



20th ANNUAL REPORT 2012-13

**INDO
AMINES
LIMITED**



Passion for growth



INDO AMINES LIMITED

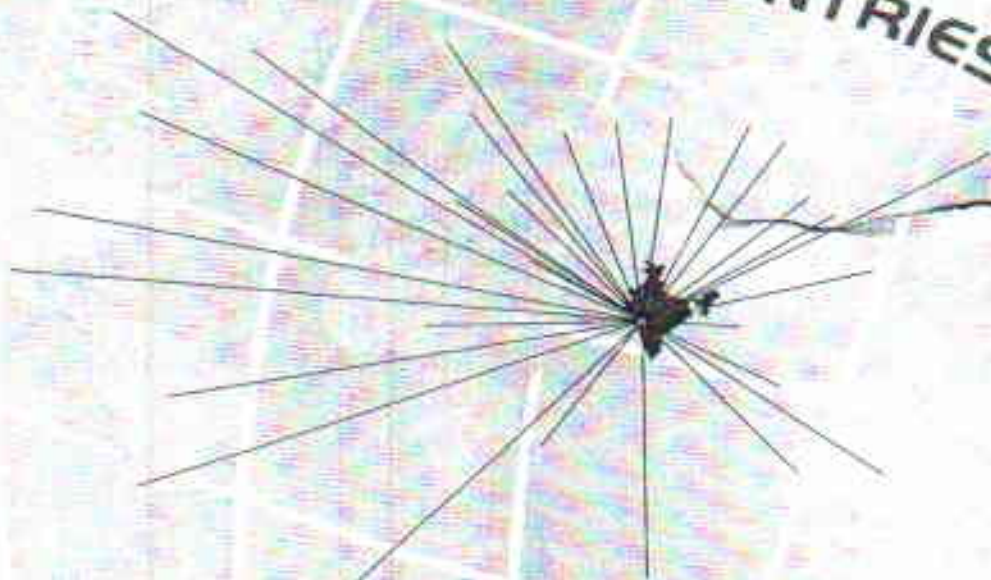
VISION & MISSION

OUR MISSION

TO BE BEST-IN-CLASS CHEMICAL COMPANY COMMITTED TO EXCELLENCE IN CHEMICAL MANUFACTURE WHICH PROVIDES ITS CUSTOMER WITH STRONG MIX OF TECHNICAL COMPETENCY AND CUSTOMER SERVICE.

IAL AIMS TO ENRICHED THE PRODUCT LINES BY PROVIDING UNIQUE SPECIALTY CHEMICALS OF HIGH QUALITY TO ENHANCE PRODUCTION AND GIVE MAXIMUM COST BENEFIT TO BUYERS.

OUR PRESENCE IN 45 COUNTRIES



OUR MOTTO
PASSION FOR
GROWTH

OUR VISION

TO BE ONE OF
THE LEADING INDIAN
CHEMICAL
MANUFACTURE TAKING
INDIA TO THE WORLD.

INDO
AMINES
LIMITED



Passion for Growth

20TH

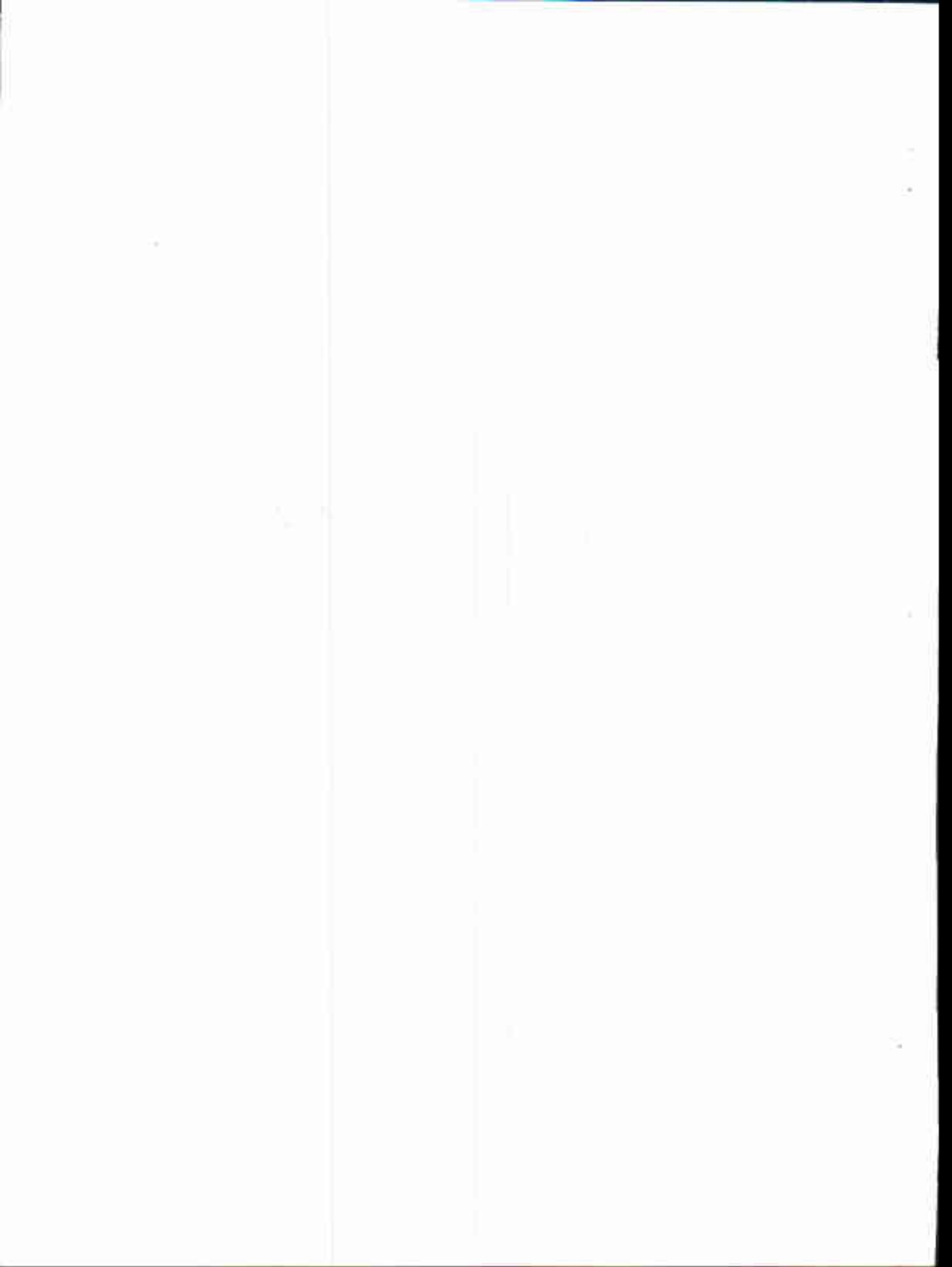
ANNUAL REPORT
2012 – 2013



INDO AMINES LIMITED

REGD. OFFICE: W-44, PHASE II, M.I.D.C.,
DOMBIVLI (EAST), DIST. THANE – 421 204







BOARD OF DIRECTORS

| | |
|--------------------------|-------------------------------------|
| DR. DEEPAK KANEKAR | CHAIRMAN & NON EXECUTIVE DIRECTOR |
| MR. VIJAY B. PALKAR | MANAGING DIRECTOR & CEO (PROMOTER) |
| MR. KIRIT H. SHAH | WHOLE TIME DIRECTOR (PROMOTER) |
| MRS. BHARATI V. PALKAR | EXECUTIVE DIRECTOR (PROMOTER) |
| MR. RAHUL V. PALKAR | CFO & EXECUTIVE DIRECTOR (PROMOTER) |
| MR. C.L. KADAM | EXECUTIVE DIRECTOR |
| MR. NARAYAN G. MANE | EXECUTIVE DIRECTOR |
| CA. VISHWAS MEHENDALE | INDEPENDENT NON EXECUTIVE DIRECTOR |
| MR. R. RAGHAVENDRA RAVI. | INDEPENDENT NON EXECUTIVE DIRECTOR |
| MR. NISHIKANT SULE | INDEPENDENT NON EXECUTIVE DIRECTOR |
| DR. SURESH IYER | INDEPENDENT NON EXECUTIVE DIRECTOR |
| MR. DHAWAL VORA | INDEPENDENT NON EXECUTIVE DIRECTOR |

AUDITORS

Kulkarni and Khanolkar, Chartered Accountants, Mumbai.

CORPORATE GOVERNANCE REPORT

HS Associates, Company Secretaries, Mumbai.

BANKERS

IDBI Bank Ltd. Nariman Point.
Dombivli Nagari Sahakari Bank Ltd.

REGISTERED OFFICE

W-44, Phase II, MIDC, Dombivli (E), Dist. Thane. 421204
Tel No.: 0251-2471354 / 2870941 / 2873052
Email Id: shares@indoaminesltd.com

REGISTRARS & SHARE TRANSFER AGENTS

BIGSHARE SERVICES PVT LTD
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (E), Mumbai 400 072.
Tel No. 022-28470652
Email Address: investor@bigshareonline.com

MANUFACTURING FACILITIES AT

1. W-35,D-58,W162, W-37/38/39, Phase II, MIDC, Dombivli (E), Dist. Thane – 421 204.
2. Survey No. 1723, Tundav, Taluka Savli, Baroda, Gujarat
3. W/265, W/266A, TTC Indl Area Rabale MIDC, Navi Mumbai – 400 701
4. Plot No. D-151,D- 152,D-70,J-5 Additional Industrial Area, Avadhan, MIDC, Dhule - 424006.

SHARES LISTED AT ;

The Stock Exchange Bombay Stock Exchange Limited

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20th ANNUAL GENERAL MEETING

Date : September 5, 2013
Day : Thursday
Time : 12.00 noon
Place : At C.K.P. Hall, Ram Ganesh Gadkari Path,
Near Karwa Hospital, Dombivli (E),
Dist. Thane - 421 201.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDO AMINES LIMITED WILL BE HELD ON THURSDAY THE SEPTEMBER 5, 2013 AT 12.00 NOON AT C.K.P. HALL, RAM GANESH GADKARI PATH, NEAR KARWA HOSPITAL, DOMBIVALI (E), DIST. THANE - 421 201. TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended 31st March 2013 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To declare Final dividend on equity shares.
3. To appoint a Director in place of Mr. R.R.Ravi, Director of the company who retires by rotation and being eligible offers himself for re-appointment
4. To appoint a Director in place of Dr. Suresh Iyer, Director of the company who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Dhawal Vora Director of the company who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company is hereby accorded to the re-appointment of Mr. Vijay Palkar as a Managing Director of the Company for a period of 5 (Five) years with effect from 1st April, 2013 to 31st March 2018 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. Vijay Palkar, a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Managing Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Managing Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT Board is also authorised to vary, revise the said remuneration of the Managing Director from time to time within the limits of Schedule XIII, of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board is hereby authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

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

RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company is hereby accorded to the re-appointment of Mr. Kirit Shah as a Whole Time Director of the Company for a period of Five (Five) years with effect from 1st April, 2013 to 31st March 2018 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. Kirit Shah, a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Whole Time Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Whole Time Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT Board is also authorised to vary, revise the said remuneration of the Whole Time Director from time to time within the limits of Schedule XIII, of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board is hereby authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

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

RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in



force), (hereinafter referred to as "the said Act") the consent of the Company is hereby accorded to the re-appointment of Mr. Rahul Palkar as an Executive Director of the Company for a period of 3 (Three) years with effect from **1st April, 2013 to 31st March, 2016** on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. Rahul Palkar, a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Executive Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Executive Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT Board is also authorized to vary, revise the said remuneration of the Whole Time Director from time to time within the limits of Schedule XIII, of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board is hereby authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

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

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956, or any amendment or re-enactment thereof and Article 201 of the Articles of Association of the Company and subject to the regulations issued by the Securities and Exchange Board of India (SEBI) in this behalf and subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, consent be and is hereby accorded to the Board of Directors of the Company ("the Board", which term shall be deemed to include any Committee thereof) for capitalization of a sum not exceeding Rs. 16,45,83,900/- (Rupees Sixteen Crores Fortyfive Lacs Eightythree Thousand Nine Hundred only) from the Securities Premium Account, General Reserves or any other permitted reserves/ surplus of the Company for the purpose of issue of Bonus Shares of Rs. 10/- (Rupees Ten Only) each, credited as fully paid-up to the holders of the Equity Shares and Equity Warrantly holders of the Company whose names shall appear on the Register of Members on the 'Record Date' determined by the Board or a Committee thereof for the purpose, in the proportion of 1 (one) Bonus Equity Share of Rs. 10/- for every 1 (one) fully paid-up Equity Shares of Rs. 10/- each held by them and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the paid up Capital of the Company held by each such Member, and not as income;

RESOLVED FURTHER THAT pursuant to terms and conditions prescribed at the time of issue of convertible warrants, the convertible warrants pending for conversion shall be eligible for bonus in the same ratio as and when the said warrants are converted into equity shares;

RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up Equity Shares of the Company as existing on the Record Date, save and except that they shall not be entitled to any dividend that may be declared before the 'Record Date';

RESOLVED FURTHER THAT the Bonus Shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company;

RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the Bonus Shares and in the case of Members who hold Shares or opt to receive the Shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Equity Shares in certificate form, the share certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities;

RESOLVED FURTHER THAT the issue and allotment of the Bonus Shares to Non-Resident Members & other foreign investors, be subject to the approval of the Reserve Bank of India, as may be necessary;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of such shares on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Agreements with the concerned Stock Exchange and other applicable guidelines, rules and regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient, and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

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

"RESOLVED THAT pursuant to provisions of section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 17,00,00,000/- (Rupees Seventeen Crores only) divided into 1,70,00,000 (One Crore Seventy Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 33,00,00,000/- (Rupees Thirty three Crores only) divided into 3,30,00,000/- Equity Shares of Rs. 10/- (Rupees Ten only) each "

RESOLVED FURTHER THAT to give effect to the aforesaid resolution, the Board be and is hereby authorized to do all such acts and deeds as may be necessary to implement the above resolution."



12. To consider and if thought fit to pass, with or without modification, the following resolution as a Special Resolution.
"RESOLVED THAT pursuant to the provisions of section 16 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following:

(V) The Authorized Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 5,00,00,000/- Equity Shares of Rs. 10/- (Rupees Ten only) each.

RESOLVED FURTHER THAT to give effect to the aforesaid resolution, the Board be and is hereby authorized to do all such acts and deeds as may be necessary to implement the above resolution."

By Order of the Board of Directors
For Indo Amines Limited

Sd/-
Vijay Palkar
(Managing Director)

Dombivli, August 3, 2013

Registered office:

W-44, Phase - II, MIDC, Dombivli (E)

Dist. Thane - 421 204.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXIES, IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Register shall remain closed from Monday, the August 5, 2013 to Thursday the August 8, 2013 (both days inclusive).
4. Explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the business under item nos.7, 8,9,10, 11 and 12 set above is annexed hereto.
5. Subject to the provisions of section 206A of the Companies Act, 1956 dividend on equity shares as recommended by the Directors, if declared at the Meeting, will be paid commencing from September 11, 2013 to those members whose name appear on the Register of Members of the Company as on August 3, 2013. In respect of shares held in electronic form dividend will be paid to the beneficial holders as per the beneficiary list to be provided by the National Securities Depository Limited and Central Depository Limited and Central Depository Service (India) Limited as at the close of business hours on August 3, 2013.
6. Members are requested to inform the Company's Registrars and Share Transfer Agents Viz Bigshare Services Private Limited, regarding changes, if any in their registered address with the PIN code number.
7. In order to ensure safety against fraudulent encashment of dividend warrants, members holding shares in physical form are requested to furnish to the Company or Company's R&T Agents, Bigshare Services Private Limited, bank account details which will be printed on the dividend warrants.
8. A Member may avail of the facility of nomination by nominating in the prescribed "NOMINATION FORM", a person to whom his/her shares in the Company shall vest in the event of his/her death.
9. Members are requested to intimate to the Company, queries if any, regarding the accounts at least 10 days before the Annual General meeting to enable the Management to keep the information ready at the Meeting. The queries may be addressed to company's registered office (email: shares@indoaminesltd.com) Member are requested to bring their copies of Annual Reports to the Meeting.
10. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective Depositories viz NSDL and CDSL, will be printed on the dividend warrants. Members are requested to inform the concerned Depository participant of any change in address, dividend mandate, Etc.
11. In terms of section 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to Investor Education and Protection Fund. Members who have not encashed their dividend warrants are requested to write to the Registrars and Share Transfer Agents. The details of dividend unclaimed are uploaded on the Company's website at www.indoaminesltd.com for shareholders information.
12. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company had decided to send Annual Report



through electronic mode. However, if required the copy of the Annual Report shall be provided to the shareholder at the Annual General Meeting.

The Members are requested to:

- i. Intimate to the registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
- ii. Quote Registered Folio / Client ID & DP ID in all their correspondence;
- iii. Dematerialize the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in Dematerialised form for all the investors.

By Order Of the Board of Directors
For Indo Amines Limited

Sd/-
Vijay Palkar
(Managing Director)

Dombivli, August 3, 2013

Registered office:

W-44, Phase - II, MIDC, Dombivli (E)

Dist. Thane - 421 204.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7:

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 9th February, 2013 Mr. Vijay Palkar was re-appointed as a Managing Director of the Company for a period of Five (Five) years with effect from 1st April, 2013 to 31st March, 2018 the remuneration to MR. Vijay Palkar inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

| | | |
|----|--|--------------------------------|
| 1 | Name of the director | Mr. Vijay Palkar |
| 2 | Age | 60 |
| 3 | Qualification | B.Sc.B.Tech |
| 4 | Experience | 40 years |
| 5 | Number of directorship in other public companies | Nil |
| 6. | Shareholding | 16,11,142 no of equity shares. |

Mr. Vijay Palkar will serve as a Managing Director on the Board of the Company from 1st April, 2013.

The terms & Conditions proposed to be entered into by the Company with Mr. Vijay Palkar, in respect of his re-appointment, inter alia, contains the following terms and conditions:

MAJOR TERMS OF REMUNERATION OF MR. VIJAY PALKAR, MANAGING DIRECTOR:

TERMS & CONDITIONS:

1. Name & Designation of Director : Mr. Vijay Palkar, Managing Director
2. Date of Appointment : Re-appointment w.e.f. 1st April, 2013
3. Period : 5 (Five) years.
4. Salary (p.m) : Rs.1,50,000/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Vijay Palkar by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Vijay Palkar shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES:

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

- a) Contribution to provident Fund, Superannuation fund or annuity funds to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity: as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c) Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.



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

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

III). Salary and perquisites specified herein shall be payable to the Managing Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

IV). The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

V). The Managing Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.

VI). The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the company, except Mr. Rahul Paikar and Mrs. Bharati Paikar and Mr. Vijay Paikar himself are considered to be interested or concerned in this resolution.

These Terms & Conditions of appointment may be treated as abstracts between the company & Mr. Vijay Paikar, Managing Director pursuant to section 302 of the Companies Act, 1956.

The Copy of the Draft agreement is open for inspection during office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting at the registered office of the Company.

Item No. 8:

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on February 9, 2013 Mr. Kirit Shah was re-appointed as a Executive Director of the Company for a period of 5 (Five) years with effect from 1st April, 2013 the remuneration to Mr. Kirit Shah inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

| | | |
|----|--|--------------------------------|
| 1 | Name of the director | Mr. Kirit Shah |
| 2 | Age 65 years | |
| 3 | Qualification | B.com |
| 4 | Experience | 37 years |
| 5 | Number of directorship in other public companies | Nil |
| 6. | Shareholding | 1,05,747 No. of Equity Shares. |

Mr. Kirit Shah will serve as Whole Time Director on the Board of the Company from 1st April, 2013.

The terms & Conditions proposed to be entered into by the Company with Mr. Kirit Shah, in respect of his re-appointment, inter alia, contains the following terms and conditions:

MAJOR TERMS OF REMUNERATION OF MR. KIRIT SHAH, WHOLE TIME DIRECTOR:

TERMS & CONDITIONS:

| | | |
|----|---------------------------------|---|
| 1. | Name & Designation of Director. | : Mr. Kirit Shah, Whole Time Director |
| 2. | Date of Appointment | : Re-appointment w.e.f. 1 st April, 2013 |
| 3. | Period | : 5 (Five) years. |
| 4. | Salary (p.m) | : Rs.1,25,000/-p.m with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act. |
| 5. | Minimum Remuneration | : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Kirit Shah by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Kirit Shah shall be the maximum amount permitted as per Schedule XIII, as amended from time to time. |

II) PERQUISITES:

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

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



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

h) Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.

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

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

III). Salary and perquisites specified herein shall be payable to the Whole Time Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

IV). The Whole Time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

V). The Whole Time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.

VI). The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the Company, except Mr. Kirit Shah is considered to be interested or concerned in this resolution

These Terms & Conditions of appointment may be treated as abstracts between the company & **Mr. Kirit Shah, Whole Time Director** pursuant to section 302 of the Companies Act, 1956.

The Copy of the Draft agreement is open for inspection during office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting at the registered office of the Company.

Item No.9:

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 9th February, 2013 Mr. Rahul Palkar was re-appointed as a Executive Director of the Company for a period of 3(Three) years with effect from **1st April, 2013 to 31st March, 2016** the remuneration to Mr. Rahul Palkar inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

| | | |
|---|--|-------------------------------|
| 1 | Name of the director | Mr. Rahul Palkar |
| 2 | Age | 33 years |
| 3 | Qualification | B.Sc., M.Sc. |
| 4 | Experience | 11 years. |
| 5 | Number of directorship in other Public companies | Nil |
| 6 | Shareholding | 1,41,377 No. of Equity Shares |

Mr. Rahul Palkar will serve as an Executive Director on the Board of the Company from 1st April, 2013

The terms & Conditions proposed to be entered into by the Company with Mr. Rahul Palkar, in respect of his re-appointment, inter alia, contains the following terms and conditions:

MAJOR TERMS OF REMUNERATION OF MR. RAHUL PALKAR, EXECUTIVE DIRECTOR:

TERMS & CONDITIONS:

1. Name & Designation of Director. : Mr. Rahul Palkar, Executive Director
2. Date of Appointment : Re-appointment w.e.f. 1st April, 2013
3. Period : 3 (Three) years.
4. Salary (p.m) : Rs.1,75,000/- with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Rahul Palkar by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Rahul Palkar shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES:

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



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

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

c) **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.

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

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

III). Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

IV). The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

V). The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.

VI). The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the company, except Mr. Vijay Palkar and Mrs. Bharati Palkar and Mr. Rahul Palkar himself are considered to be interested or concerned in this resolution.

These Terms & Conditions of appointment may be treated as abstracts between the company & Mr. Rahul Palkar, Executive Director pursuant to section 302 of the Companies Act, 1956.

The Copy of the Draft agreement is open for inspection during office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting at the registered office of the Company.

Statement containing required information as per category B of Part II of Section II of Schedule XIII of the Companies Act, 1956

I General information:

1. Nature of industry : Chemicals

2. Date or expected date of commencement of commercial production:

Indo Amines Limited is a public limited company, duly incorporated under the Indian Companies Act, was incorporated on December 17, 1992 as a public limited company and commenced manufacturing of chemicals since January 21, 1993.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

4. Financial performance based on given indicators:

| Particulars | 2011-2012 | 2010-2011 | 2009-2010 |
|---------------------------|-----------|-----------|-----------|
| Gross Income | 19331.02 | 15849.18 | 9275.60 |
| Profit before Tax | 690.96 | 423.12 | 200.38 |
| Profit after Tax | 391.78 | 279.77 | 133.04 |
| Net worth | 2681.21 | 1937.14 | 1721.55 |
| Dividend on Equity shares | 10% | 10% | 10% |

5. Export performance and net foreign exchange collaborations:

6. Foreign investments or collaborators, if any.

II INFORMATION ABOUT THE APPOINTEE

1. Background details : Well Experienced in Marketing & Finance

2. past remuneration : 1,50,000/- PM

3. Recognition or awards: NIL

4. Job profile and his suitability: CFO & Executive Director

5. Remuneration proposed : 1,75,000/- PM



6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin) : ?
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. : ?

III OTHER INFORMATION

1. Reasons of loss or inadequate profits ?
2. Steps taken or proposed to be taken for improvement ?
3. Expected increase in productivity and profits in measurable terms ?

Item No.10:

The Company has successfully completed 20 years of its business operations and over this elongated period of 20 years, shareholders have significantly contributed in the success of the Company by reposing immense confidence in the Management and acknowledging with full heart the decisions of the Management. It is the mammoth confidence of the Shareholders that has boosted the Management to nurture gradually and successfully accomplish longevity in the core business operations. In order to extend the gratitude of the shareholders, the Board of Directors of the Company in its meeting held on August 3, 2013, has recommended for approval of the shareholders, issue of bonus shares to the holders of equity shares of the Company in the ratio of 1:1 (i.e. one bonus equity share of Rs.10/- for every one fully paid up equity shares of Rs. 10/- each held) by increasing the Issued, Subscribed and Paid-up Share Capital of the Company to a sum not exceeding Rs. 32,91,67,800/- after capitalizing a sum not exceeding Rs 16,45,83,900/- from the Securities Premium Account, General Reserves or any other permitted reserves/ surplus as per the Audited Accounts of the Company for the financial year ended March 31, 2013.

With the issue of Bonus Shares, appropriate adjustments will be made to the number of Convertible Warrants as at the Record Date pending for conversion. The Convertible Warrants pending for conversion shall be eligible for bonus in the same ratio, however the bonus shares will be provided at the time of conversion of warrants into equity, as per the terms of the issue prescribed.

The fully paid-up Bonus Shares shall be distributed to the Members of your Company, whose names shall appear on its Register of Members on the Record Date determined by the Board of Directors (which term shall be deemed to include any Committee thereof) of your Company for the purpose of issue of Bonus Shares, in the proportion of 1 (One) Bonus Share of Rs. 10/- for every 1 (One) Equity Shares of Rs. 10/- each held by them on the Record Date.

The Bonus Shares so allotted shall rank *pari-passu* in all respects with the fully paid-up Equity Shares of the Company as existing on the Record Date, save and except that they shall not participate in any dividend that may be declared before the 'Record Date'.

Directors of your Company are interested in this Resolution to the extent of their respective shareholdings/Convertible Warrants in the Company.

The Board of Directors of your Company recommends this Resolution for your approval.

Item No.11& 12:

In view proposed issue of bonus shares, it is proposed to increase the authorised capital from Rs. 17,00,00,000/- (Rupees Seventeen Crores only) divided into 1,70,00,000/- (One Crore Seventy Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 33,00,00,000/- (Rupees Thirty Three Crores only) divided into 3,30,00,000/- (Three crores thirty lacs only) Equity Shares of Rs. 10/- (Rupees Ten only) each."

Pursuant to section 94, 16 of the Companies Act, 1956, consent of shareholders is required for increasing the Authorised capital as well as for making consequential changes in the Memorandum Articles of Association of the Company.

None of the Directors of the Company are in any way concerned or interested in these resolutions.

By Order Of the Board of Directors
For Indo Amines Limited

Sd/-
Vijay Palkar
(Managing Director)

Dombivli, August 3, 2013

Registered office:

W-44, Phase – II, MIDC, Dombivli (E)
Dist. Thane – 421 204.



INDO AMINES LIMITED

DIRECTORS' REPORT:

To,
The Members,
INDO AMINES LIMITED.

Your Directors have great pleasure in presenting 20th **ANNUAL REPORT** along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2013.

1. FINANCIAL RESULTS: (Rs. in Lacs)

| Particulars | Year ended | |
|--|------------|----------|
| | 2013 | 2012 |
| Total Income | 20128.21 | 19331.02 |
| Depreciation | 274.92 | 342.01 |
| Profit before tax | 944.68 | 690.96 |
| Provision for taxation | (280) | (260.00) |
| <u>Appropriation:</u> | | |
| Profit after tax | 664.67 | 430.96 |
| Balance of profit b/f | 1007.95 | 827.70 |
| Amount available for appropriation | 1672.65 | 1258.66 |
| <u>Transfer to:</u> | | |
| Dividend and Div Distribution Tax | (155.41) | (141.30) |
| General reserve | (100) | (80.00) |
| Provision for deferred tax Assets/(Liabilities) Goodwill | (35.68) | (29.41) |
| Balance carried to Balance sheet | 1381.54 | 1007.97 |

2. FINANCIAL OPERATIONS:

3. DIVIDEND:

Your Directors are pleased to recommend a final Dividend of Rs. 1 per equity share of Rs. 10/- The dividend, if approved by the shareholders at the forthcoming Annual General Meeting would absorb Rs. 132.83 Lacs out of the profits of the year. Dividend distribution tax payable by the company amounting to Rs. 22.58 Lacs has been appropriated out of profits.

4. ISSUE OF BONUS SHARES:

The Board of Directors in their meeting held on August 3, 2013, decided to issue fully paid up bonus share to the members of the Company in ratio 1:1 equity share for every one equity share held by members, by capitalizing on amount of Rs. 16,45,83,900/- from the Reserve and surplus account of the Company, subject to approval of shareholders at the forthcoming Annual General Meeting. If the bonus issue is approved by the members, the bonus shares will be issued to the members whose name appears in the Register of members on the Record date.

5. SCHEME OF ARRANGEMENT AND AMALGAMATION:

The Company has obtained order from Hon'ble Bombay High Court vide order dt.2nd November, 2012 towards approval of composite scheme of arrangement and amalgamation between Versatile Chemicals Ltd, Palkar Commercials Private Limited and the company. The company has allotted 23, 86,500 equity shares to the shareholders of Transferor Company dt. November 9, 2013 in pursuance of Bombay High Court order & the said shares were listed on the Bombay Stock Exchange.

Also note that the Company has filed application for adjudication of stamp duty to General stamp office, Mumbai however the adjudicating order is not yet received as on date of this report.

6. SHARE CAPITAL:

During the year the paid up capital was increased from Rs.9,77,18,900/- (Rupees Nine Crore Seventy Seven Lacs Eighteen Thousand Nine Hundred Only) to Rs.13,28,33,900/- (Rupees Thirteen Crores Twenty Eight Lacs Thirty Three Thousand Nine Hundred only) due to approval of composite scheme of arrangement and amalgamation by the Hon'ble Bombay High Court vide order dt.19th October, 2012 and the allotment of 23,86,500 equity shares to promoter group, conversion of 11,25,000 warrants into equity shares of Rs.10/- each at a premium of Rs.7(issued on 26th March, 2013).

7. PREFERENTIAL ISSUE OF FULLY CONVERTIBLE WARRANTS:

The Company has issued 11,25,000 equity shares on March 26, 2013 after obtaining in-principal approval from the Bombay Stock Exchange. The said shares were out of 43,00,000 convertible warrants issued at the price of Rs.17/- per warrant at a premium of Rs.7 per warrant in pursuance of SEBI (ICDR) guidelines 2009.



Due to conversion of 11,25,000 equity shares out of 43,00,000 convertible warrants issued on 9th February, 2013, 31,75,000 convertible warrants are outstanding for conversion as on date of this report. The company has submitted application for listing of 11,25,000 equity shares however as on date of this report the said shares are not yet listed at the Bombay Stock Exchange.

8. UTILIZATION PREFERENTIAL ISSUE PROCEEDS:

During the financial year 2012-2013 the company had raised an aggregating amount of Rs. 326.19 by way of preferential issue of shares and allotment of convertible warrants upto 31st March 2013. The Company has utilized Rs. NIL towards Expansion.

9. DELISTING OF SHARES:

The Company has received order from the Calcutta Stock Exchange Limited for voluntary delisting of securities under the SEBI (Delisting of Equity Shares) Regulations, 2009 on April 30th, 2013.

10. DEPOSITS:

Your Company did not accept any deposits from the public during the current year.

11. DIRECTORS:

During the year Mr. R.R. Ravi, Mr. Suresh Iyer and Mr. Dhawal Vora Directors of the Company are retiring by rotation and being eligible offers themselves for re-appointment.

Mr. Vijay Palkar, Managing Director, Mr. Kirit Shah, Whole Time Director and Mr. Rahul Palkar, Executive Director of the company were re-appointed w.e.f. 1st April, 2013

12. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

13. CORPORATE GOVERNANCE CODE:

The Board had implemented Corporate Governance Code in pursuance of Clause 49 of Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from M/s HS Associates, Company Secretaries on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

14. AUDITORS:

M/s Kulkarni & Khanolkar, Chartered Accountants, Mumbai, Statutory Auditors of your Company hold office till the conclusion of the coming Annual General Meeting. They have signified their willingness to be re-appointed as Statutory Auditor of the Company. The aforesaid re-appointment is proposed for your approval at the forthcoming Annual General Meeting of the Company. The significant Accounting policies and notes on Account are self explanatory hence no further explanations are required.

15. COST AUDITORS:

As per the Requirement of the Central Government and pursuant to Section 233B of the Companies Act, 1956, The Company has appointed M/s. Gangan & Company, Cost Accountants for the year 2012-2013 to conduct the cost audit.

16. DIRECTORS RESPONSIBILITY STATEMENT :

The Board of Directors hereby confirms

- i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or Loss of the Company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Annual accounts on a going concern basis.
- v) The Balance sheet of the Company is as per Schedule VI.

17. PARTICULARS OF EMPLOYEES:

No details as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, are given, as there are no employees drawing remuneration in excess of the prescribed limits.

18. COMMITTEES OF BOARD:

The Board has re-constituted audit and shareholders Committees pursuant to Clause 49 of Listing Agreement dt. 12th November, 2012, the details of the same are mentioned in the Corporate Governance Report annexed hereto.



19. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A) CONSERVATION OF ENERGY: 31.03.2013.

- a) Energy conservation measures taken :
 b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy;
 c) impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;
 d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto.

**ANNEXURE
FORM A**

Form for disclosure of particulars with respect to conservation of energy

| A. Power and Fuel consumption | | |
|--|---------------------------------|----------------------------------|
| | Current Year 2012-13 | Previous year 2011-12 |
| 1) Electricity | | |
| a) Purchase Units | 5761833 | 4281633 |
| Total Amount (Rs. In Lacs) | 407.09 | 272.94 |
| Rate/Unit (Rs. in Lacs) | 7.07 | 6.37 |
| b) Own Generation | | |
| (i) Through diesel generator | | |
| Units | | NIL |
| Units per ltr. of diesel oil | | NIL |
| Cost / unit | | NIL |
| (ii) Through steam turbine generator | NIL | |
| Units | | NIL |
| Units per ltr. Of fuel oil/gas | | NIL |
| Cost / unit | | NIL |
| 2) Coal / Wood (specify quality and where used) | | |
| Quantity (Tones) | 6633840 | 5876516 |
| Total Cost | 226.46 | 177.37 |
| Average Rate | 3.41 | 3.09 |
| 3) Furnace Oil (LDO, Diesel, SKO, WO) | | |
| Quantity (k. ltrs) | 1405674.32 | 1320946 |
| Total Amount | 617.41 | 525.05 |
| Average Rate | 43.92 | 39.75 |
| a) Other/Internal Generation (Please give details) | | |
| Quantity | NIL | NIL |
| Total Cost | | NIL |
| Rate / unit | | NIL |

B) TECHNOLOGY ABSORPTION

- e) Efforts made in technology absorption as per Form B of the Annexure:



FORM B

Form for disclosure particulars with respect to absorption of technology.

Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company,
The scope of activities covers process developments in chemicals & related Process
2. Benefits derived as a result of the above R & D.
 - Productivity and quantity improvements
 - Improved process performance and better cost management.
 - Enhancement of safety and better environmental protection
 - Develop new products in line with the requirements of the Industries.
3. Future plan of action.
Relevant R & D activity in the areas of business operations of the company will continue with a view to adapt products and process to improve performance and better meet the industries demand.
4. Expenditure on R & D
Currently the expenditure on R & D is insignificant as compared to the size & nature of the company.

Technology absorption, adaptation and Innovation.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.
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: **N.A**
 - (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 therefore and future plans of action.

C) FOREIGN EXCHANGE EARNINGS & OUTGO:

During the year under review the foreign exchange earnings and outgoings are as follows:

| | 2012-2013 | 2011-2012 |
|--|------------------|------------------|
| a) Foreign Exchange Earnings (Rs. in lacs) | 10133.87 | 10066.32 |
| b) Foreign Exchange Outgo (Rs. in lacs) | 4603.92 | 4065.4 |

20. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the support which the Company has received from its promoters, lenders, business associates including distributors, vendors and customers, the press and the employees of the Company.

**On behalf of the Board of Directors
For Indo Amines Limited**

**Sd/-
Deepak Kanekar
(Chairman)**

Place: Dombivall

Date : August 3, 2013

**CORPORATE GOVERNANCE REPORT****1) Company's philosophy:**

The Company's philosophy on Corporate Governance finds its roots in the rich legacy of ethical governance practices, many of which were in place even before they were mandated. This philosophy has been sought to be strengthened through the IAL Code of Conduct, code for prevention of Insider Trading which have been adopted. The Company will continue to focus its energies and resources in creating and safeguarding of shareholders wealth and, at the same time protect the interest of all its stakeholders.

This report, along with the report of Management discussion and Analysis and additional Information for the shareholders in the foregoing paras, constitutes Indo's compliances with clause 49 of the Listing Agreement.

2) Board of Directors:**2.1 Composition:**

As on date of report the Board of Directors of the Company comprise of an optimal proportion of Executive and Non-Executive Directors. The Board of Directors of your Company comprising of 12 (Twelve) Directors out of which 1 (One) is Managing Director, 5 (five) are Executive Directors, 1(one) is Non Executive Director and 5 (Five) are Independent Non-Executive Directors.

There are no nominees or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company except otherwise as mentioned elsewhere in this Annual Report. No Director of the Company is either member in more than ten committees and/ or Chairman of more than five committees across all Companies in which he is Director.

Non Executive Directors:

As per code of Corporate Governance, the composition of the Board should be as such that the Board of Directors of the Company shall have an optimum combination of executive and non-executive Directors. Since in our case the Chairman of the Board is a non executive Director, one third of the Board should comprise of independent Directors.

The Board members are expected to attend and participate in the Board meetings and Committee meetings in which they are members.

2.2 Board of Directors and Meetings:

In compliance with the provisions of Clause 49 of the Listing Agreement, the board meets at least once every quarter to review the performance and to deliberate and consider other items on the agenda. During the year there were in total 7(Seven) Board Meetings were held on 14th May, 2012, 13th August, 2012, 16th August, 2012, 10th November, 2012, 12th November, 2012, 20th November, 2012 and 9th February, 2013. The time gap between the two meetings was not more than 4 months.

The effectiveness of the decision-making of the Board is strengthened by its structure and procedures. The Board of your Company meets at regular intervals, with sufficient notice of the issues and the Agenda to be discussed and backed by the necessary information and material to enable the Directors to discharge their fiduciary responsibilities in an efficient manner. All the deliberations and decision concluded at each meeting are appropriately recorded and minuted. The draft minutes of each meeting are circulated to the members of the Board for their perusal and then finalized. Also as a good governance practice, all the information and data, relevant for the board to understand the business of the Company in general as well as the agenda items circulated to the board are comprehensive in nature.

The board has complete and unrestricted access to any information required by them about transactions and take decisions.



The following table gives the attendance of the Directors at the Board meetings of the Company and also the other Directorship and Chairmanship/membership in Board committees.

| Name of Director | Category | Number of Board Meetings | | Last AGM held on 20 th Dec.. 2012 | *Other Directorships as on 31.03.2013 | Committee Memberships as on 31.03.2013 | Committee Chairmanships as on 31.03.2013 |
|-----------------------|----------|--------------------------|----------|--|---------------------------------------|--|--|
| | | Held | Attended | | | | |
| Dr. Deepak Kanekar | NEC | 7 | 7 | YES | 1 | NO | NO |
| Mr. Vijay Palkar | MD | 7 | 7 | YES | NIL | NO | NO |
| Mr. Kirit Shah | WTD | 7 | 5 | NO | NIL | NO | NO |
| Mrs. Bharati Palkar | ED | 7 | 7 | YES | NIL | NO | NO |
| Mr. N. G. Mane | ED | 7 | 7 | YES | NIL | NO | NO |
| CA. Vishwas Mehendale | INED | 7 | 7 | NO | 1 | 2 | NO |
| Mr. Raghavendra Ravi | INED | 7 | 5 | NO | NIL | NO | NO |
| Mr. Nishikant Sule | INED | 7 | 6 | YES | NIL | NO | NO |
| Dr. Suresh Iyer | INED | 7 | 3 | NO | 1 | NO | NO |
| Mr. C.L. Kadam | INED | 7 | 3 | YES | NIL | NO | NO |
| Mr. Dhawal Vora | INED | 7 | 7 | NO | NIL | NO | NO |
| Mr. Rahul Palkar | ED | 7 | 6 | YES | NIL | NO | NO |

- *MD - Managing Director
- *NEC - Non Executive Chairperson
- WTD - Whole Time Director
- ED - Executive Director
- INED - Independent Non Executive Director
- *Including Directorships held in Private Limited Companies



2.3 Profile of Members of the Board of Directors being re-appointed :

| | |
|--|--|
| Name of the Director | Mr. R. R. Ravi |
| Age | 57 |
| Qualification | B.Sc. (Tech), P.G.D.M.(IIM-Ahmd) |
| Expertise in specific functional areas | Expertise in Business Management |
| Directorship in other Indian Public Companies and the membership of the committees of the Board. | Nil |
| Shareholding | Nil |
| Mode | Retire by Rotation and eligible for re-appointment |
| Name of the Director | Dr. Suresh Iyer |
| Age | 47 |
| Qualification | B.Tech |
| Expertise in specific functional areas | In chemical process and Marketing Expert |
| Directorship in other Indian Public Companies and the membership of the committees of the Board. | Nil |
| Shareholding | Nil |
| Mode | Retire by Rotation and eligible for re-appointment |
| Name of the Director | Mr. Dhawal Vora |
| Age | 41 |
| Qualification | B.Com,ICWA,ACS |
| Expertise in specific functional areas | Finance and corporate laws |
| Directorship in other Indian Public Companies and the membership of the committees of the Board. | Nil |
| Shareholding | Nil |
| Mode | Retire by Rotation and eligible for re-appointment |
| Name of the Director | Mr. Rahul Palkar |
| Age | 33 |
| Qualification | B.Sc., M.Sc. |
| Expertise in specific functional areas | In chemical process and Marketing Expert |
| Directorship in other Indian Public Companies and the membership of the committees of the Board. | Nil |
| Shareholding | 141377 Shares |
| Mode | RE-appointed as Executive Director |
| Name of the Director | Mr. Vijay Palkar |
| Age | 60 |
| Qualification | B.Sc.B.Tech |
| Expertise in specific functional areas | In chemical process and Marketing Expert |
| Directorship in other Indian Public Companies and the membership of the committees of the Board. | Nil |
| Shareholding | 16,11,142 Shares |
| Mode | Re-appointed as Managing Director |



| | |
|---|--|
| Name of the Director | Mr. Kirit Shah |
| Age | 65 |
| Qualification | B.com |
| Expertise in specific functional areas | In chemical process and Marketing Expert |
| Directorship in other Indian Public Companies and the membership of the committees of the Board. | Nil |
| Shareholding | 105747 Shares |
| Mode | Re-appointed as a Whole Time Director |

3. **Audit Committee**

3.1 **Composition:**

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 and clause 49 of the Listing Agreement the audit committee shall have minimum three directors as members. Two thirds of the members of audit committee shall be Independent Directors.

The said committee consists of 5 (Five) Members out of which 3 (Three Members are Independent Non-Executive Directors and 2 (Two) Executive Director and Managing Director respectively. The said committee was reconstituted on 12th November, 2012. The composition of the same as under:

1. CA. Vishwas V. Mehendale - Chairman & Independent Non Executive Director
2. Mr. Vijay Palkar – Member & Managing Director.
3. Mr. Raghavendra Ravi – Member & Independent Non Executive Director.
4. Mr. Dhawal Vora – Member & Independent Non-Executive Director.
5. Mr. Rahul Palkar - Member & Executive Promoter Director.

During the year there were in total 6(Six) Audit Committee Meetings were held on 14th May, 2012, 13th August, 2012, 10th November, 2012, 12th November, 2012, 20th November, 2012 and 9th February, 2013. The time gap between the two meetings was not more than 4 months.

The quorum as required under clause 49(II)(B) was maintained at all the Meeting.

THE ATTENDANCE AT THE AUDIT COMMITTEE MEETING WAS AS UNDER:

| Name of the Director | Category | Status | Number of Meetings | |
|--|------------------------------------|----------|--------------------|----------|
| | | | Held | Attended |
| CA. Vishwas V Mehendale | Independent Non Executive Director | Chairman | 6 | 6 |
| Mr. Raghavendra Ravi | Independent Non-Executive Director | Member | 6 | 5 |
| Dr. Suresh Iyer (upto 12 th November, 2012) | Independent Non Executive Director | Member | 6 | 1 |
| Mr. Nishikant Sule(upto 12 th November, 2012) | Independent Non Executive Director | Member | 6 | 3 |
| Mr. Dhawal Vora | Independent Non Executive Director | Member | 6 | 6 |
| Mr. Rahul Palkar | Executive Director | Member | 6 | 5 |
| Mr. Vijay Palkar (w.e.f.12 th November, 2012) | Managing Director | Member | 6 | 2 |

3.2 **Broad terms of reference of the Audit Committee are as per following:**

- Reviewing audit reports of both statutory and internal auditors with the management.
- Ensuring compliance with regulatory guidelines.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with management, performance of statutory and internal auditors.
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

In fulfilling the above role, the Audit committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. The draft minutes of the audit committee meetings are circulated among members before the same is confirmed and placed before the Board.

**4. Remuneration Committee**

The Managing Director and Executive Directors are drawing remuneration as per agreement/terms of appointment finalized with them. The Company did not have any remuneration policy as such.

Constitution of remuneration committee is a non-mandatory requirement of corporate governance report however the said committee is constituted by the Board consisting of Four Independent Non-Executive Directors.

Following is a composition of remuneration committee:

1. Mr. Raghavendra Ravi – Chairman and Independent Non Executive Director.
2. CA. Vishwas V. Mehendale - Member and Independent Non Executive Director
3. Dr. Suresh Iyer - Member and Independent Non Executive Director.
4. Mr. Dhawal Vora – Member and Independent Non-Executive Director.

During the year there were two Remuneration Committee Meetings was held on 20th November, 2012 and 9th February, 2013.

THE ATTENDANCE AT THE REMUNERATION COMMITTEE MEETING WAS AS UNDER:

| Director | No. of Committee meetings held | No. of Committee meetings attend. |
|---|--------------------------------|-----------------------------------|
| Mr. R. Ravi – Chairman and Independent Non Executive Director | 2 | 1 |
| Mr. V. V Mehendale – Member and Independent Non Executive Director | 2 | 2 |
| Dr. Suresh Iyer – Member and Independent Non Executive Director | 2 | 2 |
| Mr. Dhawal Vora - Member and Independent Non-Executive Director | 2 | 2 |

Disclosure on Remuneration of Directors

1. All element of remuneration package of individual directors summarized under major groups, such as salary benefits, bonuses, stock option, pension etc. – **The details are as mentioned below :**
2. Details of fixed component and performance linked incentives, along with the performance criteria - NIL
3. Service contracts, notice period, severance fees – NIL
4. Stock option details, if any – and whether issued at a discount as well as the period over which accrued and over which exercisable – NIL

The details of remuneration paid to Managing Director and Executive Directors for the year ended 31st March, 2013.
(Amount Rs. in Lacs)

| Sr. No. | Name | Designation | Salary | Commission | Perquisites | Retirement Benefits |
|---------|---------------------|------------------------|-----------|------------|-------------|---------------------|
| 1 | Mr. Vijay Palkar | Managing Director | 15,00,000 | Nil | Nil | Nil |
| 2 | Mr. Kirit Shah | Whole Time Director | 13,80,000 | Nil | Nil | Nil |
| 3 | Mrs. Bharati Palkar | Executive Director | 12,00,000 | Nil | Nil | Nil |
| 4 | Mr. Rahul Palkar | Executive Director | 18,00,000 | Nil | Nil | Nil |
| 5 | Mr. N.G. Mane | Executive Director | 905724 | Nil | Nil | Nil |
| 6 | Mr. C. L. Kadam | Executive Director | 407808 | Nil | Nil | Nil |
| 7 | Mr. Deepak Kanekar | Non Executive Director | NIL | 764198 | Nil | Nil |

Following is the list of Independent Non-Executive Directors and their Shareholdings in the Company and Sitting fees paid during the year:

| Sr. No. | Name of the Non-Executive Directors | Designation | Number of Equity Shares | Sitting fees | Non convertible Instruments |
|---------|-------------------------------------|------------------------------------|-------------------------|--------------|-----------------------------|
| 1. | Mr. R. Raghavendra Ravi | Independent Non-Executive Director | Nil | 51,000 | Nil |
| 2. | Mr. Dhawal Vora | Independent Non-Executive Director | Nil | 81,000 | Nil |
| 3 | Dr. Suresh Iyer | Independent Non-Executive Director | Nil | 30,000 | Nil |
| 4. | CA. Vishwas V. Mehendale | Independent Non-Executive Director | 1500 | 81,000 | Nil |
| 5. | Mr. Nishikant Sule | Independent Non-Executive Director | Nil | 56,000 | Nil |



5. Shareholders/Investors Grievance Committee

The Shareholder/Investors Grievance Committee has been formed. The committee looks into the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters.

The said committee was reconstituted on 12th November, 2012. The composition of the same is as under:

1. Mr. Suresh Iyer – Chairman and Independent Non Executive Director
2. Mr. N. G. Mane – Member and Independent Non Executive Director
3. Mr. Nishikant Sule – Member and Independent Non-Executive Director.
4. Mr. Deepak Kanekar – Member and Non Executive Director.
5. Mr. C. L. Kadam - Member and Executive Director.
6. Mrs. Bharati Palkar - Member and Executive Director

During the year there were in total 4 Shareholders/Investors Grievance Committee Meeting were held on 14th May, 2012, 13th August, 2012, 12th November, 2012, and 9th February, 2013.

THE ATTENDANCE AT THE SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE MEETING WAS AS UNDER:

| Director No. of Committee | No. of Committee meetings held | meetings attend. |
|--|--------------------------------|------------------|
| Mr. Suresh Iyer – Chairman and Independent Non Executive Director (w.e.f. 12 th November, 2012) | 4 | 2 |
| Mr. Raghavendra Ravi – Chairman and Independent Non Executive Director. (upto 12 th November, 2012) | 4 | 2 |
| Mr. V.V.Mehandale – Member and Independent Non-Executive Director (upto 12 th November, 2012) | 4 | 2 |
| Mr. Nishikant Sule – Member and Independent Non Executive Director | 4 | 4 |
| Mr. Dhawal Vora – Member and Independent Non Executive Director (upto 12 th November, 2012) | 4 | 2 |
| Mr. Rahul Palkar – Member and Executive Director (upto 12 th November, 2012) | 4 | 2 |
| Mr. Deepak Kanekar – Member and Non Executive Director. (w.e.f. 12 th November, 2012) | 4 | 2 |
| Mr. C. L. Kadam - Member and Executive Director. (w.e.f. 12 th November, 2012) | 4 | 2 |
| Mrs. Bharati Palkar - Member and Executive Director(w.e.f. 12 th November, 2012) | 4 | 2 |

The Name and address of Compliance officer is as per following:

Ms. Jyoti Thorve. – Compliance officer (upto 10th January, 2013)
 Add: B – 305 Nutanvishal Bldg,
 Opp. Rakesh Jewellers,
 Phadke Road,
 Mumbai – 421201.

Mr. Rahul Palkar – Compliance Officer (w.e.f. 9th February, 2013)
 Add: W-44, M.I.D.C. Phase II,
 Dombivli (East), Thane – 421 204

Details of investor complaints received and resolved during the year 2012-2013.

1. Number of Shareholders Complaints received : 21
2. Number of complaints resolved during the year : 21
3. Number not resolved to the satisfaction of shareholders: Nil
4. Number of pending complaints : Nil

OTHER SUB COMMITTEES OF THE BOARD OF DIRECTORS:

a. Administrative Committee:

During the year there were in total 10 (Ten) Administrative Committee Meetings were held on 9th April, 2012, 26th June, 2012, 4th August, 2012, 8th September, 2012, 1st October, 2012, 28th October, 2012, 8th November, 2012, 22nd November, 2012, 24th January, 2013 and 7th March, 2013.

Composition of Administrative Committee

| Name | Category | No. of Committee meetings held | No. of Committee meetings attend. |
|------------------|----------|--------------------------------|-----------------------------------|
| Mr. Vijay Palkar | Chairman | 10 | 10 |
| Mr. Rahul Palkar | Member | 10 | 10 |
| Mr. N. G. Mane | Member | 10 | 10 |

Broad terms of reference of the administrative Committee are as follows:

- a. To appoint dealers and execute agreements, with them.
- b. To Purchase land and premises and execute the concerned agreements.
- c. To finalize the proposal of taking accommodation on lease for the company and execution and revocation of such lease agreement.
- d. To fix the capital expenditure and placing of orders of capital items.
- e. To authorise to deal with Central /State Government or local bodies.
- f. To open new Bank Accounts and to authorise Directors/Executives/ any other authorised person to operate the same or to withdraw the authority granted.
- g. To close the existing Bank Accounts when not required.
- h. To oversee the operations and activities of the Organization to ensure it fulfils its desired aims and it is on the growth planned.
- i. To prepare the plans and strategy relating to sales, purchase, advertising etc. keeping in mind the purpose and object of the Organization.
- j. To review the performance of the Company in comparison to the plans and to find out the deviation if any, from the projections and to provide for remedial action.
- k. To make sure that the guidelines and framework are provided for everyone in the Organization to know where it is headed, what it aims to achieve, and how each job fits into the overall plan.
- l. To raise awareness and publicize the Organization, its aims, its services and its achievements.
- m. To Inform and involve consumers, members, funding bodies and policy makers about the Organization and its achievements.
- n. To authorise to represent Company before Registrar of Companies, Company Law Board or any other authority under the Companies Act, 1956 and other applicable laws, if any.
- o. To authorise to register Company with Bureau of Indian Standards, various Port Trusts, etc.
- p. To avail loan facility from banks and to revise payment schedule, if required.
- q. To authorise to provide personal or corporate guarantee.
- r. To authorise to comply with filing requirements under the Companies Act, 1956 and other applicable laws.

b. Preferential Issue Committee

The Board of Directors of the Company has constituted a Preferential Allotment Committee of Directors to manage the issue of convertible warrants into Equity Shares of the company on 31st January, 2009.

During the year there were in total 2 (Two) committee meetings were held on 9th February, 2013 and 26th March, 2013.

| Name | Category | No. of Committee meetings held | No. of Committee meetings attend. |
|------------------|----------|--------------------------------|-----------------------------------|
| Mr. Vijay Palkar | Chairman | 2 | 2 |
| Mr. Rahul Palkar | Member | 2 | 2 |
| Mr. N.G. Mane | Member | 2 | 2 |

Broad terms of reference of the Preferential Issue Committee are as follows:

1. To approve the Notice of Extra-Ordinary General Meeting (EGM).
2. To give authority to member(s) to sign and issue notice of EGM.
3. To make an application for obtaining In-principal approval.
4. To obtain the In-principal approval from the Bombay Stock Exchange.
5. To allot the preferential warrants to the concerned allottees.
6. To convert the preferential warrants into equity shares before the expiry of 18 months from the date of allotment.
7. To open new bank account for the purpose of preferential issue of warrants
8. To carry out the formalities for listing of securities allotted on preferential basis.
9. To give authority member(s) for the purpose of signing necessary documents in connection with preferential issue of convertible warrants
10. To carry out any other acts, deeds and activities which the committee feels necessary in relation to issue of preferential warrants.

c. Restructuring Committee for Scheme of Arrangement between the Company, Versatile Chemicals Ltd. and Palkar Commercial Pvt. Ltd.

The Board of Directors of the Company has constituted a Restructuring Committee of Directors to manage the Scheme of Arrangement between the Company, Versatile Chemicals Ltd. and Palkar Commercial Pvt. Ltd.

During the year there were in total 1 committee meeting was held on November 9, 2012.

Composition of Restructuring Committee



| Name | Category | No. of Committee meetings held | No. of Committee meetings attend. |
|---------------------|----------|--------------------------------|-----------------------------------|
| Mr. Vijay Palkar | Chairman | 1 | 1 |
| Mrs. Bharati Palkar | Member | 1 | 1 |
| Mr. N.G. Mane | Member | 1 | 1 |
| Mr. Suresh Iyer | Member | 1 | 1 |

Broad terms of reference of the Preferential Issue Committee are as follows:

- To file scheme of arrangement with the concerned authorities and Hon'ble High Court;
- To make application to the Hon'ble High Court of Bombay for directions for holding meetings of the shareholders/creditors of the Company;
- To make petitions for confirmation of the Hon'ble High Court of Bombay;
- To make such alterations and changes in the arrangement scheme as may be expedient or necessary for satisfying the requirements or conditions for compliance with the statutory requirements and procedures for the arrangement and /or as may be imposed by the hon'ble High Court of Bombay;
- To do all acts and things as may be considered necessary and expedient in relation thereto and for that purpose to engage any counsel, advisor, consultant or such other agency as may be required for the said matter on such terms and conditions as they may deem fit in the interest of the Company

General Body Meetings:

Details of last three Annual General Meetings are given below:

| Financial Year | Date | Time | Venue | Special Resolution(s) |
|----------------|------------|------------|--|--|
| 2009-10 | 27/09/2010 | 11.00 a.m | Indo Amines Limited, W/44, Phase II, MIDC, Dombivli (E), Thane-421204 | NIL |
| 2010-11 | 29/08/2011 | 11.00 a.m | C.K. P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali(East) | Commencement of business by the company as given in sub-clause 9B |
| 2011-12 | 20/12/2012 | 12.00 noon | C.K. P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali(East) | of Clause (c) of other object of the Memorandum of Association under section 149(2A) i. increase of authorised capital and amendment of Memorandum and articles of association of the company. ii. Amendment in Articles of Association. |

- At the Extra-Ordinary General Meeting held on 2nd May, 2011 the following special resolutions were passed
 - Issue of warrants u/s 81(1A) of the Companies Act, 1956 on preferential basis to promoter of the Company.
- At the Extra-Ordinary General Meeting held on 12th December, 2011 the following special resolutions were passed
 - To increase the Authorised Share Capital of the Company;
 - Subsequent to aforesaid increase in Authorised Share Capital of the Company amendment to Memorandum of Association of the Company;
 - Issue of warrants u/s 81(1A) of the Companies Act, 1956 on preferential basis to promoter of the Company.
- At the Extra-Ordinary General Meeting held on 15th September, 2012 the following special resolutions was passed
 - Issue of warrants u/s 81(1A) of the Companies Act, 1956 on preferential basis to promoter of the Company.

9. Disclosures :

Related Party Transaction: During the year under review, besides the transactions reported elsewhere, there were no other related party transactions of material nature with the promoters, Directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the company at large.

Disclosure of accounting Treatment: The Company follows accounting standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and/or by the institute of chartered accountants of India in the preparation of financial statements and has not adopted a treatment different from that prescribed in any accounting standard.

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

Code of Conduct: The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's website. All board members and senior management personnel have affirmed compliance with the code of conduct for the period under review.



CEO/CFO Certification: The Managing Director (CEO) and the Chief Finance Officer (CFO) have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March, 2013 which is annexed hereto.

As far as the non Near Karwa Hospital, Dombivali(East) mandatory requirements are concerned, the Board set up a remuneration committee to recommend appointment /re-appointment of Managing Director and whole Time Directors and to recommend/review remuneration of the Managing Director Whole Time Directors and non Executive Directors.

The Board hereby affirms that no personnel have been denied access to the audit committee.

9. Means of Communication:

- i. **Quarterly results :** The quarterly un-audited/audited results are submitted to all the Stock Exchanges immediately after the Board Meeting held for approval of the same
- ii **News papers wherein results normally published :** The quarterly results were published in any one of the prominent English publication such as Free Press Journal and one of the prominent vernacular publication as Navshakti Mumbai.
- iii **Any website, where displayed :** The aforesaid results and other corporate primary source of information viz. press releases, announcements, shareholding pattern and other corporate information are also displayed at the Company's website www.indoaminesltd.com

Pursuant to listing agreement with the stock exchange clause 47(I) has been inserted for a exclusive e-mail ID for redresses of investor grievances. Accordingly the company has created an exclusive ID investor@bigshareonline.com .

- iv **Whether It also displays official news releases and** Yes
- v **The presentation made to institutional investors or to the analysts :** No presentation was made during the year either Institutional Investors or to the analysts. Management discussion and Analysis Report is attached herewith forming part of the Annual Report.

10. General Shareholders Information

- i. **AGM: Date, time and venue :**
The 20th Annual General Meeting is scheduled to be held on Thursday the September 5, 2013 at 12.00 noon at At C.K.P. Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali (E), Dist. Thane - 421 201.
- ii. **The Financial year of the company is from April to March.**

The financial calendar is as per following.

| | |
|--|-------------------------------------|
| - quarter ending 30 th June, 2013 | On or before August 13, 2013 |
| - quarter ending 30 th Sept,2013 | On or before November 12, 2013 |
| - quarter ending 31 st December, 2013 | On or before February 14, 2014 |
| - quarter ending 31 st March, 2014 | On or before or before May 30, 2014 |

- iii. **Book closure dates are from Monday the August 5, 2013 to Thursday the August 8, 2013 (both days inclusive).**
- iv. **Dividend Payment Date:** On or after September 5, 2013 (within the statutory time limit of 30days) subject to shareholders approval.
- v. **Listing on Stock Exchanges:** The Company's shares are listed at The Bombay Stock Exchange Limited the Listing Fees for the year 2012-13 for Bombay Stock Exchange is paid.

The Company has obtained delisting order dt 30th April, 2013 the Calcutta Stock Exchange

- vi. **Stock Code—524648**
The Stock Exchange, Mumbai
Security in Physical Form No. BSE-
Scrip Name: Indo Amines Ltd. Stock code- 524648

National Security Depository Ltd.
ISIN: INE760F01010

Central Depository Services (India) Ltd
INE760F01010



vii. Market price data: (All figures in Indian Rupees)

| Months | Price | | |
|--------------|-------|-------|-------|
| | High | Low | Close |
| April-12 | 17.9 | 15.05 | 15.95 |
| May-12 | 18 | 14.2 | 16.25 |
| June-12 | 17.5 | 14.55 | 17.1 |
| July-12 | 17.7 | 13.55 | 15.65 |
| August-12 | 23 | 14.05 | 19.15 |
| September-12 | 24.5 | 18.2 | 23.55 |
| October-12 | 32.25 | 23.8 | 30.7 |
| November-12 | 31.75 | 28.7 | 29 |
| December-12 | 29.7 | 25.7 | 27.25 |
| January-13 | 32.75 | 25.05 | 31 |
| February-13 | 31.5 | 21.5 | 23.3 |
| March-13 | 24.95 | 20.25 | 20.9 |

(*The prices have been sourced from Bombay Stock Exchange Limited)

viii. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL

ix. Registrar and Transfer Agent.

BIGSHARE SERVICES PVT. LTD.

E/2, Ansa Industrial Estate, Sakivihar Road,

Sakinaka, Andheri (E),

Mumbai - 400 072.

Tel No. 022-28470652

Email Address: investor@bigshareonline.com

x. Share Transfer System.

The Share transfer of Securities in Physical form are registered, duly transferred and dispatched within fifteen days of the receipt, if the transfer documents are in order.

xi. Distribution of shareholding

| Share holding of | Nominal Value of | Total Holders | % of Total Holders | Total Holding | % of Total Capital |
|------------------|------------------|---------------|--------------------|---------------|--------------------|
| Rs. | Rs. | | | Rs. | |
| | Upto 5000 | 11,969 | 92.81% | 16169760 | 12.17% |
| 5,001 | 10,000 | 554 | 4.30% | 4488500 | 3.38% |
| 10,001 | 20,000 | 177 | 1.37% | 2688170 | 2.02% |
| 20,001 | 30,000 | 64 | 0.50% | 1632970 | 1.23% |
| 30,001 | 40,000 | 19 | 0.15% | 643180 | 0.48% |
| 40,001 | 50,000 | 14 | 0.11% | 649940 | 0.49% |
| 50,001 | 1,00,000 | 34 | 0.26% | 2422130 | 1.82% |
| | | 65 | 0.50% | 104139250 | 78.40% |
| | Total | 12,896 | 100.00% | 132,833,900 | 100.00% |

**xli. Dematerialization of shares and liquidity**

Your Directors are pleased to report that the Company is having connectivity from the Central Depository Services Limited (CDSL) and National Depository Services Limited (NDSL) to provide facilities to all members and investors to hold the Company's Shares in Dematerialized Form. Equity Shares of the Company may be held in Electronic Form

The company's shares were dematerialized w.e.f. from 17th October 2002 vide a Tripartite agreement executed between NSDL and the Company as on 31st March 2013, 28,74,965 Equity Shares were representing 21.64% were held in demat form in NSDL.

The company's shares were dematerialized w.e.f. from 21st December 2002 vide a Tripartite agreement executed between CDSL and the Company as on 31st March, 2013 54,22,565 Equity Shares representing 40.82% were held in Demat form in CDSL and the balance 49,85,860 Equity Shares representing 37.54% were in physical form

xlii. Outstanding GDR/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

The Company has issued 11,25,000 equity shares due to conversion of warrants out of 43,00,000 convertible warrants issued at a price of Rs.17 per warrant after complying with ICDR rules, 2001 of preferential allotments of securities.

As on date of this report 31,75,000 convertible warrants are outstanding other than this the Company has not issued ESOP or any GDRs/ADRs instruments.

xiv. Plant Locations

| | |
|----|---|
| 1. | W-35,38/39,D-158,W-162 Phase II, MIDC, Dombivli (E), Dist. Thane. |
| 2. | Survey No. 1723, Tundav, Taluka Savli, Baroda, Gujarat. |
| 3. | W/265, W/266A, TTC Indl Estate, Rabale, MIDC, Navi Mumbai - 400 701. |
| 4. | Plot No. D- 151,D-152, D-70, J-5 Additional Industrial Area, Avadhan, MIDC, Dhule - 424006. |

xv. Address for correspondence

Shareholders of the company can send correspondence at company's share and Transfer Agent's Office or the registered office of the company situated at following address

W-44, Phase II, MIDC,
Dombivli (E), Dist. Thane,
Pin - 421 203.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) Overview of the Economy :

CHEMICAL INDUSTRY – STRUCTURE & DEVELOPMENT

The Chemical Industry is critical for the economic development of any country, providing products and enabling technical solutions for virtually all sectors of the economy.

The global chemical industry is witnessing a gradual eastward shift. The industry is increasingly moving eastwards in line with the shift of its key consumer industries (e.g. automotive, electronics, etc.) to leverage greater manufacturing competitiveness of emerging Asian economies (especially India & China) and also to serve the increasing local demand. Substantial new capacities in the world are expected to come up in Asia and Europe. Operating profits in the sector have increased and many companies were able to push stronger cash flows down to the bottom line. However, the overall growth of the chemical sector was hampered by economic slowdown across US and Europe.

With Asia's growing contribution to the global chemical industry, India emerges as one of the focused destination for chemical companies worldwide. With the current size of approximately \$108 billion, the Indian chemical industry accounts for ~ 3% of the global chemical industry. Two distinct scenarios for the future emerge, based on how effectively the industry leverages its strengths and manages challenges. In the base case scenario, with current initiatives of Industry & Government, the Indian chemical industry can grow at 11% p.a. to reach size of \$224 billion by 2017. High end-use demand based on increasing per capita consumption, improved export competitiveness and resultant growth impact for each sub-sector of the chemical industry can also lead to an overall growth rate of over 15% p.a. and a size of \$290 billion by 2017 (~ 6% of global industry). This has a potential for further upside in the future considering India's increasing competitiveness in manufacturing.

The draft manufacturing policy recently approved by the Union Cabinet targets increasing the share of manufacturing in GDP to at least 25% by 2025 (from current 16%). These zones will enjoy fast track clearances from the Environment Ministry and State Pollution Boards, Special Policy Regimes, Tax Concessions and more favourable labour laws. Investments in manufacturing in the chemical sector are absolutely essential to ensure growth of the Indian chemical industry.

With rising concerns about climate change and depleting natural resources, focus on sustainability is another key trend impacting the global chemical industry. Chemical companies are increasingly working towards reducing energy intensity of their operations, minimizing effluent discharge, increasing the share of recyclable products in their portfolio and diversifying their raw material base to include bio-feedstock.

During last 6-8 months, the Indian Rupee had depreciated by over 22% vis-à-vis US Dollar. This has added to the competitive advantage of Indian Exporters while competing in global markets. Further the devaluation of Indian Rupee has also made imports dearer, thus the share of Indian manufactured goods in domestic consumption is expected to increase.

Your Company is a leading manufacturer of Speciality Chemicals with diversified end-uses into Agrochemicals, Pharmaceuticals, High Performance Polymers, Paints, Pigments, Printing Inks, Rubber Chemicals, Additives, Surfactants, Dyes, Flavours & Fragrances, Home & Personal Care applications, etc. Your Company makes continuous efforts to explore and innovate new products & processes in all segments. This diversified end-user base helps the Company to derisk itself from downturn in any individual business segment and also to capitalize on the growth opportunities in each of the end-user segments. Your Company had made substantial investments during last financial year into upgrading the ETP setup of the Company including setting up additional process to minimise the quantity and impurity profile of the effluents. With this efforts, the Company had upgraded two of its Manufacturing Units into Zero Discharge Unit and also has put in place various processes to control/limit generation of effluents and improve on the treatment of the same.

Performance Chemicals

Performance Chemicals are defined as a "group of relatively high value, low volume chemicals known for their end user applications or performance enhancing properties." In contrast to base or commodity chemicals, Performance Chemicals are recognized for what they do and not 'what they are'. Performance Chemicals provide the required solution to meet the customer application needs. It is a highly knowledge driven segment. The critical success factors for the Performance Chemicals segment include understanding of customer needs and product/ application development.

Agri-intermediates and Fertilizers

The Indian's crop protection chemicals market is growing with a rate of around 7.5% driven by steady export growth of crop protection chemicals from India at the cost of Chinese products. The country is the fourth leading producer of Agrochemicals after USA, Japan and China.

Increasing population, high emphasis on achieving food grain self sufficiency, limited farmland availability coupled with pressure to increase yield per hectare and growth in horticulture and floriculture are expected to increase the usage of agrochemicals across the world. India's exports of agrochemicals are steadily rising. Many foreign companies are tying up with local manufacturers to expand into this sector for domestic & global requirements.

The Indian Government has framed a new fertilizer policy under which the Government will not fix the producer's price for the new units, to encourage growth in the fertilizer sector. However, the Government has announced a nutrient based subsidy programme and more effective scheme for distribution of the subsidy, directly to the end users (farmers) is also under consideration.



The global chemical manufacturing sector grew by 11% in 2010 and it is expected to grow by 47% upto 2015. Basic chemicals is the largest segment of the global chemical manufacturing sector, accounting for 46.4% of the sector's total value. Asia Pacific accounts for 42.70% of the global basic chemicals manufacturing sector value. The global specialty chemicals market, grew by 7.60% in 2010 and it is forecasted to grow by 30.10% upto 2015. Fine chemicals is the largest segment of the global specialty chemicals market, accounting for 28.9% of the market's total value. Asia-Pacific accounts for 37.10% of the global specialty chemicals market value. Accordingly we expect that the overall growth for fine chemicals, specialty chemicals and basic chemicals will be in the range of 10% to 20% year on year basis.

B) Opportunities, Concerns & Outlook :

Your company is a manufacturer, developer and supplier of Fine chemicals, Oleo chemicals, Specialty chemicals, Performance Chemicals, Perfumery Chemicals and Active Pharmaceutical Ingredients. Major growth opportunities will come from China, far east and European countries like Germany, UK, Spain. Indo Amines knows the importance of its products' use in the production of intermediaries used in major industries like pharmaceuticals, Agro-chemicals, Petrochemicals, Fertilizer, Road construction chemicals and Pesticides industries. Some of the unusual industries include solvent and rubber processing industries. To contribute to all of this, our research team and technical team will stand still as a backbone of company's growth and will provide ample number of opportunities to enlarge company's market share.

Most of our raw materials prices are influenced by changing crude prices, exchange rates and volatile market conditions. Our major raw materials are subject to change in government policies, like government's Alcohol price policies and its dynamic use in a sugar industry. Other oil and petroleum based raw materials are subject to international price deviations in oil market. A major threat for the company is highly changing demand-supply conditions of the market.

C) Segment-Wise Performance

SEGMENT REPORTING - 2012-2013

(A) The Company has identified four major Geographical Segments as required by Accounting Standard - 17 'Segment Reporting' and on the basis of which the Company reports internally.

These segments are :

- 1) Dombivli Unit-Manufacturing of Chemicals like Organic Chemicals, & Speciality Chemicals.
- 2) Baroda Unit - Manufacturing of Chemicals like Fatty Amines, Quarternary Ammonium Compounds etc
- 3) Rabale Unit - Manufacturing of Bulk Drugs & Intermediates for pharmaceutical companies.
- 4) Dhule Unit - Manufacturing of Fatty Acids.

(B) SEGMENTWISE DETAILS (PRIMARY)

(Rs. In lacs)

| Particulars | Dombivli | Baroda | Rabale | Dhule | Consolidated |
|------------------------------|-------------|------------|------------|-----------|--------------|
| SEGMENT REVENUE | | | | | |
| Total Revenue | 11,076.57 | 6,802.99 | 2,610.59 | 1,679.69 | 22,169.85 |
| (Previous Year) | (11,034.63) | (6,343.52) | (3,019.06) | (1859.00) | (22,256.21) |
| Less : Inter Segment Revenue | 1,779.80 | 166.86 | 51.86 | 215.00 | 2,213.51 |
| (Previous Year) | (1,795.99) | (842.44) | (484.30) | - | (3,122.73) |
| Total Segment Revenue | 9,296.77 | 6,636.13 | 2,558.74 | 1,464.69 | 19,956.33 |
| SEGMENT RESULT | | | | | |
| Total Segment Results (PBT) | 134.26 | 439.61 | 324.16 | 46.65 | 944.68 |
| (Previous Year) | (194.40) | (330.12) | (71.87) | (94.57) | (201.96) |
| OTHER INFORMATION | | | | | |
| Fixed Asset (Net Block) | 1,530.20 | 418.17 | 161.77 | 458.02 | 2,568.16 |
| (Previous Year) | (1,174.12) | (519.01) | (141.08) | (398.96) | (2,233.17) |
| Net Current Assets | 715.50 | 1,112.87 | 964.58 | 1,101.96 | 3,894.91 |
| (Previous Year) | (187.76) | (577.38) | (545.85) | (97.77) | (1,408.76) |
| Depreciation | 161.72 | 44.02 | 22.34 | 46.83 | 274.92 |
| (Previous Year) | (191.04) | (78.15) | (31.49) | 41.33 | (342.01) |


(C) SEGMENTWISE DETAILS (SECONDARY)

| Particulars | Inside India | Outside India | | Consolidated |
|--------------------------|--------------|---------------|--|--------------|
| SEGMENT REVENUE | | | | |
| Total Revenue | 9,822.47 | 10133.87 | | 19956.34 |
| (Previous Year) | -9067.16 | -10,066.32 | | -19,133.48 |
| Total Segment Revenue | 9822.47 | 10133.87 | | 19956.34 |
| | (9,067.16) | (10,066.32) | | (19,133.48) |
| OTHER INFORMATION | | | | |
| Fixed Asset (Net Block) | 2568.16 | 0 | | 2568.16 |
| (Previous Year) | -2,233.17 | | | -2,233.17 |

D) Corporate Social Responsibility

As contribution towards community development to fulfill the Company's obligations towards the society, Company organizes many activities on regular basis including Blood Donation Camp, Eye checkup camp, etc. The Company has been donating to several educational institutions, trusts, in pariance to the objective of providing donation & note books distribution, Tree plantations, Scholarship, reward to SSC,HSC passed students.

The company is taking measurer complying safety / health / environment for the Safety of Employees & environment

C. a) Other Major Developments:

The products of the Company are exported mainly to developed countries like U.S.A. U.K, Canada, were there is lot of competition from international suppliers, mainly from China and other Eastern Countries. Hence the products are sometime sold at very thin margins and also the quality has to be in line with world standards.

The fluctuations of rupee will make the export market commercial unviable and make lead to more competition in the Local market eroding the margin on the local sales. Also cheap Chinese substitute are available in the Local and international market leading to further pressure on the sale price.

Most of raw materials of the Company are oil based and are witnessing a substantial increase in cost due to increase in oil prices at the International market. if the things continue further then most of margins will be completed eroded .

Also then in the coming years lot of capacities are going to added all over the world for our products leading to increase in supply and the demand may not be in comparison with the increase in supply.

b) Research & Development Activities :

Indo amines will be opening a R&D centre by the end of November 2013 which will be equipped with the latest sophisticated & analytical instruments. The company's will involve synthetic chemistry which will focus on innovative chemistry & Techonologist

D. Internal Control and Audit :
Internal Control:

The system and procedures of the Company are designed to ensure adequate internal controls to give true and accurate information to the Management. A firm of chartered accountants ensure adequacy of the internal controls, adherence to Company's policies and Accountants ensure statutory and other compliance through, periodical checks and internal audit.

Internal Audit :

The Company has appointed a firm of Chartered Accountants for Internal Audit and to ensure adequacy of the Internal controls, adherence to Company's policies and ensure statutory and other compliance through, periodical checks and internal audit. The internal auditors is having access to all information in the organization which is largely facilitated by ERP implementation across the organization. The reports have been submitted to Audit Committee comprising independent Directors who are experts in their field on periodical basis and their suggestion on the same implemented immediately.

E Human Resources and Industrial Relations :

Organizational Development is an ongoing process and efforts have been made for developing skills, nurturing and building leadership qualities, attracting and retaining talent. The Company enjoys co-ordial relation with its employees at all levels. Your Company has continues to ensure safety and health of its employees.

F Forward looking and Cautionary Statements :

Statements made in the Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include materials availability and their prices and domestic demand-supply conditions, changes in the Government regulations and tax policies, economic developments within India and other incidental and relevant factors.



CEO/CFO CERTIFICATION

To,
The Board of Directors,
INDO AMINES LIMITED.
W- 44, Phase II,
M. I. D. C., Dombivli (E.)
Dist. Thane.

We Vijay Palkar, Managing Director and Rahul Palkar Chief Financial Officer and Executive Director of the Company hereby certify that in respect of the financial year ended on March 31, 2013

- 1. We have reviewed the financial statement and the cash flow statements for the year and that to the best of our knowledge and belief:**
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.**
- 3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.**
- 4. We further certify that:**
 - a. Significant changes, if any, in internal control over financial reporting during the year;
 - b. Significant changes, if any, in accounting policies during the year.
 - c. Instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting

Vijay Palkar
Managing Director

Rahul Palkar
Chief Financial Officer

Date: May 25, 2013
Place: Dombivli.

**DECLARATION**

In accordance with Clause 49 sub clause I (D) of the Listing agreement with the stock exchange, I hereby confirm that, all the Directors and senior management personnel have affirmed compliance to their codes of Conduct, as applicable to them for the financial year ended 31st March, 2013.

FOR INDO AMINES LIMITED

Sd/-

VIJAY PALKAR

(Managing Director & CEO)

Date: May 25, 2013.

Place: Dombivli.

A REPORT ON CORPORATE GOVERNANCE BY COMPANY SECRETARY IN PRACTICE.

To,
The Shareholders
INDO AMINES LIMITED
W-44, Phase II,
M. I. D. C., Dombivli (E.)
Dist. Thane

We have reviewed the implementation of Corporate Governance produced by the company during the year ended 31st March, 2013 with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination is neither an audit nor an expression of opinion of the financial statements of the company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in the Clause 49 of the Listing Agreement with the Stock Exchanges, Except non compliance of clause 41II (A) (iv) of the listing agreement.

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

For HS Associates,
Company Secretaries

Sd/-

Hemant Shetye**Partner****Mumbai August 3, 2013**

FCS 2827
COP 1483



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDO AMINES LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of Indo Amines Ltd., which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk 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. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the 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 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in 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 appears from our examination of those books;
 - c. The Balance Sheet, 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, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the Directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Regn. No. - 105407W

Place: Mumbai
Date : 25th May, 2013

(P. M. Parulekar)
Partner
M.No. 36362



**INDO AMINES LIMITED
INDEPENDENT AUDITORS' REPORT**

- (Referred to in paragraph 1 under the heading of "Report On Other Legal and Regulatory Requirements" of our report of even date)
- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situations of the Fixed Assets.
(b) The fixed assets have been physically verified by the Management during the year. The discrepancies noticed on such verifications are not material and are properly dealt with.
(c) During the year, the company has not disposed off substantial part of its Fixed Assets.
 - (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) 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) In our opinion, the Company is maintaining proper records of Inventories and the discrepancies noticed on verification between the physical stocks and the book records were not material.
 - (iii) The Company has not taken loans from Companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956. The Company has not granted loans to Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
 - (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) According to the information and explanations given to us, the Company has entered into transactions for purchases / sales of goods & services with the parties mentioned in register maintained under section 301 of the Companies Act, 1956. However, as similar goods or services have not been sold or purchased to / from the unrelated parties, comparison of amount paid or charged in respect of such transactions with the prevailing market prices cannot be made.
 - (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
 - (vii) In our opinion, the company has an Internal Audit System commensurate with the size of the Company and nature of its business.
 - (viii) As informed to us, the Company is required to maintain cost records in pursuant to Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and according to information and explanation given to us, such accounts and records are made and maintained.
 - (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
(b) The following disputed sums have not been deposited with the Government:

| Sr. No. | Particulars | Amount | Forum Where dispute is pending | (Rs in Lacs) |
|---------|--|-------------|---|--------------|
| 1) | Form 'C' liability for F.Y.2002-03 (Flame) | 4,23,062 | DCST (Appeal) 3, Worli Div, Mazgaon. | |
| 2) | Remission of Excise due to Flood F.Y. 2005-06 (Penalty) | 2,82,341 | CESTAT, Mumbai | |
| 3) | Excise Duty on Freight Income, FY 2004-05 (Penalty) | 74,509/- | CESTAT, Mumbai (Stay granted on Penalty & Interest) | |
| 4) | Service Tax credit reversal on outward services, F.Y.2009-10 | 1,87,117/- | CESTAT, Mumbai (Stay granted on Penalty & Interest) | |
| 5) | Income Tax Scrutiny Order for AY 2010-11 | 85,43,310/- | CIT-(Appeal), 1, Thane. | |

- (x) The Company has no accumulated losses as on 31st March, 2013 and it has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
- (xii) We are informed that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were obtained.
- (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 no part of the funds raised on short term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of warrants to parties covered in the register maintained under section 301 of the Act. In our opinion, the price at which warrants have been issued is not prejudicial to the interest of the Company.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued debentures.
- (xx) During the year no money was raised by public issue.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Regn. No. - 105407W**

Place: Mumbai
Date : 25th May, 2013

(P. M. Parulekar)
Partner
M.No. 36362

INDO AMINES LIMITED
Balance Sheet as at 31st March, 2013

(Rs. In Lacs)

| Particulars | Note No. | 31-Mar-2013 Amount (Rs.) | 31-Mar-2012 Amount (Rs.) |
|--|----------|--------------------------|--------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) SHARE HOLDERS' FUNDS | | | |
| (a) Share Capital | 1 | 1328.34 | 1215.84 |
| (b) Reserves and Surplus | 2 | 2017.71 | 1465.37 |
| (2) Share Application Money pending Allotment | | 134.94 | |
| (3) NON-CURRENT LIABILITIES | | | |
| (a) Long-term borrowings | 3 | 924.44 | 806.69 |
| (b) Deferred Tax Liabilities(Net) | 4 | 4.85 | |
| (c) Other Long term liabilities | 5 | 202.18 | 223.30 |
| (4) CURRENT LIABILITIES | | | |
| (a) Short-term borrowings | 6 | 3053.72 | 3416.95 |
| (b) Trade payables | | 3901.10 | 2744.55 |
| (c) Other current liabilities | 7 | 550.31 | 784.03 |
| (d) Short-term provisions | 8 | 1197.46 | 873.97 |
| Total | | 13315.06 | 11530.68 |
| II.ASSETS | | | |
| (1) NON-CURRENT ASSETS | | | |
| (a) Fixed assets | 9 | | |
| (i) Tangible assets | | 2552.94 | 1944.94 |
| (ii) Intangible assets | | 15.23 | 18.63 |
| (iii) Capital work-in-progress | | 665.94 | 304.10 |
| (b) Non-current investments | 10 | 4.19 | 3.94 |
| (c) Deferred tax assets (net) | 11 | - | 30.83 |
| (d) Long term loans and advances | 12 | 2514.29 | 1759.27 |
| (e) Other non-current assets | 13 | 155.04 | 141.98 |
| (2)CURRENT ASSETS | | | |
| (a) Inventories | 14 | 2225.90 | 2437.88 |
| (b) Trade receivables | 15 | 4683.40 | 4473.15 |
| (c) Cash and Bank Balances | 16 | 399.58 | 354.88 |
| (d) Short-term loans and advances | 17 | 73.86 | 45.83 |
| (e) Other current assets | 18 | 24.69 | 15.25 |
| Total | | 13315.06 | 11530.68 |

As per our report of even date attached

For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Registration No. 105407W

For and on behalf of the Board
For Indo Amines Limited

P M Parulekar
Partner
Membership No. :036362

Vijay B Palkar
Managing Director

Kirit H Shah
Whole Time Director

Place : Mumbai
Date : 25th May, 2013

Rehul V Palkar
CFO & Director

Sagar Parab
Company Secretary



INDO AMINES LIMITED
Statement of Profit & Loss for the year ended 31st March, 2013

(Rs. In Lacs)

| Particulars | Note No. | 31-Mar-2013 Amount (Rs.) | 31-Mar-2012 Amount (Rs.) |
|--|------------|-----------------------------|-----------------------------|
| I. Revenue from operations | | | |
| Sales | 19 | 21319.33 | 19910.13 |
| (-) Excise Duty | | 1363.00 | 1362.17 |
| | | 19956.34 | 18547.96 |
| II. Other Income | 20 | 171.87 | 197.54 |
| III. Total Revenue (I +II) | | 20128.21 | 18745.50 |
| IV. Expenses: | | | |
| i) Cost of materials consumed | 21 | 14415.67 | 13870.98 |
| ii) Purchase of Stock in trade | | - | 84.27 |
| iii) Changes in inventories of finished goods, WIP & stock in trade | 22 | -87.22 | -210.53 |
| iv) Employees Benefit Expenses | 23 | 536.45 | 426.94 |
| v) Finance costs | 24 | 418.84 | 448.16 |
| vi) Depreciation and amortization expense | 25 | 274.92 | 342.01 |
| vi) Other expenses | 26 | 3624.87 | 3092.72 |
| IV. Total Expenses | | 19183.53 | 18054.54 |
| V. Profit before tax | (III - IV) | 944.68 | 690.96 |
| VI. Tax expense: | | | |
| Current Tax | | (280.00) | -260.00 |
| Deferred Tax | | (35.68) | -33.97 |
| Profit before Prior Period Items | | 628.99 | 396.99 |
| Prior Period Items | | - | -5.21 |
| VII. Profit for the period | (V - VII) | 628.99 | 391.78 |
| Earning Per Share before considering Prior Period Items | 34 | | |
| Basic | | 4.74 | 3.76 |
| Diluted | | 3.82 | 3.76 |
| Earning Per Share after considering Prior Period Items | | | |
| Basic | | 4.74 | 3.71 |
| Diluted | | 3.82 | 3.71 |

As per our report of even date attached

For KULKARNI & KHANOLKAR
 Chartered Accountants
 Firm Registration No. 105407W

For and on behalf of the Board
 For Indo Amines Limited

P M Parulekar
 Partner
 Membership No. :036362

Vijay B Palkar
 Managing Director

Kirit H Shah
 Whole Time Director

Place : Mumbai
 Date : 25th May, 2013

Rahul V Palkar
 CFO & Director

Sagar Parab
 Company Secretary



INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

(Rs. In Lacs)

| PARTICULARS | Current Year 31-Mar-2013 | Previous Year 31-Mar-2012 |
|---|-----------------------------|------------------------------|
| NOTE 1 - SHARE CAPITAL | | |
| Authorised : | | |
| 1,70,00,000 Equity Shares of Rs. 10/- Each (Prev year 1,23,00,000 Equity Shares of Rs.10/- each) | 1700.00 | 1230.00 |
| Total | 1700.00 | 1230.00 |
| Issued, Subscribed & Fully Paid Up: | | |
| 1,32,83,390 Equity Shares of Rs. 10/- Each (-P yr 1,21,58,390 Equity Shares of Rs.10/- each) | 1328.34 | 1215.84 |
| Total | 1328.34 | 1215.84 |

NOTE 1-A - RECONCILIATION OF NUMBER OF SHARES

| Particulars | 31-Mar-2013 | | 31-Mar-2012 | |
|--|-------------------|-----------------|-------------------|-----------------|
| | Equity Shares | | Equity Shares | |
| | Number | RS | Number | RS |
| Shares outstanding at the beginning of the year | 12158390 | 1,215.84 | 8811890 | 881.19 |
| Shares Issued during the year by Preferential Convertible Warrants (Refer Note no. 28) | 1125000 | 112.50 | 960000 | 96.00 |
| Shares to be issued in pursuance of scheme of arrangement with Versatile Chemicals Limited | | 0 | 2386500 | 238.65 |
| Shares bought back during the year | | | | |
| Shares outstanding at the end of the year | 13,283,390 | 1,328.34 | 12,158,390 | 1,215.84 |

NOTE 1-B - SHAREHOLDERS HOLDING MORE THAN 5 % SHARE CAPITAL

| Name of Shareholder | 31-Mar-2013 | | 31-Mar-2012 | |
|---|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| BHARATI V PALKAR | 1036312 | 7.80% | 690892 | 7.07 |
| UNIGROUP RESOURCES PVT LTD | 1034480 | 7.79% | 679480 | 6.96 |
| VIJAY B PALKAR | 1611142 | 12.13% | 569482 | 5.83 |
| TECHNO HOLDING PVT LTD | 1100990 | 8.29% | | |
| TECHNO SECURITES PVT LTD | 1465980 | 11.04% | | |
| PALKAR FINANCE & CONSULTANCY SERVICES PVT LTD | 1008480 | 7.59% | | |
| PALKAR COMMERCIALS PRIVATE LIMITED | 1017500 | 7.66% | 1017500 | 10.41 |

NOTE : 1 - C - Terms/Rights/Restrictions.

The company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share.

The company declares and pays dividend in Indian rupees. The dividend proposed by Board of directors, if any is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.


INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

| Particulars | (Rs. In Lacs) | |
|---|----------------|----------------|
| | 31-Mar-13 | 31-Mar-12 |
| Note 2 - RESERVES & SURPLUS | | |
| a. Capital Reserve | | |
| Opening Balance | | - |
| Add: Current Year Addition due to Merger with Versatile Chemicals Ltd | 19.77 | 40.76 |
| Less: Goodwill in books of Verstile Chemicals Ltd written off | - | 20.99 |
| Closing Balance | 19.77 | 19.77 |
| b. Securities Premium Account | | |
| Opening Balance | 157.65 | 28.25 |
| Add : Securities premium credited on issue of equity shares against convertible warrants.(Refer Note no. 28) | 78.75 | 129.40 |
| Closing Balance | 236.40 | 157.65 |
| c. General Reserve | | |
| Opening Balance | 280.00 | 200.00 |
| Add: Current Year Transfer | 100.00 | 80.00 |
| Closing Balance | 380.00 | 280.00 |
| D. Surplus, i.e. Balance in statement of Profit & Loss. | | |
| Opening balance | 1007.95 | 827.70 |
| Add: Net Profit For the current year | 628.99 | 391.78 |
| Less: Proposed Dividend | (132.83) | (121.58) |
| Less: Dividend Distribution Tax | (22.58) | (19.72) |
| Add: Short/Excess Provision W/Back | - | 9.79 |
| Less: Transfer to General Reserve | (100.00) | (80.00) |
| Closing Balance | 1381.54 | 1007.95 |
| Total | 2017.71 | 1465.37 |
| Note 3 - LONG TERM BORROWINGS | | |
| I. Secured | | |
| Term loans - From Others | | |
| (Term Loans are Secured by Equitable Mortgage of Plant & Machineries, Land & Building, Motor Vehicles and personal guarantee of some of Directors) Period and Amount of Default: - NIL | 427.07 | 438.95 |
| Total (I) | 427.07 | 438.95 |
| II. Unsecured | | |
| Term loans from Others Period and Amount of Default: - Nil | 497.37 | 367.74 |
| Total (II) | 497.37 | 367.74 |
| Total (I + II) | 924.44 | 806.69 |



INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|--|----------------|----------------|
| Note 4 - DEFERRED TAX LIABILITIES (NET) | | |
| Difference in WDV as per books and as per Income Tax Act, 1961 | 13.63 | - |
| Disallowances u/s 43B of the Income Tax Act, 1961. | -6.83 | - |
| Deferment of Amalgamation Expenses u/s 35DD of Income Tax Act, 1961 | -1.95 | - |
| | 4.85 | - |
| Note 5 - OTHER LONG TERM LIABILITIES | | |
| Payables on purchase of fixed Assets | 99.34 | 59.28 |
| Trade/Security Deposits received | 6.05 | 7.72 |
| Sales Tax deferred liability | 62.30 | 68.14 |
| Stamp Duty on Merger - Payable | 34.50 | 34.50 |
| Total | 202.18 | 169.64 |
| Note 6 - SHORT TERM BORROWINGS | | |
| I. Secured | | |
| Loans repayable on demand - From banks (Working Capital is secured by Hypothecation of Stock, Receivables and personal guarantee of some of Directors) Period and Amount of Default: - NIL | 3053.72 | 3416.95 |
| Total (I) | 3053.72 | 3416.95 |
| Note 7 - OTHER CURRENT LIABILITIES | | |
| (1) Current maturities of long-term debt | 338.30 | 408.60 |
| (2) Unpaid dividends | 19.85 | 11.41 |
| (3) Other | | |
| (a) Statutory Remittances | 23.99 | 134.19 |
| (b) Provision for Expenses | 142.40 | 63.21 |
| (c) Trade / Security Deposits Received | - | 2.38 |
| (d) Advances from Customers | 25.79 | 201.63 |
| (e) other payables | - | 16.27 |
| TOTAL | 550.31 | 837.69 |
| Note 8 - SHORT TERM PROVISIONS | | |
| (a) Provision for employee benefits Bonus Payable | 21.05 | 16.66 |
| (b) Others | | |
| Provision for Taxation | 1021.00 | 716.00 |
| Provision for Dividend | 132.83 | 121.58 |
| Provision for Dividend Distribution Tax | 22.58 | 19.72 |
| Total | 1197.46 | 873.97 |

NOTE 9 - Tangible Assets & Intangible Assets :-

| Sr No | Fixed Assets | Gross Block | | | | | | Accumulated Depreciation | | | | DEPREIATION | | Net Block | |
|-------|----------------------------|----------------------------|---------------|--|--------------------|----------------------------|----------------------------|--|---------------------------|-----------------------|----------------------------|----------------------------|----------------------------|-----------|--|
| | | Balance as at 1 April 2012 | Additions | Addition on account of Amalgamation with VCL | Sales/ Adjustments | Balance as at 31 Mar. 2013 | Balance as at 1 April 2012 | Addition on account of Amalgamation with VCL | Depreciation for the year | On sales/ Adjustments | Balance as at 31 Mar. 2013 | Balance as at 31 Mar. 2013 | Balance as at 31 Mar. 2012 | | |
| 1 | Land Freehold | 29.53 | 21.24 | - | 0.22 | 50.55 | 0.22 | - | - | 0.22 | - | 50.55 | 29.31 | | |
| 2 | Land Lease Hold | 434.22 | - | - | 8.35 | 425.88 | 1.28 | - | - | 1.28 | - | 425.88 | 432.94 | | |
| 3 | Buildings | 528.14 | 96.35 | - | - | 624.49 | 186.55 | 36.78 | - | - | 223.34 | 401.16 | 341.59 | | |
| 4 | Plant and Equipment | 2,942.02 | 615.19 | - | - | 3,557.21 | 1,974.19 | 170.78 | - | - | 2,144.98 | 1,412.22 | 967.83 | | |
| 5 | Electrical Installations | 110.74 | 10.53 | - | - | 121.27 | 65.09 | 14.54 | - | - | 79.63 | 41.64 | 45.65 | | |
| 6 | Furniture and Fixtures | 49.08 | 21.38 | - | - | 70.46 | 26.42 | 6.11 | - | - | 32.53 | 37.93 | 22.66 | | |
| 7 | Office Equipment | 43.14 | 12.11 | - | - | 55.24 | 21.79 | 5.13 | - | - | 26.92 | 28.32 | 21.34 | | |
| 8 | Vehicles | 148.58 | 91.50 | - | 8.73 | 231.35 | 92.10 | 20.43 | 6.95 | 105.58 | 125.77 | 125.77 | 56.48 | | |
| 9 | Computers | 62.33 | 14.58 | - | - | 76.91 | 50.63 | 6.05 | - | 56.69 | 20.22 | 20.22 | 11.70 | | |
| 10 | Cylinders | 139.69 | - | - | - | 139.69 | 124.25 | 6.17 | - | 130.42 | 9.26 | 9.26 | 15.44 | | |
| | Total (A) | 4,487.47 | 882.87 | - | 17.29 | 5,353.05 | 2,542.53 | 266.00 | 8.45 | 2,800.09 | 2,552.96 | 1,944.94 | | | |
| | Intangible Assets | | | | | | | | | | | | | | |
| | Goodwill | | | | | | | | | | | | | | |
| | Computer Software | 45.75 | 5.53 | - | - | 51.28 | 27.13 | 8.92 | - | 36.05 | 15.23 | 15.23 | 18.62 | | |
| | Total (B) | 45.75 | 5.53 | - | - | 51.28 | 27.13 | 8.92 | - | 36.05 | 15.23 | 15.23 | 18.62 | | |
| | Grand Total (A + B) | 4,533.22 | 888.41 | - | 17.29 | 5,404.33 | 2,569.66 | 274.92 | 8.45 | 2,836.14 | 2,568.19 | 1,963.55 | | | |
| | Previous Year | 3,205.67 | 583.23 | 766.45 | 32.12 | 4,533.23 | 1,896.26 | 342.01 | | 2,569.65 | 1,963.57 | | | | |



INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|---|----------------|----------------|
| Note 10 - NON-CURRENT INVESTMENTS | | |
| A Trade Investments | | |
| (a) Investment in Equity Instruments | | |
| (2 Equity shares of Indo Amines (Malaysia) Sdn Bhd being a subsidiary Company (Total paid up capital Rs.30/-) | 0.00 | 0.00 |
| (b) Investments in Equity instruments (Associates) | 0.04 | 0.04 |
| (Indo Amines (Europe) Ltd (25A type and 25 B type Equity Shares of face value 1 GBP each) | | |
| Total (A) | 0.04 | 0.04 |
| B Other Investments | | |
| (a) Investments in Equity Instruments of others | | |
| (7796 shares of Dombivli Nagari Sahakari Bank Ltd, FV Rs.50/- each) | 3.90 | 3.90 |
| (a) Investments in Equity instruments of others | | |
| (2500 shares of Saraswat coop bank ltd, FV Rs.10/- each) | 0.25 | - |
| Total (B) | 4.15 | 3.90 |
| Grand Total (A + B) | 4.19 | 3.94 |
| Total | 4.19 | 3.94 |
| Aggregate amount of quoted investments | | |
| Aggregate amount of unquoted investments | 4.19 | 3.94 |
| Total | 4.19 | 3.94 |
| Note 11 - DEFERRED TAX ASSETS | | |
| Difference in WDV as per books and as per Income Tax Act, 1961 | - | 22.83 |
| Disallowances u/s 43B of the Income Tax Act, 1961. | - | 5.41 |
| Deferment of Amalgamation Expenses u/s 35DD of Income Tax Act, 1961 | - | 2.60 |
| Total | - | 30.83 |
| Note 12 - LONG TERM LOAN AND ADVANCES | | |
| a. Capital Advances | 267.70 | 212.64 |
| b. Security Deposits | 79.72 | 66.67 |
| c. Prepaid Expenses | 6.46 | 6.77 |
| d. Advance Tax | 927.38 | 564.18 |
| e. Cenvat Credit Receivable | 763.93 | 602.12 |
| f. VAT Credit Receivable | 469.10 | 306.89 |
| Total | 2514.29 | 1759.27 |
| Note 13 - OTHER NON-CURRENT ASSETS | | |
| Trade Receivables | 155.04 | 1/1.98 |
| Total | 155.04 | 141.98 |
| Note 14 - INVENTORIES | | |
| a. Raw Materials | 585.20 | 599.44 |
| b. Work-in-progress | 1343.00 | 854.68 |
| c. Finished goods | 48.85 | 449.94 |
| d. Stores and spares, Packing Material and Fuel | 86.96 | 85.95 |
| e. Goods in Transit | 0.92 | 3.18 |
| f. Stock at Port | 160.98 | 444.69 |
| Total | 2225.90 | 2437.88 |


INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|--|-----------------|-----------------|
| Note 15 - TRADE RECEIVABLES | | |
| Trade receivables outstanding for a period upto six months from the date they are due for payment Unsecured, considered good | 4591.53 | 4112.05 |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good | 91.87 | 361.10 |
| Total | 4683.40 | 4473.15 |
| Note 16 - CASH AND BANK BALANCES | | |
| I. Cash and Cash equivalents | | |
| a) Cash on hand | | |
| b) Balances with Banks - Current Accounts | 4.35 | 5.87 |
| c) Balances with Banks - EEFC Accounts | 43.44 | 8.86 |
| II. Other Bank Balances :- | 0.36 | 29.11 |
| Unpaid Dividend Bank A/c | | |
| Margin Money | 20.01 | 11.51 |
| Other Earmarked accounts (Refer Note No. 28) | 175.23 | 139.84 |
| Total | 156.19 | 159.70 |
| | 399.58 | 354.88 |
| Note 17 - SHORT TERM LOANS AND ADVANCES (unsecured, considered good) | | |
| a) Loans and Advances to related parties | 53.59 | 16.38 |
| b) Advance to Employees | 20.26 | 29.44 |
| Total | 73.85 | 45.83 |
| Note 18 - OTHER CURRENT ASSETS | | |
| Duty Drawback Refund Receivable | 24.69 | 15.25 |
| Total | 24.69 | 15.25 |
| Note 19 - REVENUE FROM OPERATIONS | | |
| Sale of Products (Gross) | 23452.04 | 22984.01 |
| Other Operating Revenues | 80.80 | 48.85 |
| Gross Sales | 23532.84 | 23032.86 |
| Less : Inter Division Sales | 2213.51 | 3122.73 |
| Total | 21319.33 | 19910.13 |
| Note 19 - A - OTHER OPERATING REVENUES | | |
| a) Export Benefits - Duty Drawback | 54.15 | 48.13 |
| b) Processing Income | 26.65 | 2.72 |
| Total | 80.80 | 48.85 |



INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|---|-----------------|-----------------|
| Note 20 - OTHER INCOME | | |
| a) Other Non Operating Income | 4.89 | 10.75 |
| (b) Profit on Sale of Assets | 0.02 | 49.53 |
| c) Interest Received | 29.79 | 1.14 |
| d) Dividend Received | 1.33 | 1.19 |
| e) Exchange Gain/Loss | 113.12 | 94.47 |
| f) Sundry Balances Written back (net) | 17.35 | 22.66 |
| h) Excise Duty on Finished Goods | 5.37 | 17.81 |
| Total | 171.87 | 197.54 |
| Note 21 - COST OF RAW MATERIALS CONSUMED | | |
| Opening Stock | 599.45 | 592.63 |
| Add : Opening stock of Versatile Chemicals Ltd | - | 23.46 |
| Add : Purchases | 15341.36 | 15766.52 |
| | 15940.80 | 16382.61 |
| Less : Closing Stock | 585.20 | 599.45 |
| Total Raw Material Consumption | 15355.61 | 15783.16 |
| Add : Consumption of Packing Material & Fuel | 1273.58 | 1210.54 |
| Less: Inter co purchases | 2213.51 | 3122.73 |
| Total RM/PM/Fuel Consumption | 14415.67 | 13870.98 |
| Note 22 - CHANGES IN INVENTORIES | | |
| I) Finished goods | | |
| Opening Stock | 449.94 | 387.85 |
| Add : Opening stock of Versatile Chemicals Ltd | - | 1.25 |
| Less :Closing Stock | 48.85 | 449.94 |
| Total A | 401.09 | -60.84 |
| II) Work in Progress | | |
| Opening Stock | 854.68 | 681.10 |
| Add : Opening stock of Versatile Chemicals Ltd | - | 23.89 |
| Less: Closing Stock | 1343.00 | 854.68 |
| Total B | (488.32) | (149.69) |
| Grand Total (A+B) | -87.22 | -210.53 |


INDO AMINES LIMITED

Notes Annexed to and Forming parts of the Accounts as on 31st March 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|---|----------------|----------------|
| Note 23 - EMPLOYEES BENEFIT EXPENSES | | |
| i) Salaries & Wages | 478.68 | 386.16 |
| ii) Contribution to Provident & other Funds | 27.61 | 23.72 |
| iii) Staff Welfare Expenses | 30.16 | 17.06 |
| Total | 536.45 | 426.94 |
| Note 24 - FINANCE COSTS | | |
| i) Interest expense | 342.09 | 358.78 |
| ii) Bank Charges | 76.75 | 89.38 |
| Total | 418.84 | 448.16 |
| Note 25 - DEPRECIATION & AMORTISATION EXPENSES | | |
| i) Depreciation on Tangible Assets | 265.99 | 331.27 |
| ii) Amortisation of Intangible Assets | 8.92 | 10.74 |
| Total | 274.92 | 342.01 |
| Note 26 - OTHER EXPENSES | | |
| Consumption of stores and spare parts | 225.91 | 195.92 |
| Excise Duty on Finished Goods | 5.37 | 40.54 |
| Freight Inward | 265.69 | 227.49 |
| Import Expenses | 330.57 | 295.68 |
| Labour Charges / Service Charges | 378.54 | 266.77 |
| Power Charges | 419.99 | 357.72 |
| Water Charges | 23.85 | 26.83 |
| Repairs and maintenance - Factory Buildings | 17.66 | 12.72 |
| Repairs and maintenance - Machinery | 116.97 | 114.27 |
| Repairs and maintenance - Others | 37.85 | 43.37 |
| Commission on Purchases | 19.90 | 4.02 |
| Insurance Charges | 28.10 | 13.71 |
| Rates and taxes | 10.09 | 116.62 |
| Freight and forwarding (outward) Charges | 532.78 | 390.93 |
| Sales commission | 219.52 | 176.54 |
| Other Misc expenses | 992.07 | 809.59 |
| Total | 3624.87 | 3092.72 |

**Note 27 - SIGNIFICANT ACCOUNTING POLICIES**

- A. Basis of Accounting:** The financial statements are prepared under historical cost convention, in accordance with applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.
- B. Use of Estimates:**
The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the reasons are known/ materialized.
- C. Fixed Assets :**
- The cost of major civil works required for plant and machinery support is considered as plant and machinery.
 - Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.
- D. Depreciation:**
Depreciation on Fixed Assets is provided on Written Down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In case of plant & machinery depreciation is charged on the basis of triple shift rate as per Schedule XIV of the Companies Act, 1956.
- E. Inventories:** Inventories are stated at lower of cost and net realizable value. The cost of inventories are arrived at as follows: Raw Materials, Packing
- | | |
|---------------------|--|
| Material & fuel | : Valued on FIFO basis. |
| Semi Finished Goods | : At Raw Material Cost, Labour plus estimated overheads. |
| Finished Goods | : At Raw Material Cost, Labour plus estimated overheads. |
- F. Revenue Recognition:** Sale of products is recognized when the products are shipped from the factory / stock points to the customers. Sales include excise duty & sales tax. Revenue in respect of interest, commission, etc. is recognized only when it is reasonably certain that ultimate collection will be made.
- G. Excise Duty on Finished Goods:** Closing stock of finished goods includes excise duty accrued thereon. Similarly provision is made for Excise Duty payable in respect of finished goods lying in the factory premises as at year-end.
- H. Foreign exchange transactions (AS-11):**
Foreign exchange transactions are recorded on following basis :-
- In case of Import, on the basis of rate mentioned on Bill of Entry of Import.
 - In case of Export, on the basis of rates declared by Customs Department.
 - In case of Expenses, on the basis of rates prevailing on date of transaction.
- Exchange differences arising on settlement of items of Income/Expenditure are accounted for as exchange gain/loss as the case may be. The current assets/liabilities in foreign currency on the date of the balance sheet are translated at the prevailing rate on the balance sheet date and the exchange gain/loss arising from such translation is recognized in the Profit & Loss account.
- I. Employee benefits (AS-15):**
- Defined Contribution Plan – Contribution to Defined contribution plan namely employer's contribution to Provident fund & Pension Plan is charged to Profit and Loss Account Rs.20.09 lacs (Prev Year Rs. 17.23 lacs).
 - Defined Benefit Plan - The employees Gratuity Fund Scheme managed by Life Insurance Corporation of India is defined benefit Plan. The present value of obligation is determined by Life Insurance Corporation of India on actuarial valuation. The contribution of Rs.4.68 Lacs (Prev year Rs. 3.96 lacs) paid to Life Insurance Corporation of India is charged to Profit and Loss Account.
- J. Accounting for Taxes on Income :**
- Provision for current tax is made based on estimated taxable income for current financial year.
 - In accordance with Accounting Standard 22 – 'Accounting for Taxes on Income', the Company has recognized deferred tax arising out of timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates.
- K. Investments :**
- Trade Investments are valued at Cost.
 - Other Investments are valued at Cost or Market Value, whichever is less.

Note 28 : Preferential Convertible Warrants :

Pursuant to the approval dated 05/02/2013 of the Bombay Stock Exchange, as per terms of approval of shareholders of the company vide A.G.M held on 09/02/2013 and as per the applicable provisions including Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, the company had allotted 43,00,000 warrants on 09/02/2013 on preferential basis to entities in the promoter group. As per the terms of the said issue, the warrant



holders have a right to apply for equity shares of the company at a price of Rs 17/- each, within a period of 18 months from the date of allotment. During the year, the company has received Rs 3,26,18,750/- as under:

- 1) Rs 1,91,25,000/- against 11,25,000 warrants @ Rs 17/- each and
- 2) Rs 1,34,93,750/- against 33,75,000 warrants(application amount)

The company has allotted 11,25,000 equity shares of Rs 10/- each on 09/03/2013 against 11,25,000 warrants. Consequently, equity share capital of the company has increased by Rs 1,12,50,000/-, Share Premium Reserve has increased by Rs 78,75,000/- and the amount of Rs 1,34,93,750/- against 33,75,000 share warrants has been shown under "Share Application money pending allotment".

Note 29 : Notes on Micro Small or Medium Enterprises

In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under the Micro, Small and Medium Enterprises (Development) Act, 2006, the company is not able to identify such suppliers and the information required under the said Act could not be compiled and disclosed.

Note 30 : C I F Value of Imports.

| | <u>2012-2013</u> | <u>Rs. In Lacs</u> <u>2011-2012</u> |
|---------------------|------------------|--|
| Raw Materials (Rs.) | 4321.69 | 3,840.24 |

Note 31 : Expenditure in foreign currency

| | <u>2012-2013</u> | <u>Rs. In Lacs</u> <u>2011-2012</u> |
|------------------------|------------------|--|
| Commission on Sales | 181.30 | 150.06 |
| Business Promotion Exp | 55.20 | 47.17 |
| Travelling | 45.73 | 27.97 |
| | <u>282.23</u> | <u>225.20</u> |

Note 32 : Earning in Foreign Exchange

| | <u>2012-2013</u> | <u>Rs. In Lacs</u> <u>2011-2012</u> |
|----------------------------|------------------|--|
| FOB Value of Exports (Rs.) | 10133.87 | 10066.32 |

Note 33 : Auditors Remuneration :

| | <u>2012-2013</u> | <u>Rs. In Lacs</u> <u>2011-2012</u> |
|---------------------|------------------|--|
| Audit Fees | 2.70 | 2.70 |
| Tax Audit Fees | 0.70 | 0.66 |
| Out of Pocket Exp | 0.40 | 0.15 |
| Company Law matters | 0.22 | 0.16 |
| | <u>4.02</u> | <u>3.67</u> |

Note 34 : Earning Per Share (AS-20)

| | <u>2012-2013</u> | <u>Rs. In Lacs</u> <u>2011-2012</u> |
|---|------------------|--|
| Net Profit after Tax as per P&L A/c | 6,28,99,488 | 3,91,77,595 |
| Weighted Average no. of Equity Shares (Basic) | 1,32,83,390 | 1,14,64,527 |
| Weighted Average no. of Equity Shares (Diluted) | 1,64,58,390 | 1,14,64,527 |
| Earning Per Share (Basic) | 4.74 | 3.76 |
| Earning Per Share (Diluted) | 3.82 | 3.76 |
| (Face Value of Rs.10/- each) | | |

Note 34 : Percentage of Consumption of Raw Materials.
Rs. In Lacs

| Particulars | 2012-2013 | | 2011-2012 | |
|-------------------|--------------|--------|--------------|--------|
| | Value in Rs. | % | Value in Rs. | % |
| IMPORTED | 4319.95 | 28.13% | 3840.24 | 24.33% |
| INDIGENOUS | 11035.66 | 71.87% | 11942.92 | 65.67% |
| TOTAL CONSUMPTION | 15355.61 | 100% | 15783.16 | 100% |

Note 36 : Amount remitted in foreign currencies on account of Dividend

| | |
|---------|---------|
| 2012-13 | 2011-12 |
| NIL | NIL |



Note 37 : Contingent Liabilities:

- a) Contingent Liability in respect of Central Sales tax for the financial year 2005-2006 is amounting to Rs. 16.08 lacs (Prev Year Rs. 16.08 lacs)
- b) Contingent Liability in respect of penalty on remission of duty on loss due to flood during the Financial year 2005-06 is amounting to Rs. 2.82 lacs/- (Prev Year Rs. 2.82 lacs)
- c) Contingent Liability in respect of Penalty on non payment of excise Duty on Freight Income is Rs.0.75 lacs (Prev Year Rs.0.75 lacs)
- d) Contingent liability in respect of Income Tax Scrutiny Order for tax amount of Rs.85.43 lacs.(Prev year Rs.77.66)
- e) Bank Guarantee with IDBI is amounting to Rs 109.90 Lacs. (Previous year Rs. 70.52 Lacs)
- f) Letter of Credit with IDBI for Import Bills is amounting to Rs. 902.93 Lacs. (Previous Year Rs.432.70 Lacs)
- g) Letter of Credit with IDBI for Local Bills is amounting to Rs. 135.64 Lacs. (Previous Year Rs.392 lacs)

Note 38 : Raw Material Consumption Details.

| | Rs. In Lacs | |
|---------------------------|-----------------|-----------------|
| | 2012-13 | 2011-12 |
| Materials Consumed | | |
| Fatty Amines/Fatty Acids | 2672.29 | 3,880.08 |
| Consumable Gases | 542.39 | 407.31 |
| Organic Chemicals | 2492.13 | 2378.69 |
| Performance Chemicals | 9648.80 | 9117.08 |
| Total | 15355.61 | 15783.16 |

Note 39 : Manufactured Goods

Rs. In Lacs

| Sr | Product Name | Sales | Closing Stock | Opening Stock |
|----|------------------------------------|-------------------------------------|---------------|---------------|
| A | Fatty Amines | 3375.85 (3357.75) | 9.25 | 28.51 |
| B | Organic Chemicals | 1603.59 (2063.66) | 0.00 | 192.37 |
| C | Performance Chemicals | 3857.08 (4285.40) | 19.42 | 41.56 |
| D | Quaternary Ammonium Compound | 387.79 (242.77) | 9.44 | 18.65 |
| E | Short Chain Amine | 1110.59 (1249.55) | 0.00 | 14.71 |
| F | Speciality Chemicals | 6999.87 (5731.61) | 0.00 | 67.30 |
| G | Bulk Drugs | 2571.44 (2478.13) | 3.17 | 32.83 |
| H | TC | 28.06 (40.39) | 0.00 | 2.67 |
| I | Others & RM Cleared | 585.33 (366.28) | 0.004 | 0.79 |
| J | Fatty Acides | 1659.60 (1714.30) | 2.19 | 9.99 |
| | Rate Diff/DN/CN/Rejections | -9.36 (-15.22) | | |
| | | 22058.49 | 43.48 | 409.40 |
| | Less:Interbranch Transaction | (21,514.62) 2213.51 (3122.73) | | |
| | Add:Excise Duty Collected on Sales | 1363.00 (1362.17) | | |
| | Add:VAT/CST on Sales | 489.47 (440.35) | | |
| | Add:Excise Duty on F.G. | | 5.37 | 40.54 |
| | As per Books | 21319.33 | 48.85 | 449.94 |
| | | (20194.41) | | |

The product wise details of Semi Finished Goods (i.e work in progress) cannot be ascertained.



Note 40 : Related Party Statement – AS 18 :

| A) Name of the related parties | Nature of relationship |
|---|------------------------|
| 1 Palkar Commercials Pvt. Ltd. | |
| 2 Techno Holdings (I) Pvt. Ltd. | |
| 3 Techno Securities (I) Pvt. Ltd. | |
| 4 Palkar Finance & Consultancy Services Pvt. Ltd. | |
| 5 Marvel Indenting Pvt. Ltd. | |
| 6 Mecham Engineers | Associates |
| 7 Universal Distributor | |
| 8 Pure Organics Industries Pvt Ltd. | |
| 9 Unigroup Resources Pvt Ltd. | |
| 10 Indo Amines (Europe) Ltd. | |

Directors & Relatives

| | |
|----------------------|--------------------------|
| Dr Deepak Kanekar | Chairman |
| Mr Vijay B Palkar | Managing Director |
| Mr Kirit H Shah | Whole Time Director |
| Mr Rahul V Palkar | CFO & Executive Director |
| Mrs Bharati V Palkar | Executive Director |
| Mr N G Mane | Executive Director |
| Mr C L Kadam | Executive Director |
| Mr Raghavendra Ravi | Independent Director |
| Mr Dhaval Vora | Independent Director |
| CA Vishwas Mehendale | Independent Director |
| Mr Nishikant Sule | Independent Director |
| Mr Suresh Iyer | Independent Director |

B) Nature of Transactions with Related Parties during the year:

| Nature of Transactions | Associates | Directors | Re. In Lacs Prev. Year |
|--|------------|-----------|---------------------------|
| Sales Income | 6.48 | - | 1.79 |
| Commission to Directors | | | 11.75 |
| Office Rent | 1.60 | - | 1.65 |
| Purchase | 0.00 | - | 0.00 |
| Processing Charges | 0.00 | - | 0.00 |
| Directors Remuneration | - | 77.32 | 63.28 |
| Directors Sitting Fees | - | 2.99 | 0.90 |
| Commission on Sales | 118.97 | - | 89.28 |
| Loan Given | | | 14.75 |
| Advances Received | | | 16.27 |
| <u>Outstanding as at year end 31/03/2013</u> | | | |
| Net Receivables | | | 14.75 |
| Net Payables | | | 69.58 |

Note 41 : Segment Report.

SEGMENT REPORTING - 2012-2013

(A) The Company has identified four major Geographical Segments as required by Accounting Standard - 17 'Segment Reporting' and on the basis of which the Company reports internally.

These segments are:

- 1) Dombivli Unit - Manufacturing of Chemicals like Organic Chemicals, & Speciality Chemicals.
- 2) Baroda Unit - Manufacturing of Chemicals like Fatty Amines, Quarternary Ammonium Compounds etc.
- 3) Rabale Unit - Manufacturing of Bulk Drugs & Intermediates for pharmaceutical companies.
- 4) Dhule Unit - Manufacturing of Fatty Acids.

(B) SEGMENTWISE DETAILS (PRIMARY)

| Particulars | Dombivli | Baroda | Rabale | Dhule | Consolidated |
|------------------------------|------------|-----------|-----------|----------|--------------|
| SEGMENT REVENUE | | | | | |
| Total Revenue | 11076.57 | 6602.99 | 2610.59 | 1679.69 | 22169.85 |
| (Previous Year) | (11034.63) | (6343.52) | (3019.06) | 1859.00 | (22,256.21) |
| Less : Inter Segment Revenue | 1779.80 | 166.86 | 51.86 | 215 | 2213.57 |
| (Previous Year) | (1,795.99) | (842.44) | (484.30) | 0.00 | (3,122.73) |
| Total Segment Revenue | 9296.77 | 6636.13 | 2558.74 | 1464.69 | 19956.33 |
| SEGMENT RESULT | | | | | |
| Total Segment Results (PBT) | 134.26 | 439.61 | 324.16 | 46.65 | 944.68 |
| (Previous Year) | (184.40) | (330.12) | (71.87) | (94.57) | (680.96) |
| OTHER INFORMATION | | | | | |
| Fixed Asset (Net Block) | 1530.20 | 418.17 | 161.77 | 458.02 | 2568.16 |
| (Previous Year) | (1,174.12) | (519.01) | (141.08) | (398.96) | (2,233.17) |
| Net Current Assets | 715.50 | 1112.87 | 964.58 | 1101.96 | 3894.91 |
| (Previous Year) | (187.76) | (577.38) | (545.85) | (97.77) | (1408.76) |
| Depreciation | 161.72 | 44.02 | 22.34 | 46.83 | 274.92 |
| (Previous Year) | (191.04) | (78.15) | (31.49) | 41.33 | (342.01) |

(C) SEGMENTWISE DETAILS (SECONDARY)

(Rs. in lacs)

| Particulars | Inside India | Outside India | | | Consolidated |
|--------------------------|--------------|---------------|--|--|--------------|
| SEGMENT REVENUE | | | | | |
| Total Revenue | 9822.47 | 10133.87 | | | 19956.34 |
| (Previous Year) | (9067.16) | (10,066.32) | | | (19,133.48) |
| Total Segment Revenue | 9822.47 | 10133.87 | | | 19956.34 |
| | (9067.16) | (10066.32) | | | (19133.48) |
| OTHER INFORMATION | | | | | |
| Fixed Asset (Net Block) | 2568.16 | 0 | | | 2568.16 |
| (Previous Year) | (2,233.17) | | | | (2,233.17) |


Note 42 : Cash Flow Statement
Cash Flow Statement for the year ended 31st March, 2013

| Particulars for the year ended | 31-Mar-2013 | | 31-Mar-2012 | |
|---|-----------------|-------------------|-----------------|-------------------|
| | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) |
| Cash Flow from Operations | | | | |
| Profit / (loss) before taxation | | 944.68 | | 690.96 |
| Adjusted for | | | | |
| Depreciation | 274.90 | | 342.01 | |
| Profit on sale of assets | 0.02 | | (49.53) | |
| Interest and Finance Charges | 418.84 | | 448.16 | |
| Bank Interest Received | 29.79 | | (1.14) | |
| undry bal w/off | 25.10 | | | |
| | | 748.64 | | 739.51 |
| Operating Profit / (loss) before | | | | |
| Working Capital Changes | 1,893.32 | | 1,430.47 | |
| Trade and Other Receivables | (210.25) | | (1,392.29) | |
| Inventories | 211.98 | | (584.07) | |
| Trade Payables | 1,158.55 | | 639.37 | |
| Other Liabilities | (242.39) | | 608.45 | |
| Provision for Taxation | | | (293.97) | |
| Provision for Dividend and Div Distribution Tax | | | (141.31) | |
| Loans and Advances | (792.49) | | (594.43) | |
| Net Cash from Operations (A) | | (124.40) | | (1,758.25) |
| | | 1816.72 | | (327.78) |
| Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | (1249.80) | | (1,018.33) | |
| Capital ----- | (361.84) | | | |
| Sale of Fixed Assets | 1.80 | | 60.00 | |
| Purchase of Investment | (0.25) | | (1.65) | |
| Interest Received from Bank | (29.79) | | 1.14 | |
| Net Cash used in Investing activity (B) | | (1,278.49) | | (958.84) |
| Cash Flow from Financing Activities | | | | |
| Share Capital Increase | 112.50 | | 96.00 | |
| Warrants Application Money | 134.94 | | - | |
| Share Premium received | 78.75 | | 129.40 | |
| Finance received from Bank | (245.48) | | 1,632.26 | |
| Finance from Unsecured Loans | | | 60.01 | |
| Interest and Finance Charges | (418.84) | | (448.16) | |
| Dividend and DDT paid | (155.41) | | (19.52) | |
| Cash Flow from Financing Activity (C) | | (493.54) | | 1,449.99 |
| Net increase in Cash and Cash Equivalents (A+B+C) | 0 | 44.70 | | 163.36 |
| Opening Balance of Cash and Cash Equivalents | | 354.88 | | 191.52 |
| Closing Balance of Cash and Cash Equivalents | 0 | 399.58 | | 354.88 |

Note 43 : Previous years figures are regrouped/rearranged wherever necessary, to confirm to the layout of accounts of current year.

For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Registration No. 105407W

For and on behalf of the Board
For Indo Amines Limited

P M Parulekar
Partner
Membership No. :036362

Vijay B Palkar
Managing Director

Kirit H Shah
Whole Time Director

Place : Mumbai
Date :

Rahul V Palkar
CFO & Director

Sagar Parab
Company Secretary



INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Amines Ltd.,

We have audited the accompanying consolidated financial statements of Indo Amines Ltd., and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and 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 Company in accordance with accounting principles generally accepted in India. This Responsibility includes the design, implementation and maintenance of internal Control relevant to the preparation and presentation of the consolidated financial

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 Company's preparation and Presentation of the consolidated financial statements that give a true and fair View in order to design audit procedures that are appropriate in the Circumstances. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the Explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Regn. No. - 105407W

Place: Mumbai
Date : 25th May, 2013

(P. M. Parulekar)
Partner
Membership No. 38362



INDO AMINES LIMITED
 Consolidated Balance Sheet as at 31st March, 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|------------------------------------|------------------|------------------|
| I. EQUITY AND LIABILITIES | | |
| (1) SHARE HOLDERS' FUNDS | | |
| (a) Share Capital | 1,328.34 | 1,215.84 |
| (b) Reserves and Surplus | 2,064.12 | 1,490.33 |
| (2) Share Application Money | 134.94 | |
| (3) NON-CURRENT LIABILITIES | | |
| (a) Long-term borrowings | 924.44 | 806.69 |
| (b) Deferred Tax Liabilities (Net) | 4.85 | |
| (b) Other Long term liabilities | 202.18 | 223.30 |
| (4) CURRENT LIABILITIES | | |
| (a) Short-term borrowings | 3,035.72 | 3,416.95 |
| (b) Trade payables | 4,009.70 | 2,744.55 |
| (c) Other current liabilities | 550.31 | 784.03 |
| (d) Short-term provisions | 1,197.46 | 873.97 |
| Total | 13,470.07 | 11,555.65 |
| II. ASSETS | | |
| (1) NON-CURRENT ASSETS | | |
| (a) Fixed assets | | |
| (i) Tangible assets | 2,641.10 | 1,944.94 |
| (ii) Intangible assets | 15.23 | 18.63 |
| (iii) Capital work-in-progress | 865.94 | 304.10 |
| (b) Non-current investments | 40.10 | 28.90 |
| (c) Deferred tax assets (net) | - | 30.83 |
| (d) Long term loans and advances | 2,514.29 | 1,759.27 |
| (e) Other non-current assets | 155.04 | 141.98 |
| (2) CURRENT ASSETS | | |
| (a) Inventories | 2,225.90 | 2,437.88 |
| (b) Trade receivables | 4,683.40 | 4,473.15 |
| (c) Cash and Bank Balances | 430.53 | 354.88 |
| (d) Short-term loans and advances | 73.86 | 45.83 |
| (e) Other current assets | 24.69 | 15.25 |
| Total | 13,470.07 | 11,555.65 |

As per our report of even date attached

For KULKARNI & KHANOLKAR
 Chartered Accountants
 Firm Registration No. 105407W

For and on behalf of the Board
 For Indo Amines Limited

P M Parulekar
 Partner
 Membership No. :036362

Vijay B Paikar
 Managing Director

Kirit H Shah
 Whole Time Director

Place : Mumbai
 Date : 25th May, 2013

Rahul V Paikar
 CFO & Director

Sagar Parab
 Company Secretary



INDO AMINES LIMITED

Statement of Consolidated Profit & Loss for the year ended 31 March 2013

(Rs. In Lacs)

| Particulars | 31-Mar-13 | 31-Mar-12 |
|--|------------------|------------------|
| I. Revenue from operations | | |
| Sales | 21,346.97 | 20,495.65 |
| (-) Excise Duty | 1,363.00 | 1,362.17 |
| | 19,983.97 | 19,133.48 |
| II. Other Income | 222.88 | 245.17 |
| III. Total Revenue (I +II) | 20,206.85 | 19,378.65 |
| IV. Expenses: | | |
| i) Cost of materials consumed | 14,415.67 | 13,870.98 |
| ii) Purchase of Stock In trade | | 84.27 |
| iii) Changes In Inventories of finished goods, WIP & stock in trade | (87.22) | (210.53) |
| iv) Employees Benefit Expenses | 536.45 | 426.94 |
| vi) Finance costs | 419.54 | 448.16 |
| vii) Depreciation and amortization expense | 274.92 | 342.01 |
| vi) Other expenses | 3,672.71 | 3,712.43 |
| IV. Total Expenses | 19,232.08 | 18,674.24 |
| V. Profit before tax (III-IV) | 974.77 | 704.41 |
| VI. Tax expense: | | |
| Current Tax | (271.82) | (262.67) |
| Deferred Tax | (35.68) | (33.97) |
| Profit before Prior Period Items | 667.27 | 407.77 |
| Prior Period Items | | (5.21) |
| VII. Profit for the period (V-VII) | 667.27 | 402.56 |
| Earning Per Share before considering Prior Period Items | | |
| Basic | 5.02 | 3.85 |
| Diluted | 4.05 | 3.85 |
| Earning Per Share after considering Prior Period Items | | |
| Basic | 5.02 | 3.81 |
| Diluted | 4.05 | 3.81 |

As per our report of even date attached

For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Registration No. 105407W

P M Parulekar
Partner
Membership No. :036362

Place : Mumbai
Date : 25th May, 2013

For and on behalf of the Board
For Indo Amines Limited

Vijay B Palkar
Managing Director

Rahul V Palkar
CFO & Director

Kirit H Shah
Whole Time Director

Sagar Parab
Company Secretary


AUDITORS REPORT

We have audited the attached consolidated cash flow statement of INDO AMINES LIMITED derived from the audited financial statements, books and records maintained by the Company for the year ended 31st March, 2013 and found the same in agreement therewith.

Cash Flow Statement for the year ended 31st March, 2013

| Particulars for the year ended | 31-Mar-2013 | | 31-Mar-2012 | |
|--|---------------|---------------|---------------|---------------|
| | (Rs. In Lacs) | (Rs. In Lacs) | (Rs. In Lacs) | (Rs. In Lacs) |
| Cash Flow from Operations | | | | |
| Profit / (loss) before taxation | | 974.77 | | 690.96 |
| Adjusted for | | | | |
| Depreciation | 274.90 | | 342.01 | |
| Profit on sale of assets | 0.02 | | (49.53) | |
| Interest and Finance Charges | 419.55 | | 448.16 | |
| Bank Interest Received | 29.79 | | (1.14) | |
| sundry bal w/off | 25.10 | 748.35 | | 739.51 |
| Operating Profit /(loss) before Working Capital Changes | | | | |
| Trade and Other Receivables | 754.93 | 1,724.12 | | 1,430.47 |
| Inventories | (210.25) | | (1,392.29) | |
| Trade Payables | 211.98 | | (584.07) | |
| Other Liabilities | 1,196.86 | | 639.37 | |
| Provision for Taxation | (29.71) | | 608.45 | |
| Provision for Dividend and Div Distribution Tax | | | (293.97) | |
| Loans and Advances | | | (141.31) | |
| Net Cash from Operations (A) | (792.49) | (223.37) | (594.43) | (1,758.25) |
| | | 1,947.50 | | (327.78) |
| Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | (976.57) | | (1,018.33) | |
| Sale of Fixed Assets | 8.45 | | 60.00 | |
| Purchase of Investment | (11.25) | | (12.43) | |
| Interest Received from Bank | (29.79) | | 1.14 | |
| Net Cash used in Investing activity (B) | | (1,287.96) | | (969.62) |
| Cash Flow from Financing Activities | | | | |
| Share Capital Increase | 112.50 | | 96.00 | |
| Warrants Application Money | 134.94 | | - | |
| Share Premium received | 78.75 | | 129.40 | |
| Finance received from Bank | (245.48) | | 1,632.26 | |
| Finance from Unsecured Loans | | | 60.01 | |
| Interest and Finance Charges | (419.55) | | (448.16) | |
| Dividend and DDT paid | (155.41) | | (19.52) | |
| Cash Flow from Financing Activity (C) | | (494.25) | | 1,449.99 |
| Net increase in Cash and Cash Equivalents (A+B+C) | | 75.65 | | 163.36 |
| Opening Balance of Cash and Cash Equivalents | | 354.88 | | 191.52 |
| Closing Balance of Cash and Cash Equivalents | | 430.53 | | 354.88 |

For KULKARNI & KHANOLKAR
Chartered Accountants
Firm Registration No. 105407W

For and on behalf of the Board
For Indo Amines Limited

P M Parulekar
Partner
Membership No. :036362

Vijay B Palkar
Managing Director

Kirit H Shah
Whole Time Director

Place : Mumbai
Date :

Rahul V Palkar
CFO & Director

Sagar Parab
Company Secretary

KEPT BLANK



INDO AMINES LIMITED

W-44, PHASE II, MIDC, DOMBIVLI (E), DIST. THANE.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 20th Annual General Meeting of the Company at Registered Office of the Company on Thursday the 5th September 2013 at AT C.K.P HALL, RAM GANESH GADKARI PATH, NEAR KARWA HOSPITAL, DOMBIVALI (EAST), THANE - 421 201.

Name of the Shareholder

Signature

Folio No. _____

(Full name of Proxy)

Note : No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

INDO AMINES LIMITED

W-44, PHASE II, MIDC, DOMBIVLI (E), DIST. THANE.

PROXY FORM

I/We.....of.....
..... in the district of being a member/members
of the above named Company hereby appoint of In the district
of..... or failing him of
..... In the district of as
my / our proxy to vote for me/us on my our behalf at the **20th ANNUAL GENERAL MEETING** of the Company to be held at
C.K.P. Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivall(E), Dist. Thane - 421 201, on 20, On Thursday
the,
and at any adjournment thereof.

Signed this..... day of, 2013.

Reg. Folio No.....

No. of Shares



Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

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History & Achievements

- 1994 - Techno Chemical Industries went Public to emerge as Indo Amines Ltd which had two Manufacturing Sites focusing on Fine & Speciality Chemicals to become one of India's Leading Manufacturer in its kind in India.
- 1995 - Started Baroda factory
- 1997 - Divided the two units into two Business Divisions
- 2000 - Started exporting to 29 countries around the Global.
- 2001 - Focus on Exports with the expanding market & opportunities, were we could foresee our growth.
- 2003 - Research & Development took a major lead role, continuous efforts were being made to bring it Products as per Internationally recognized Quality standards.
- 2004 - Started Performance Chemicals Division
- 2005 - Indo Amines Ltd was awarded with ISO 9001 - 2000 certification from TUV that has given it and its products global acceptance.
- 2006 - Acquired Flame Pharmaceuticals & Sheeraj Chemicals
- 2007 - Started Bulk Drugs & Intermediates Business Division
- 2009 - Received First Award for outstanding export performance in Inorganic & Organic chemicals for the financial year 2006-07.
- 2010 - Setting up of marketing base in Europe & South East Asia
- 2011 - Crossed ₹ 150 Crore turnover mark.
- 2012 - Merger / Amalgamation with M/s. Versatile Chemicals Ltd. (Manufacturing Division)
- 2013 - New R&D Centre is Proposed to Construct.

In Future.....Our Passion.....Passion for Growth....



**INDO
AMINES
LIMITED**



Registered Office :

W-44 M.I.D.C. Phase II, Manpada Road, Dombivli (E),

Dist. Thane-421 203, Maharashtra, INDIA

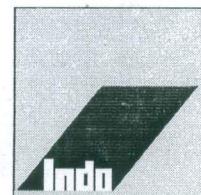
Tel : +91 251 287 1354 / 287 0941 • Fax : +91 251 287 1635

Website: www.indoaminesltd.com



Regd. Office : W- 44, M.I.D.C. Phase II, Manpada Road,
Dombivli (E) Dist Thane 421203, Maharashtra. India.
Phone : +91 251 2871354 / 2870941 / 2873529 / 2870939
Fax : +91 251 2871635 / 2871666
E-mail : shares@indoaminesltd.com
Website : www.indoaminesltd.com

**INDO
AMINES
LIMITED**



Date: 15th October, 2013

To,
Department of Corporate Service (DCS-CRD),
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

Sub.: Compliance as per Clause No. 31(a) of the Listing Agreement & Circular CIR/CFD/DIL/7/2012 dated August 13, 2012

Ref.: Indo Amines Ltd (Scrip Code: 524648)

Dear Sir,

This is to inform you that as per listing requirements 6 (Six) copies of the Annual Reports duly certified by the Director of the Company were submitted to your good office vide letter dated 20th August, 2013. However inadvertently Form A as per SEBI Circular CIR/CFD/DIL/7/2012 dated August 13, 2012 to be filed by the Company with the concerned stock exchange(s) was missed out, which is provided hereunder:

FORM A

| | | | |
|----|---|---|------------------------------|
| 1. | Name of the Company | : | INDO AMINES LIMITED |
| 2. | Annual Financial Statements for the year ended | : | 31 st March, 2013 |
| 3. | Type of Audit observation | : | Unqualified |
| 4. | Frequency of observation | : | N.A. |
| 5. | To be signed by:- | | |
| | • Mr. Vijay Palkar (CEO & Managing Director) | : | <i>Vijay Palkar</i> |
| | • Mr. Rahul Palkar (CFO & Executive Director) | : | <i>Rahul Palkar</i> |
| | • Mr. P M Parulekar (Statutory Auditors of the Company) | : | <i>P.M. Parulekar</i> |
| | • Mr. Nishikant Sule (Chairperson of Audit Committee) | : | <i>Nishikant Sule</i> |

Kindly take the same on your record and acknowledge the receipt of the same.

Thanking you,

Yours truly,

For **INDO AMINES LIMITED**

Vijay Palkar

**VIJAY PALKAR
(MANAGING DIRECTOR)**