31, 2014	As At March 31, 2014	As At March 31, 2013
		Additions	Other Adjustments								
Tangible Assets											
Plant and Equipment											
Machinery	152.72	1.98	-	-	154.70	79.77	5.38	-	85.15	69.55	72.95
Electrical Equipments	9.50	0.09	-	-	9.59	3.59	0.45	-	4.04	5.55	5.91
Furniture and Fixtures	52.69	3.90	-	-	56.59	37.79	3.42	-	41.21	15.38	14.90
Vehicles	12.15	-	-	-	12.15	4.50	1.15	-	5.65	6.50	7.65
Office Equipments	7.95	0.79	-	0.17	8.57	4.58	0.46	0.09	4.95	3.62	3.37
Others											
Electrical Installations	0.37	-	-	-	0.37	0.20	0.02	-	0.22	0.15	0.17
Current year	235.38	6.76	-	0.17	241.97	130.43	10.88	0.09	141.22	100.75	104.95
Previous year	231.95	3.86	-	0.43	235.38	117.97	12.89	0.43	130.43	104.95	
Intangible Assets											
Internally Generated											
Development of R&D Products/Processes	33.62	-	-	-	33.62	22.96	5.73	-	28.69	4.93	10.66
Others											
Patents	-	8.83	-	-	8.83	-	0.12	-	0.12	8.71	-
Current year	33.62	8.83	-	-	42.45	22.96	5.85	-	28.81	13.64	10.66
Previous year	33.62	-	-	-	33.62	16.24	6.72	-	22.96	10.66	
Capital Work-in-Progress											
	-	14.83	-	6.76	8.07	-	-	-	-	8.07	-
Current year	-	14.83	-	6.76	8.07	-	-	-	-	8.07	-
Previous year	2.98	0.45	-	3.43	-	-	-	-	-	-	
Intangible Assets Under Development											
Internally Generated											
Development of R&D Products/Processes	73.88	-	-	73.88	-	-	-	-	-	-	73.88
Others											
Patents	29.00	9.26	-	8.83	29.43	-	-	-	-	29.43	29.00
Current year	102.88	9.26	-	82.71	29.43	-	-	-	-	29.43	102.88
Previous year	143.91	13.82	-	54.85	102.88	-	-	-	-	102.88	

12.2. The Lease Deed from MIDC in respect of Plot Nos. D-6/2, R-1 and R-2 of the value of ₹ 131.13 lakhs (Previous Year ₹ 131.13 lakhs) and from GIDC in respect of Plot Nos. D-2/CH/149-2 of the value of ₹ 1,135.33 lakhs (Previous Year ₹ NIL) is yet to be executed.

12.3. Plant, Machinery and Equipments include ₹ 382.12 lakhs (Previous Year ₹ 382.12 lakhs) being value of machinery installed at third party premises of Job Contractor, duly confirmed by them.

12.4. Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Fixed Assets. It also includes write off of Capital Work-in-Progress of ₹ 1.48 lakhs (Previous Year ₹ 27.55 lakhs) and Intangible Assets Under Development of ₹ 73.88 lakhs (Previous Year ₹ 54.85 lakhs).

12.5. Other Adjustments represent Borrowings Costs of ₹ 157.93 lakhs (Previous Year ₹ 124.38 lakhs) and Exchange Differences of ₹ 142.78 lakhs (Previous Year ₹ 69.63 lakhs) capitalised in terms of AS - 11.

For related disclosures refer Note 28 to the financial statements

12.6. Depreciation for the year is shown as reduced by the write back of excess depreciation of prior period ₹ 138.94 lakhs (Previous Year ₹ NIL).

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>13. Non-current Investments</b>			
Long-term investments - valued at cost less provision for other than temporary diminution			
Trade			
In equity instruments of Associate			
Quoted			
Fully paid Equity shares			
<b>Quantity</b> <b>Investee Company</b>			
2,977,997      Diamines and Chemicals Limited		<b>144.11</b>	144.11
(2,977,997)      of ₹ 10 each			
Add : Share of post acquisition profits		<b>899.79</b>	906.21
		<b>1,043.90</b>	1,050.32

	As At March 31, 2014 ₹ In Lakhs		As At March 31, 2013 ₹ In Lakhs	
	Cost	Market Value	Cost	Market Value
Aggregate amount of Quoted Investments	144.11	623.89	144.11	732.59

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>14. Long-term Loans and Advances</b>			
Unsecured			
Capital Advances			
Considered Good		<b>40.21</b>	711.18
Security Deposits			
Considered Good	<b>86.75</b>		90.34
Considered Doubtful	<b>4.64</b>		4.64
Less : Provision for Doubtful Deposits	<b>4.64</b>		4.64
		<b>86.75</b>	90.34
Other Loans and Advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	<b>706.78</b>		490.06
Taxes Paid	<b>2,028.93</b>		1,357.34
Less : Provision for Taxes	<b>1,719.79</b>		1,162.80
	<b>309.14</b>		194.54
		<b>1,015.92</b>	684.60
		<b>1,142.88</b>	1,486.12

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>15. Other Non-current Assets</b>			
Inventories (Refer Note 15.1)		<b>163.00</b>	NIL
Trade Receivables			
Considered Doubtful			
-Outstanding for a period exceeding six months from the date they are due for payment	<b>174.72</b>		157.81
Less : Provision for Doubtful Debts	<b>174.72</b>		157.81
Cash and Bank Balances		<b>NIL</b>	NIL
Other Bank Balances			
-On Fixed Deposit Accounts			
With maturity beyond 12 months from Balance Sheet date (Held as margin money)		<b>1.45</b>	4.67
Other loans and advances			
Advances recoverable in cash or in kind for value to be received			
Considered Doubtful	<b>38.73</b>		38.73
Less : Provision for Doubtful Advances	<b>38.73</b>		38.73
		<b>NIL</b>	NIL
Advance to Suppliers			
Considered Doubtful	<b>25.95</b>		10.78
Less : Provision for Doubtful Advances	<b>25.95</b>		10.78
		<b>NIL</b>	NIL
MAT Credit Entitlement		<b>17.37</b>	9.02
Others		<b>130.13</b>	NIL
		<b>311.95</b>	13.69
 15.1 Catalysts not expected to be used within a period of 12 months from the date of the Balance Sheet are considered Non-current.			
<b>16. Inventories</b>			
Raw Materials		<b>3,152.41</b>	2,316.42
Packing Materials		<b>130.78</b>	108.77
(Includes in transit ₹ 0.38 lakhs, Previous Year ₹ NIL)			
Work-in-Progress		<b>483.58</b>	705.30
Finished Goods		<b>3,291.53</b>	2,958.14
(Includes in transit ₹ 128.72 lakhs, Previous Year ₹ 137.17 lakhs)			
Stores and Spares		<b>461.10</b>	417.98
Other Utilities, Catalyst, etc.		<b>752.36</b>	762.05
		<b>8,271.76</b>	7,268.66

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
16.1 Details of Inventories :			
a. Work-in-Progress			
Amines and Amines Derivatives		415.34	607.10
Other Speciality Chemicals		68.24	98.20
		<u>483.58</u>	<u>705.30</u>
b. Finished Goods			
Amines and Amines Derivatives		3,200.55	2,867.37
Other Speciality Chemicals		90.39	90.11
Industrial Gases		0.59	0.66
		<u>3,291.53</u>	<u>2,958.14</u>
17. Trade Receivables			
Unsecured, Considered Good			
Outstanding for a period exceeding six months from the date they are due for payment	0.06		31.06
Others	8,979.70		7,565.46
		<u>8,979.76</u>	<u>7,596.52</u>
		<u>8,979.76</u>	<u>7,596.52</u>
18. Cash and Bank Balances			
Cash and cash equivalents			
Cash on hand	0.97		1.70
Balances with Banks			
-On Current Accounts	677.62		244.04
-On Unpaid Dividend Accounts	26.63		24.37
-On Deposit Accounts with original maturity of less than 3 months	494.00		250.00
		<u>1,199.22</u>	<u>520.11</u>
Other Bank Balances			
-On Fixed Deposit Accounts			
With maturity within 12 months from Balance Sheet date		1,203.73	1,026.80
		<u>2,402.95</u>	<u>1,546.91</u>

		As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>19. Short-term Loans and Advances</b>			
Unsecured, Considered Good			
Security Deposits		<b>NIL</b>	8.93
Loans and Advances to Related Parties (Refer Note 37)		<b>23.00</b>	23.00
Other Loans and advances			
Advances recoverable in cash or in kind for value to be received	<b>271.68</b>		351.64
Less : Provision for Doubtful Advances	<b>2.10</b>		<u>NIL</u>
	<b>269.58</b>		351.64
Advances to Suppliers	<b>797.35</b>		711.67
Balances with Excise and Service Tax Authorities	<b>804.49</b>		<u>467.17</u>
		<b>1,871.42</b>	1,530.48
Taxes Paid	<b>NIL</b>		5.23
Less : Provision for Taxes	<b>NIL</b>		<u>2.38</u>
		<b>NIL</b>	2.85
		<b>1,894.42</b>	<u>1,565.26</u>
<b>20. Other Current Assets</b>			
Interest Receivable on Bank/Security deposits		<b>18.89</b>	3.50
Deferred Premium on Forward Contracts		<b>2.70</b>	26.21
Others		<b>16.02</b>	<u>NIL</u>
		<b>37.61</b>	<u>29.71</u>

		For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>21. Revenue From Operations</b>			
Sale of Products - Manufactured Goods		<b>47,504.50</b>	38,898.58
Other Operating Revenues			
Scrap and Raw Material Sales	<b>138.82</b>		119.16
Toll and Other Processing Income	<b>325.06</b>		473.81
Export Incentives	<b>115.68</b>		90.32
Miscellaneous Income	<b>1.91</b>		6.15
		<b>581.47</b>	689.44
		<b>48,085.97</b>	39,588.02
Less : Excise Duty on Sales		<b>3,475.85</b>	3,002.00
		<b>44,610.12</b>	36,586.02
<b>21.1 Details of Sales of Products:</b>			
Amines and Amines Derivatives		<b>41,160.29</b>	36,128.10
Other Speciality Chemicals		<b>5,943.82</b>	2,366.49
Industrial Gases		<b>400.39</b>	403.99
		<b>47,504.50</b>	38,898.58
<b>22. Other Income</b>			
Interest on Deposits		<b>98.01</b>	39.13
Dividend on Long-term Investments		<b>14.89</b>	29.78
Insurance Claims		<b>4.54</b>	0.22
Amounts/Excess Provision written back (Refer Note 35)		<b>66.25</b>	38.42
Miscellaneous Income		<b>33.87</b>	29.28
		<b>217.56</b>	136.83
<b>23. Cost of Materials Consumed</b>			
Raw Materials			
Opening Stock	<b>2,316.42</b>		600.26
Add: Purchases	<b>23,611.72</b>		21,073.10
	<b>25,928.14</b>		21,673.36
Less: Closing Stock	<b>3,152.41</b>		2,316.42
		<b>22,775.73</b>	19,356.94
Packing Materials			
Opening Stock	<b>108.77</b>		104.53
Add: Purchases	<b>1,370.64</b>		1,176.69
	<b>1,479.41</b>		1,281.22
Less: Closing Stock	<b>130.78</b>		108.77
		<b>1,348.63</b>	1,172.45
		<b>24,124.36</b>	20,529.39

		For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>23.1 Details of Raw Materials Consumed :</b>			
Alcohols		14,128.43	13,177.04
Industrial Gases		3,631.86	3,208.60
Others		5,015.44	2,971.30
		<u>22,775.73</u>	<u>19,356.94</u>
<b>24. Changes in Inventories of Finished Goods and Work-In-Progress</b>			
Finished Goods			
Closing Stock	3,291.53		2,958.14
Less : Opening Stock	<u>2,958.14</u>		<u>2,106.81</u>
		(333.39)	(851.33)
Excise Duty Provision on Finished Goods			
Closing Stock	362.03		323.89
Less : Opening Stock	<u>323.89</u>		<u>196.54</u>
		38.14	127.35
Work-in-Progress			
Closing Stock	483.58		705.31
Less : Opening Stock	<u>705.31</u>		<u>928.23</u>
		221.73	222.92
		<u>(73.52)</u>	<u>(501.06)</u>
<b>25. Employee Benefits Expense</b>			
Salaries and wages			
Directors' Remuneration		585.38	354.66
Salaries, Wages and Benefits (Refer Note 27.1)		1,588.63	1,330.37
Contribution to Provident Fund and Other Funds		153.85	202.80
Staff Welfare Expenses (Refer Note 27.1)		266.62	202.13
		<u>2,594.48</u>	<u>2,089.96</u>
<b>26. Finance Costs</b>			
Interest Expense			
On Cash Credit Facilities/Buyers' Credit	473.42		437.97
On Term Loans	226.90		275.28
On Others (Refer Note 27.1)	<u>391.69</u>		<u>350.81</u>
		1,092.01	1,064.06
Other Borrowing Costs			
Bank Charges		80.01	86.56
Foreign Exchange Loss (as adjustment to Interest cost)		15.36	105.33
Other Finance Charges		<u>37.27</u>	<u>37.88</u>
		<u>1,224.65</u>	<u>1,293.83</u>



		For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>27. Other Expenses</b>			
Stores and Spares Consumed		<b>981.50</b>	902.58
Power and Fuel		<b>5,178.38</b>	4,829.56
Rent		<b>22.94</b>	22.09
Repairs and Maintenance (Refer Note 27.1)			
Building	<b>99.06</b>		14.68
Plant and Machinery	<b>427.62</b>		303.36
Others	<b>131.92</b>		99.35
		<b>658.60</b>	417.39
Insurance		<b>64.63</b>	60.73
Rates and Taxes (Refer Note 27.1)		<b>27.28</b>	19.24
Auditors' Remuneration			
Audit Fees	<b>11.40</b>		8.83
Tax Audit Fees	<b>2.85</b>		2.15
Taxation Matters	<b>0.70</b>		0.60
Certification Work	<b>7.61</b>		2.50
		<b>22.56</b>	14.08
Foreign Exchange Loss (Net)		<b>53.51</b>	78.49
Processing Charges		<b>573.89</b>	677.69
Export Expenses (Refer Note 27.1)		<b>539.60</b>	434.05
Diminution in Carbon Emission Reduction (Refer Note 27.2)		<b>NIL</b>	131.98
Loss on sale of Investments		<b>12.00</b>	NIL
Miscellaneous Expenses (Refer Note 27.1)		<b>1,343.65</b>	1,106.92
		<b>9,478.54</b>	8,694.80
<b>27.1 Details of Expenses for prior period:</b>			
Expenses			
Employee Benefits Expense (Reflected in Note 25)			
Salaries, Wages, Benefits and Staff Welfare Expenses		<b>0.89</b>	0.96
Finance Cost (Reflected in Note 26)			
Interest Expense - Others		<b>NIL</b>	13.38
Other Expenses (Reflected in Note 27)			
Repairs and Maintenance:			
Building, Plant and Machinery and Others		<b>5.17</b>	4.18
Insurance		<b>0.03</b>	NIL
Rates and Taxes		<b>NIL</b>	0.25
Export Expenses		<b>1.12</b>	NIL
Miscellaneous Expenses		<b>5.25</b>	0.46
<b>Total Expenses for prior period</b>		<b>12.46</b>	19.23

27.2 From the financial year 2009-10, the Company decided not to recognise Carbon Credits based on mere generation and recognise only when it is certified. Accordingly, the Carbon Credit which was already recognised upto March 31, 2009, on the basis of credits generated, though not certified, continues to be reflected after giving effect due to its realisable value of ₹ NIL (₹ 128.90 lakhs). Accordingly, the amount of ₹ NIL (₹ 131.98 lakhs) is charged for the year as Diminution in Carbon Emission Reduction and at the year end, the amount of Carbon Credit was carried at ₹ NIL.

27.3 No expense is incurred and transferred to Intangible Assets under Development during the year.

27.4 Expenses incurred on Research and Development during the year are included in the Statement of Profit and Loss as under:

Nature of expenses	For the year ended March 31, 2014		For the year ended March 31, 2013	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Cost of Material Consumed (In Note 23)				
Raw Material		4.10		3.86
Packing Material		0.29		0.23
Employee Benefits Expense (In Note 25)				
Salaries and Wages	209.10		174.69	
Contribution to Provident and Other Funds	21.17		18.10	
Staff Welfare Expenses	10.03		8.04	
		240.30		200.83
Depreciation		17.94		19.62
Other Expenses (In Note 27)				
Stores and Spares Consumed	11.10		12.94	
Rent	13.20		12.00	
Repairs and Maintenance:				
Building	0.20		NIL	
Plant and Machinery	0.88		1.05	
Others	3.43		2.86	
Insurance	0.33		0.31	
Rates & Taxes	0.38		NIL	
Miscellaneous Expenses	104.93		82.36	
		134.45		111.52
<b>Total</b>		<b>397.08</b>		<b>336.06</b>

## 28. Contingent Liabilities and Commitments

### 28.1 Contingent Liabilities :

(to the extent not provided for)

i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts	69.38	61.40
ii. Income Tax (Amount deposited ₹ 229.28 lakhs) (Previous Year ₹ 176.89 lakhs)	272.78	272.37
iii. Sales Tax	NIL	6.39
iv. Inter State Sales Tax against "C" Form	736.26	462.34
v. Central Excise/Service Tax	43.39	48.70
vi. By its order dated February 18, 2002, the Hon'ble High Court, Mumbai, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 771.15 lakhs (Previous Year ₹ 561.99 lakhs).		

Nature of expenses	For the year ended March 31, 2014		For the year ended March 31, 2013	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
28.2 Commitments :				
i. Estimated amount of contracts remaining to be executed on capital account				
	<b>161.12</b>		1,347.50	
Less : Advances	<b>40.21</b>		711.18	
Net Estimated Amount		<b>120.91</b>		636.32
ii. Other Commitments		<b>NIL</b>		NIL

**29. Fixed Assets :**

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 142.78 lakhs (Previous Year ₹ 69.63 lakhs) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Fixed Assets (to its Machinery and Machinery under installation - Capital Work-in-Progress). In terms of the clarification issued by the Ministry of Corporate Affairs by Circular No. 25/2012 of August 9, 2012, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

Disclosures required for the above capitalisation of AS - 11:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
i. Amounts capitalised:		
During the year	<b>142.78</b>	69.63
Cumulative upto the year end	<b>320.47</b>	177.69
ii. Amounts amortised:		
During the year	<b>16.58</b>	9.64
Cumulative upto the year end	<b>31.11</b>	14.53
iii. Amount remaining to be amortised as at year end	<b>289.36</b>	163.16

**30.** The associate of the Company had created Revaluation Reserve consequent to Revaluation of Land and Buildings in the year 1996-97, against same Revaluation Reserve in earlier years, accumulated losses were adjusted. Subsequent thereto, in absence of any balance in the Revaluation Reserve, every year additional depreciation on the increased amount due to revaluation was charged to the Statement of Profit and Loss.

In terms of the Guidance Note on Treatment of Reserve created on Revaluation of Fixed Assets issued by The Institute of Chartered Accountants of India, accumulated losses and depreciation (including arrears of depreciation) cannot be set off against the Revaluation Reserve. Therefore, to be in-line with the Guidance Note, the Associate Company has decided to restore its Revaluation Reserve (as set off in earlier years) and accordingly as from April 01, 2010 after considering the effect of additional depreciation (had the same been adjusted against Revaluation Reserve) as also the amount that should not have been in the Revaluation Reserve in respect of the retirement or disposal of assets, the net amount of ₹ 336.47 lakhs is restored as Revaluation Reserve by correspondingly transferring the equivalent amount from the General Reserve. To the extent of the share of the Company in the said Revaluation Reserve of the Associate is accordingly shown under Note 4.

**31.** Foreign Currency Translation Reserve is created in respect of non-integral subsidiary of the Company.

**32.** The Company has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.

**33.** The shares of the associate were acquired on March 14, 2001. The value of investment in the associate is valued at ₹ 1,043.90 lakhs (₹ 1,050.32 lakhs) as per AS – 23.

**34.** Capital Reserves include grant received by the subsidiary company from the erstwhile Co-promoter as per agreement dated June 17, 2003 to meet its obligations.

**35. "Employee Benefits" as per Accounting Standard 15:**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ In Lakhs		₹ In Lakhs	
Obligation at period beginning	433.43	343.53	104.04	85.52
Current service cost	26.77	18.91	17.57	12.77
Interest cost	35.76	29.20	8.58	7.27
Actuarial (gain)/loss	(41.14)	48.95	(2.75)	8.71
Benefits paid	(19.59)	(7.16)	(7.76)	(10.23)
<b>Obligations at the year end</b>	<b>435.23</b>	<b>433.43</b>	<b>119.68</b>	<b>104.04</b>
-Funded	334.33	342.97	NIL	NIL
-Unfunded	100.90	90.46	119.68	104.04
<b>Change in plan assets</b>				
Plan assets at period beginning, at fair value	222.60	134.24	N.A.	N.A.
Expected return on plan assets	19.37	11.54	N.A.	N.A.
Actuarial gain/(loss)	3.09	3.98	N.A.	N.A.
Contributions	79.98	80.00	N.A.	N.A.
Benefits paid	(19.59)	(7.16)	N.A.	N.A.
<b>Plan assets at the year end, at fair value</b>	<b>305.45</b>	<b>222.60</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Reconciliations of present value of the obligation and the fair value of plan assets</b>				
Fair value of plan assets at the end of the year	305.45	222.60	NIL	NIL
Present value of the defined benefit obligations at the end of the year	435.23	433.43	119.68	104.04
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>129.78</b>	<b>210.83</b>	<b>119.68</b>	<b>104.04</b>
-Funded	28.88	120.37	NIL	NIL
-Unfunded	100.90	90.46	119.68	104.04
<b>Cost for the year</b>				
Current Service cost	26.77	18.91	17.57	12.77
Interest cost	35.76	29.20	8.58	7.27
Expected return on plan assets	(19.37)	(11.54)	NIL	NIL
Actuarial (gain)/loss	(44.23)	44.97	(2.75)	8.71
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>(1.07)</b>	<b>81.54</b>	<b>23.40</b>	<b>28.75</b>

Net Cost as above :

For the year ended March 31, 2014 is after considering Gratuity Expense of ₹ 10.44 lakhs included in Directors' Remuneration shown in Note 25 on 'Employee Benefits Expense' and write back of Provision for Gratuity of ₹ 11.51 lakhs for Other Employees shown in Note 22 on 'Other Income'.

For the year ended March 31, 2013 is after considering Gratuity Expense of ₹ 9.98 lakhs included in Directors' Remuneration and ₹ 71.54 lakhs included in Contribution to Provident Fund and Other Funds in Note 25 on 'Employee Benefits Expense'.

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ In Lakhs		₹ In Lakhs	
<b>Category of assets</b>				
Insurer Managed Funds	305.45	222.60	N.A.	N.A.
<b>Assumptions used to determine the benefit obligations:</b>				
Interest rate	9.31%	8.25%	9.31%	8.25%
Estimated rate of return on plan assets	8.70%	8.70%	N.A.	N.A.
Expected rate of increase in salary	5.00%	5.00%	5.00%	5.00%
Actual return on plan assets (₹ In lakhs)	22.46	15.52	N.A.	N.A.

The estimate of future salary increases considered in actuarial valuation takes into account general trend in inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is determined considering several applicable factors, mainly the composition of the plan assets held and historical results of the return on the plan assets.

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Experience adjustment					
On plan liability (gain)/ loss	1	39.07	34.78	15.13	84.13
On plan assets gain/ (loss)	3.1	3.97	2.44	1.20	0.79
Present value of benefit obligation	435.23	433.43	343.53	280.82	247.12
Fair value of plan assets	305.45	222.60	134.24	92.07	88.50
Excess of obligation over plan assets (net)	129.78	210.83	209.29	188.75	158.62

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2014. The Company is expected to contribute ₹ 56.56 lakhs for the year ended March 31, 2015.

### 36. Disclosure as per Accounting Standard 17 on "Segment Reporting":

#### 36.1 Primary Segment:

The Company is exclusively engaged in the business of "Specialty Chemicals". This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes one single primary segment.

#### 36.2 Secondary Segment (by Geographical Segment):

Particulars	Within India		Outside India		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Segment Revenue	34,915.69	28,532.78	9,694.43	8,053.24	44,610.12	36,586.02
Carrying amount of Segment Assets	37,235.47	32,605.99	2,588.60	1,454.21	39,824.07	34,060.20
Capital Expenditure	15,581.38	13,371.26	157.46	57.72	15,738.84	13,503.01

Note:

The segment revenue in geographical segments considered for disclosure is as follows:

- Revenue within India includes sales to customers located within India and Other Operating Revenue earned in India.
- Revenue outside India includes sales to customers located outside India and Other Operating Revenue earned outside India.

**37. Disclosure as per Accounting Standard 18 on “Related Party Disclosures”:**

37.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 37.2 below. There were no amounts written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

₹ In Lakhs

Particulars	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 37.2 (I) and (II) below]	[with 37.2 (III) below]	[with 37.2 (IV) below]
<b>Loans and Advances - Unsecured :</b>			
Loan from Directors –Received			
Yogesh Kothari	140.00 (850.00)		
Others	93.00 (123.00)		
Loan from Directors – Repaid			
Yogesh Kothari	110.00 (250.00)		
Others	45.50 (30.00)		
Deposit - Inter Corporate – Received		87.00 (145.00)	
Deposit - Inter Corporate – Repaid		252.50 (NIL)	
<b>Interest Expenses :</b>			
On Loans from Directors			
Yogesh Kothari	207.31 (167.82)		
Others	17.01 (6.46)		
On Deposit - Inter Corporate			
YMK Trading & Consultancy Private Limited		36.97 (26.12)	
Others		22.39 (13.64)	
Kamiko Investment & Trading Private Limited			9.72 (10.18)
DSP HMK Holdings Private Limited			14.30 (15.00)
ADIKO Investment Private Limited			14.30 (15.00)
<b>Directors' Remuneration:</b>			
Yogesh Kothari	356.56 (199.85)		
Kirat Patel	118.99 (82.35)		
Suneet Kothari	113.13 (74.93)		
Hemendra Kothari			
Sitting Fees	0.80 (0.20)		
Commission	9.16 (4.99)		
<b>Outstanding Balance As At March 31, 2014</b>			
Loans From Directors			
Yogesh Kothari	1,430.00 (1,400.00)		
Others	170.50 (123.00)		

Particulars	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 37.2 (I) and (II) below]	[with 37.2 (III) below]	[with 37.2 (IV) below]
Deposit - Inter Corporate			
YMK Trading & Consultancy Private Limited		<b>139.50</b> (245.00)	
Others		<b>95.00</b> (155.00)	
Kamiko Investment & Trading Private Limited			<b>85.00</b> (85.00)
DSP HMK Holdings Private Limited			<b>125.00</b> (125.00)
ADIKO Investment Private Limited			<b>125.00</b> (125.00)

**37.2 Relationships:**

- I. Key Management Personnel:
  - i. Yogesh M. Kothari (also has a control over the Company)
  - ii. Kirat Patel
  - iii. Suneet Y. Kothari
- II. Relative of Key Management Personnel:
  - Hemendra M. Kothari
- III. Entities on which Key Management Personnel has Control:
  - i. Niyoko Trading & Consultancy Private Limited
  - ii. YMK Trading & Consultancy Private Limited
  - iii. Anjyko Investments Private Limited
  - iv. SYK Trading & Consultancy Private Limited
- IV. Entities on which relative of Key Management Personnel has control:
  - i. Kamiko Investment & Trading Private Limited
  - ii. DSP HMK Holdings Private Limited
  - iii. ADIKO Investment Private Limited

**38. Disclosure as per Accounting Standard 19 on "Leases":**
**38.1 Where the Company is a Lessee:**

- i. The Company has taken residential, office and godown premises under operating lease on leave and licence agreements. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent payments are recognised in the Statement of Profit and Loss as 'Rent' under 'Other Expenses' in Note 27.
- iii. Future minimum lease rental payable is as under:

Particulars	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Within 1 year	<b>13.20</b>	13.20
After 1 year but before 5 years	<b>30.80</b>	44.00
After 5 years	<b>NIL</b>	NIL

- iv. Land taken on lease have been amortised over the respective lease period and ₹ 8.96 lakhs (Previous Year ₹ 3.88 lakhs) has been amortised during the year.

39. "Earnings per Share" as per Accounting Standard 20:

Particulars	As At March 31, 2014	As At March 31, 2013
	₹ In Lakhs	₹ In Lakhs
<b>Numerator for Basic and diluted earnings per Share</b>		
Net Profit/ (Loss) after tax for the year before Preference Dividend	4,327.45	2,421.27
Less : Preference Dividend and Tax thereon	NIL	NIL
Net Profit/ (Loss) after tax for the year (a)	4,327.45	2,421.27
<b>Denominator for Basic and diluted Earnings per Share</b>		
Weighted average number of Shares (b)	10,198,196	10,198,196
<b>Basic and Diluted Earnings per Share [(a) / (b)] (In ₹)</b>	42.43	23.74
Face value per Share (In ₹)	10.00	10.00

40. Disclosure as per Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	As At April 1, 2013	Additions during the year	Paid/reversed during the year	As At March 31, 2014
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Leave Encashment	104.04	23.40	7.76	119.68
	(85.52)	(28.75)	(10.23)	(104.04)
Gratuity	210.83	(1.07)	79.98	129.78
	(209.29)	(81.54)	(80.00)	(210.83)
Proposed Dividend	509.91	(815.86)	509.91	(815.86)
	(407.93)	(509.91)	(407.93)	(509.91)
Tax on Proposed Dividend	86.66	138.66	86.66	138.66
	(66.18)	(86.66)	(66.18)	(86.66)

41. Consumption of Imported/Indigenous Materials:

Particulars	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
	Percentage	Value	Percentage	Value
		₹ In Lakhs		₹ In Lakhs
<b>Raw Materials</b>				
Imported	16.20%	3,689.62	11.08%	2,144.59
Indigenous	83.80%	19,086.11	88.92%	17,212.35
<b>Total</b>	100.00%	22,775.73	100.00%	19,356.94
<b>Stores and Spares</b>				
Imported	9.49%	93.14	31.67%	285.88
Indigenous	90.51%	888.36	68.33%	616.70
<b>Total</b>	100.00%	981.50	100.00%	902.58



**42. Value of Imports calculated on C.I.F. basis:**

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Raw Materials	3,337.05	1,984.69
Stores and Spares	39.22	19.85
Capital Goods	119.27	57.87
<b>Total</b>	<b>3,495.54</b>	<b>2,062.41</b>

**43. Expenditure in Foreign Currency:**

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
i. Interest		
Term Loan	134.57	61.99
Less : Capitalised	14.33	5.41
	120.24	56.58
Others	65.76	NIL
Cash Credit Facilities/Buyer's Credit	NIL	183.16
ii. Bank Charges	6.93	27.87
Less : Capitalised	NIL	22.76
	6.93	5.11
iii. Other Expenses		
Commission on Sales	27.88	24.57
Professional Charges	167.58	87.75
Less : Capitalised	115.13	57.72
	52.45	30.03
Freight Inward	5.96	0.17
Miscellaneous Expenses	28.73	18.85
Less : Capitalised	4.14	NIL
	24.59	18.85
<b>Total</b>	<b>303.81</b>	<b>318.47</b>

**44. Earnings in Foreign Currency:**

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ In Lakhs	₹ In Lakhs
Export of Goods at F.O.B. value	9,314.78	7,725.10
Other Income	49.90	NIL
<b>Total</b>	<b>9,364.68</b>	<b>7,725.10</b>

**45. Financial and Other Derivative Instruments:**

45.1 Derivative contracts entered into by the Company are for hedging foreign currency risks. The following contracts have remained outstanding:

Particulars	Balance As At March 31, 2014		Balance As At March 31, 2013		
	In Foreign currency (In Lakhs)	₹ In Lakhs	In Foreign currency (In Lakhs)	₹ In Lakhs	
Forward Contracts for					
Export Trade Receivables	USD	1.70	100.20	NIL	NIL
Import Trade Receivables	USD	3.76	228.23	8.19	450.69
	EURO	NIL	NIL	2.51	176.75
FCNR(B) Loan	USD	NIL	NIL	29.50	1,623.98
Currency and Interest Rate Swap for					
ECB Loans	USD	62.00	3,767.12	NIL	NIL

45.2 Foreign Currency exposure that are not hedged by the derivative instruments:

Particulars		Balance As At March 31, 2014		Balance As At March 31, 2013	
		In Foreign currency (In Lakhs)	₹ In Lakhs	In Foreign currency (In Lakhs)	₹ In Lakhs
Export Trade Receivables	USD	25.87	1,524.92	23.31	1,254.94
	EURO	10.68	864.44	2.92	200.39
	GBP	0.38	37.62	NIL	NIL
	INR	NIL	90.39	NIL	NIL
Import Trade Payables	USD	0.22	13.29	0.49	27.07
	EURO	NIL	NIL	0.05	3.19
Interest on FCNR(B) Loan payable	USD	NIL	NIL	0.14	7.74
ECB Loans	USD	18.56	1,127.86	56.81	3,127.53
Interest on ECB payable	USD	2.20	134.57	0.06	3.24
Packing Credit in Foreign Currency	USD	24.58	1,493.60	18.19	1,001.57
	EURO	5.33	445.48	1.04	73.01
Balance with Bank	USD	2.13	125.29	0.73	39.14
Export Commission Payable	USD	0.19	11.83	0.08	4.27
	EURO	0.01	0.69	NIL	NIL

All outstanding derivatives are marked to market on the date of Balance Sheet and accordingly, mark to market loss of ₹ 138.42 lakhs (Previous Year Loss of ₹ 49.76 lakhs) has been recognised.

46. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**K. P. RAJAGOPALAN**  
General Manager (Secreterial and Legal)

**KIRAT PATEL**  
Executive Director

Place : Mumbai  
Dated : May 15, 2014

Place : Mumbai  
Dated : May 15, 2014



## ALKYL AMINES CHEMICALS LIMITED

To,

**Sharex Dynamic (India) Pvt. Limited**

Unit No. 1, Luthra Ind. Premises,  
Andheri Kurla Road, Safed Pool,  
Andheri (E), Mumbai - 400 072

### FORM FOR ECS MANDATE / BANK MANDATE

(Not to be filled by Shareholders holding shares in dematerialised form)

I / We,.....do hereby authorise Alkyl Amines Chemicals Limited to -

- Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Service (ECS) - ECS Mandate\*
- Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me - Bank Mandate\*

(\* Strike out whichever is not applicable)

**Folio No.....**

A.	Bank Name										
B.	Branch										
C.	Bank Address										
D.	Bank Account Number										
E.	Account Type (Savings / Current)										
F.	9 Digit Code number of the bank & branch as appearing on the MICR cheque (for ECS Mandate only) <b>Please attach photocopy of the cheque</b>	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>									
G.	STD code & telephone number of shareholder (optional)										

I / We shall not hold the Company responsible if the ECS mandate could not be implemented for reasons beyond the control of the Company.

\_\_\_\_\_  
Signature of shareholder(s)  
(as per specimen lodged with the Company)



## ALKYL AMINES CHEMICALS LIMITED

Registered office : 401-407 Nirman Vyapar Kendra, Plot No. 10, Sector 17, DBC Vashi, Navi Mumbai - 400 703

May 15, 2014

Dear Shareholder,

**Sub: Green initiative in Corporate Governance – Electronic Mode of service of documents**

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has issued circulars on April 21, 2011 and April 29, 2011 inter-alia stating that a company would have complied with Section 53 of the Companies Act, 1956, if the service of documents has been made through electronic mode. In that case, the company is required to obtain e-mail addresses of its members for sending the notice / documents through e-mail by giving an advance opportunity to every shareholder to register his e-mail address and changes therein, if any, from time to time with the company.

This move by MCA is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

Keeping in view the theme underlying the circular issued by MCA, we propose to send documents like notice calling the annual general meeting, audited financial statements, directors’ report, auditors’ report etc. and other communication, in electronic form, to e-mail addresses of those members which are available in the records of the Company.

In order to enable the company to send the documents to you in electronic mode, we would request you to please inform us your e-mail id to the address [legal@alkylamines.com](mailto:legal@alkylamines.com) or [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

Please note that you will be entitled to be furnished, free of cost, with a copy of the balance sheet of the Company and all other documents required by law to be attached thereto including the statement of profit and loss and auditors’ report and all other communication that may be sent to you electronically, upon receipt of a requisition from you, as a member of the Company.

We are sure that as a responsible citizen, you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives and will whole-heartedly support the same.

For ALKYL AMINES CHEMICALS LIMITED

**K. P. RAJAGOPALAN**

General Manager (Secretarial and Legal)

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## ALKYL AMINES CHEMICALS LIMITED

Regd. Office : 401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, DBC, Vashi, Navi Mumbai 400 703  
CIN : L99999MH1979PLC021796 Tel. No.: 022-67946600 Fax No.: 022-67946666  
E-mail: legal@alkylamines.com Website: www.alkylamines.com

Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN	L99999MH1979PLC021796
Name of the Company	ALKYL AMINES CHEMICALS LIMITED
Registered Office	401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, DBC, Vashi, Navi Mumbai 400 703
Name of the member(s)	
Registered Address	
E-mail ID	
Folio No./ Client ID	

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

Name .....

Address .....

E-mail ID ..... Signature .....

or failing him

Name .....

Address .....

E-mail ID ..... Signature .....

or failing him

Name .....

Address .....

E-mail ID ..... Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting to be held on Thursday, August 7, 2014 at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 at 2.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1	Adoption of Financial Statements for the year ended March 31, 2014
2	Declaration of dividend
3	Re-appointment of Mr. Kirat Patel, who retires by rotation
4	Appointment of Statutory Auditors and fixing their remuneration
5	Appointment of Cost Auditors and fixing their remuneration
<b>Special Business</b>	
1	Re-appointment of Mr. Shobhan M. Thakore as an independent Director
2	Re-appointment of Ms. Tarjani Vakil as an independent Director
3	Re-appointment of Mr. Premal N. Kapadia as an independent Director
4	Re-appointment of Mr. K. R. V. Subrahmanian as an independent Director
5	Re-appointment of Mr. Dilip G. Piramal as an independent Director
6	Re-appointment of Mr. Shyam B. Ghia as an independent Director
7	Increase in the borrowing limits of the Company under section 180(1)(c) of the Companies Act, 2013 upto Rs. 350 Crores
8	Creation of charges to secure borrowings upto Rs. 350 Crores

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Affix  
Re. 1/-  
Revenue  
Stamp

Signature of shareholder: \_\_\_\_\_ / Signature of Proxy holder(s): \_\_\_\_\_

**Note:**

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



## ALKYL AMINES CHEMICALS LIMITED

Regd. Office : 401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, DBC, Vashi, Navi Mumbai 400 703  
CIN : L99999MH1979PLC021796 Tel. No.: 022-67946600 Fax No.: 022-67946666  
E-mail: legal@alkylamines.com Website: www.alkylamines.com

### ATTENDANCE SLIP

Folio No.:	DP ID :
Client ID No.:	No. of shares held :

I/We record my/our presence at the 34th Annual General Meeting to be held on Thursday, August 7, 2014 at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 at 2.30 p.m.

**Name of the Shareholder / Proxy (In Block Letters) :**

**Signature of the Shareholder / Proxy :**

**NOTE:**

You are requested to sign and handover this slip at the entrance of the meeting venue.



Padma Vibhushan Prof. M. M. Sharma at the inauguration of the Acetonitrile Plant at Kurkumbh.





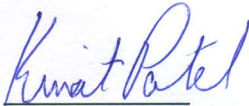



**ALKYL AMINES CHEMICALS LTD.**

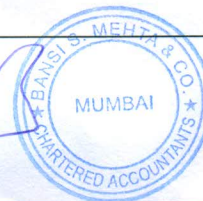
401-407, Nirman Vyapar Kendra, Sector 17,  
Vashi, Navi Mumbai 400 702.

Tel.: +91 22 6794 6618

Website : [www.alkylamines.com](http://www.alkylamines.com)

**FORM-A**

1.	Name of the Company	Alkyl Amines Chemicals Limited
2.	Annual financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	• Executive Director	 Mr. Kirat Patel
	• General Manager (Finance and Accounts)	 Mr. Pravin Tawle
	• Auditor of the Company	 Mr. Paresh H. Clerk
	• Chairman of the Audit Committee	 Mr. K. R. V. Subrahmanian



Date: June 30, 2014