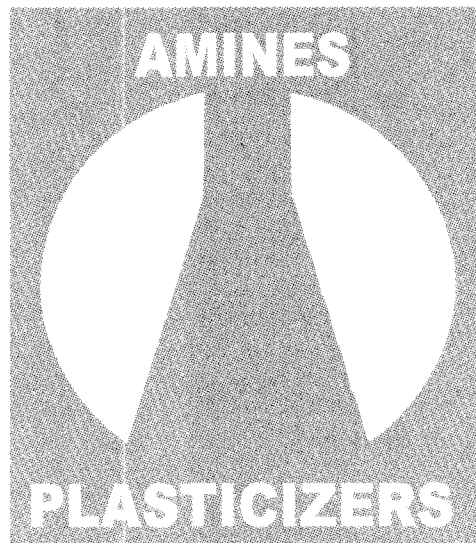


# **AMINES & PLASTICIZERS LIMITED**



**AN ISO 9001 : 2000 COMPANY**

**Annual Report  
2008 - 09**

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

<b>Contents</b>	
	Page Nos.
1. Notice	1
2. Directors' Report	3
3. Corporate Governance Report	12
4. Management Discussion and Analysis	22
5. Auditor's Report	26
6. Balance Sheet	30
7. Profit & Loss Account	31
8. Cash Flow Statement	32
9. Schedules	33
10. Notes on Accounts	40
11. Balance Sheet Abstract	51
12. Auditors Report on Consolidated Balance Sheet	52
13. Consolidated Accounts	53

## NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the members of Amines & Plasticizers Ltd will be held on Wednesday, 30<sup>th</sup> September, 2009 at 2.00 p.m. at Hotel Nandan, Paltan Bazaar, Guwahati, Assam, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2009, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon
2. To declare dividend on Preference Shares
3. To appoint a Director in place of Mr. K.K. Seksaria, who retires by rotation and is eligible, for re-appointment
4. To appoint a Director in place of Mr. A.S. Nagar, who retires by rotation and is eligible, for re-appointment
5. To appoint Auditors and to fix their remuneration

For Amines & Plasticizers Ltd.

By Order of the Board

Place : Mumbai  
Date : 30/06/2009

**AJAY PURANIK**  
(Company Secretary)

**Registered Office:**  
Chenikuthi,  
Guwahati - 781 003, Assam.

### NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (2) Instrument of proxy in order to be effective must be deposited at the Company's

Registered Office at Chenikuthi, Guwahati, Assam or at Head Office at Mumbai not less than 48 hours before the commencement of the Annual General Meeting.

- (3) The Dividend on Preference Shares as recommended by the Board of Directors, if declared at the meeting, will be made payable after 30<sup>th</sup> September, 2009 to those preference shareholders whose names appear in the Register of Members as on 30<sup>th</sup> September, 2009.
- (4) The Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2009 to 30<sup>th</sup> September, 2009 (both days inclusive).
- (5) The Company has connectivity with both the Depositories i.e, Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Limited (NSDL) and ISIN No. is INE275D01014. Members are requested to dematerialize their shares for scrip less trading.
- (6) Members holding shares in physical form are requested to notify immediately any change of address, if any, to the Company's Registrar & Share Transfer Agent and in case their shares are held in dematerialized form this information should be passed on directly to their respective depository participants and not to the Company/STA, without any delay.
- (7) Members desirous of getting any information on the accounts or operations of the Company, are requested to forward their queries to the Company at least seven working days prior to the meeting so that the required information can be made available at the meeting.

For Amines & Plasticizers Ltd.

By Order of the Board

Place : Mumbai  
Date : 30/06/2009

**AJAY PURANIK**  
(Company Secretary)

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

Name of the Director	KAILASHCHANDRA SEKSARIA	ARUN NAGAR
Date of Birth	03.04.1939	09.10.1946
Date of Re-appointment	27.09.2007	27.09.2007
Expertise in specific functional area	Wide experience in Business and Finance	Wide experience in General Insurance and Administration
Qualifications	B.Com	Bachelor of Law, Masters in English Literature (M.A.)
Number of outside Directorships held in Public Limited Companies as on 31.03.09	3	Nil
Other Directorship/Committee Membership held as on 31.03.09	Bhavnagar Oil Mills Pvt. Ltd. Ishwarshakti Holdings & Traders Limited Rolcon Engineering Co. Ltd. Sekseria Behta Sugar Factory Pvt. Ltd. Sekseria Biswan Sugar Factory Ltd. Sekseria Confectionaries Pvt. Ltd. Sekseria Farms Pvt. Ltd. Sekseria Industries Pvt. Ltd. U.P. National Industrial Corp. Pvt. Ltd.	Nil
Chairman/ Member of the Committee of the Board of Public Companies on which he is a Director as on 31.03.09	Nil	Nil
Shareholding	NIL	NIL

## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Thirty Fourth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2009.

(Rupees in Lacs)

FINANCIAL RESULTS	For the year ended 31.03.2009	For the year ended 31.03.2008
Income	16151.46	10692.31
Profit before Interest, Depreciation and Taxes	1085.09	738.73
Less : Interest	496.40	381.00
Depreciation	65.51	55.68
Profit before tax	523.18	302.05
Provision for taxation	180.75	49.36
Profit after Tax	342.43	252.69
Tax Provision relating to earlier year reversed	—	55.77
Balance of profit brought forward from the previous year	842.95	534.49
Proposed Dividend on Preference Shares :-		
Dividend till 31.03.2008	43.43	—
For the year 2008-2009	2.71	—
Corporate Dividend Tax	7.84	—
Balance of Profit carried to Balance Sheet	1131.40	842.95

### DIVIDEND:

Your Directors are pleased to recommend Preference Dividend of Rs.14/- per Share (i.e. @ 14% p.a.) on 19,385 Redeemable Cumulative Preference Shares of Rs.100/- each for the period 01.04.1992 till 31.03.2008 and for the year 2008-2009, subject to requisite permissions. In order to conserve the reserves of the Company, directors do not recommend dividend on Equity Shares.

### OPERATIONS AND FUTURE PROSPECTS:

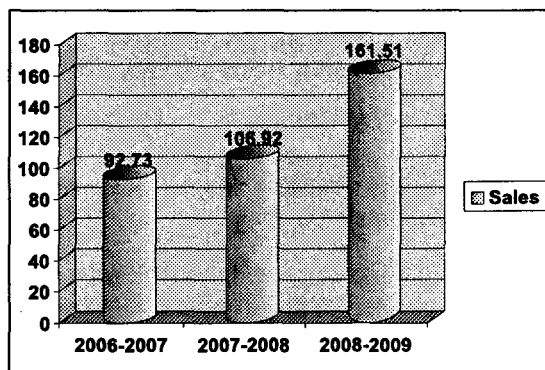
During the year under review, the income of the Company grew by over 51% to Rs.161.51 Crores as against Rs.106.92 Crores in the previous year. The Profit before tax of the Company rose by over 73% i.e., to Rs.523.18 Crores from Rs.302.05 Crores in the previous year. The Profit after tax for the current year stood at Rs.342.43 Crores as against Rs.252.69 Crores during the previous year.

During the year under review, the Company's products enjoyed a high demand in the domestic

and international market, which resulted in increase in sales.

The current year order book position is expected to be satisfactory. However, price realization has gone down substantially due to the prevalent recessionary trend in the global market.

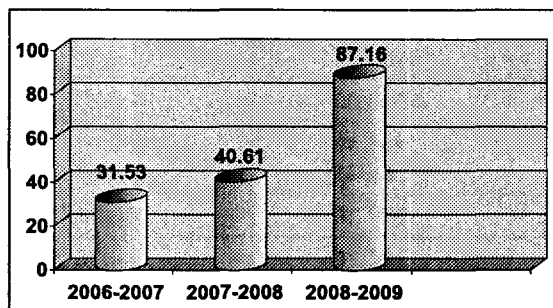
### SALES PERFORMANCE (RS. IN CRORES)



## EXPORTS:

The export revenue of the Company has more than doubled to Rs.87.16 Crores as compared to Rs.40.61 Crores during the previous year. The strong demand for the Company's products in the international market helped to a great extent in increasing the exports revenue.

### EXPORT PERFORMANCE (RS. IN CRORES)



As reported earlier, the technology developed by the Company for Pressure Swing Adsorption with a reputed technical institute has been commissioned recently and the trials are successful. The Company expects further orders during the current year.

APL Engineering Services Private Ltd., a 100% subsidiary of your Company has received its maiden order for fabrication and supply of Pressure Vessel. The activity of setting up its own Manufacturing and Fabrication unit along with required infrastructure has been initialized.

## ISO CERTIFICATION:

At present the Company has an ISO 9001:2000 certification by DET NORSKE VERITAS (DNV). As informed earlier, the Company is still in the process of getting Integrated Management System i.e. ISO 14001:2004 and OHSAS 18001:2007 through DNV.

## REACH COMPLIANCE:

The Company registered all the products being exported under the REACH and has obtained the required Registration Numbers.

## CREDIT RATING:

As required under BASEL II norms provided by RBI for Credit facilities, the Company is in the process of obtaining rating from CRISIL.

## RESEARCH & DEVELOPMENT:

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

The Company's R&D efforts towards development of new products/process and formulations with due consideration to safety and environmental factors has helped in expanding the customer base in India and abroad, especially in key sectors such as oil and gas refineries, fertilizer units, pharma and specialty textiles. Specific requirements in various Natural Gas/Refinery Gas Treating applications, concerning the "Corrosive" hydrogen-sulphide ( $H_2S$ ) and 'Global Warming' culprit carbon-di-oxide ( $CO_2$ ) are met successfully not only in India but also in various overseas units. It is creditable that your Company's specialty Gas Treating Solvents, specifically designed by blending one of our large volume product (Methyl Diethanolamines) with proper additives, gets recognition all over the world against stiff giant competitor's similar products due to its better performance. This field is bound to boom further in future as more and more gas wells are struck all over the world.

## SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985:

The Company has adhered to the Rehabilitation Scheme as stipulated and completed the repayments schedule and other directives as provided in the said sanction scheme and all dues were paid on time.

## DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. K.K. Seksaria and Mr. A. S. Nagar, Directors, retire by rotation and are eligible for re-appointment. The Board recommends their reappointment.



## AUDITORS:

M/s. D. Basu & Co. and M/s. Lodha & Co., Chartered Accountants, Auditors of the Company, hold office until conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letters from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(I B) of the Companies Act, 1956. The Audit Committee of the Board has recommended the re-appointment of M/s. D. Basu & Co. & M/s. Lodha & Co. as Auditors of the Company.

## STATUTORY DISCLOSURES

### INSURANCE:

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

### SUBSIDIARY COMPANIES:

APL Engineering Services Private Limited, a 100% Wholly Owned Subsidiary of your Company has received its maiden order for Fabrication and supply of Pressure Vessel, which is being executed.

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

As per the exemption Order no.47/483/2009-CL-III passed by the Central Government under Section 212 (8) of the Companies Act, 1956, the financial statements of the subsidiary companies have not been attached. However, a statement under Section 212 (3), which also contains relevant information in terms of the exemption order, is attached. Annual Accounts of subsidiary Companies have been kept at Head Office and can be inspected and obtained by members during office hours till the date of Annual General Meeting of the Company.

### SHARE CAPITAL

During the year under report, Twenty Lakhs Equity Shares of Rs.10/- each were issued to Promoters as per the directives of the Hon'ble AAIFR / BIFR under the Rehabilitation Scheme. The Company

has complied with all pre and post allotment formalities prescribed in this regard. Further, the listing formalities of these additional securities were complied with and approval received for listing.

### FIXED DEPOSITS:

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

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

Information pursuant to Department of Company Affairs Notification relating to the Balance Sheet *Abstract and Company's General Business Profile* is given in the Annual Report for the information of the Shareholders.

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

Pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, prescribed particulars as applicable is annexed hereto as Annexure 'A' and forms part of this Report.

### PARTICULARS OF EMPLOYEES:

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

### DIRECTORS' RESPONSIBILITY STATEMENT:

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

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures wherever applicable;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and



of the profit of the Company for the year under review;

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.

### **INDUSTRIAL RELATIONS:**

The industrial relations remained cordial during the year under review.

### **CORPORATE GOVERNANCE:**

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Company has complied with the mandatory provisions of Corporate Governance. As prescribed under the Listing Agreement of the

Stock Exchanges, a separate report on Corporate Governance appears after this report. A certificate from M/s. VKM and Associates, Practicing Company Secretaries with regard to compliance of the Corporate Governance Code by the Company is annexed hereto and forms part of this report. Further, a separate Management Discussion & Analysis Report is also enclosed with this report.

### **APPRECIATION:**

Your directors wish to place on record their appreciation towards all associates including Customers, Collaborators, Government Agencies, Financial Institutions, Bankers, Suppliers, Shareholders, Employees and others who have reposed their trust and confidence in the Company.

For and on behalf of the Board

Place : Mumbai  
Date : 30/06/2009

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



## **ANNEXURE 'A'**

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

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

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

##### **I. Electrical Energy:**

- i) Regular upgradation in electrical system is done so as to minimize electrical consumption.
- ii) Regular preventive/predictive maintenance of electrical system is carried out to ensure minimal losses.
- iii) Replacement of high wattage lamps by energy efficient lamps is being continued
- iv) Maintaining higher power factor has resulted in decrease in maximum demand & which in turn has resulted in reduction of energy consumption.
- v) Phasing out of Old Motor Control Centers by new efficient Motor Control Centers is being continued thereby reducing electrical losses which occurs due to wear & tear of switchgears.
- vi) Induction of new breed of capacitor banks has helped to reduce energy losses.
- vii) Replacement of old high rating motors by new motors has helped to reduce energy consumption and process down time
- viii) Installation of turbo ventilators with transparent sheet has effectively helped in switching off lights and thereby saving energy.

##### **II. Furnace Oil/LDO Consumption:**

- i) Better utilization of plant & machinery combined with optimum product mix output has resulted in lower consumption of fuel oil.  
  
Periodic cleaning and usage of cooling water additives is done to reduce scaling thus resulting in better heat transfer.  
  
Insulation on piping and equipments are being changed on a continuous basis to reduce heat losses.
- ii) Usage of fuel additives and boiler water additives is being continued to obtain better heat generation efficiency.  
  
Maximum effort is made to operate the new efficient boiler as much as possible to obtain lower Fuel oil consumption.

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

- i) Additional balancing equipments are being installed to increase and obtain better plant capacities so that optimum plant utilization can be achieved and thereby reduction in energy consumption.
- ii) Possibility of conversion from use of furnace Oil / LDO to PNG is being studied.
- iii) It is proposed to commercialize few new value added products which have been developed on the pilot scale, for improved plant utilization.



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

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

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

As per Form 'A' of the Annexure.

**B. Technology Absorption:**

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

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

	<b>Current Year 2008-2009 (Rs. in Lakhs)</b>	<b>Previous Year 2007-2008 (Rs.in Lakhs)</b>
<b>1. Foreign exchange earned</b>		
Export of goods on FOB basis	<b>8549.55</b>	4060.58
<b>2. Outgo of foreign exchange</b>		
CIF value of Imports	<b>2667.67</b>	2625.14
<b>3. Expenditure in foreign currencies</b>	<b>45.53</b>	28.27

For and on behalf of the Board

Place : Mumbai  
Date : 30.06.2009

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

## FORM A

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

	For the year ended 31.03.2009	For the year ended 31.03.2008
<b>A. Power and Fuel Consumption :</b>		
1. Electricity		
(a) Purchased Units/Lakhs	29.36	25.98
Total amount (Rs. in Lakhs)	127.23	120.04
Cost per unit – Rs.	4.33	4.62
(b) Own Generation		
(i) Through Diesel		
Generator Set :		
Units generated/Lakhs	NEGLIGIBLE	NEGLIGIBLE
Units per Ltr. of Diesel Oil	NEGLIGIBLE	NEGLIGIBLE
Cost – Rs./ Unit	NEGLIGIBLE	NEGLIGIBLE
(ii) Through Steam Turbine/Generator	NIL	NIL
2. Coal (specify quality and where used)	NIL	NIL
3. Furnace Oil Quantity – M.T.	2931	2532
Total amount – Rs. in Lakhs	686.43	489.53
Average rate – Rs. / M.T.	23420	19334
4. Others/internal generation Light Diesel Oil – K Ltrs	689	521
Total amount – Rs. in Lakhs	253.78	140.72
Average rate – Rs. /K. Ltr.	36833	27010

### B. Consumption per unit of Production:

Products	Standards (if any)	For the year ended 31.3.2009	For the year ended 31.3.2008
<b>* Plasticizers</b>			
Electricity (per MT)	Units	NIL	NIL
Furnace Oil (per MT)	Ltrs	NIL	NIL
<b>* Ethanolamines</b>			
Fuel Oil (per MT)	Ltrs	289	584
L.D.O. (per MT)	Ltrs	72	102
Electricity (per MT)	Units	226	572

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



**FORM B**

Form for disclosure of particulars with respect to absorption

- |  |   |             |     |               |           |           |           |   |       |
|--|---|-------------|-----|---------------|-----------|-----------|-----------|---|-------|
| 1. Specific areas in which the Research & Development carried out by the Company | <p>Our Research and Development efforts are focused on.</p> <p>(a) Adaptation of new synthetic strategies to our existing products already developed.</p> <p>(b) Upgradation of existing product quality and technology to reduce / optimize cost of manufacturing.</p> <p>(c) Improvement of raw material consumption efficiencies.</p> <p>(d) Development of Ethylene Oxide based aliphatic and aromatic amine addition products.</p> <p>(e) Conservation of energy / fuel and water.</p>                     |             |     |               |           |           |           |   |       |
| 2. Benefits derived as a result of the above R & D                               | <p>(a) The modification / additions in existing plants equipment and process has not only resulted in improved yields but also in terms of quality.</p> <p>(b) The company has added new range of Alkyl Alkanolamines and substituted Ethanolamines in its product range.</p> <p>(c) Exports of specialty products developed in R&amp;D, meeting international standards.</p> <p>(d) Because of better technology developed it is now possible to recycle entire quantity of treated water.</p>                 |             |     |               |           |           |           |   |       |
| 3. Future plan of action   | <p>(a) Adopt latest information and technology for developing process already in use so as to make process more economically viable.</p> <p>(b) Continual efforts to meet the requirements of new products and formulations of local gas processing industries and international customers.</p> <p>(c) To commercialize newly developed in-house technology for speciality products and exploit local and global market.</p> <p>(d) To identify new molecules and develop them for local and export market.</p> |             |     |               |           |           |           |   |       |
| 4. Expenditure on R & D  | <table border="0" style="width: 100%;"> <tr> <td style="padding-right: 20px;">(a) Capital</td> <td style="text-align: right;">NIL</td> </tr> <tr> <td>(b) Recurring</td> <td style="text-align: right;">4,373,779</td> </tr> <tr> <td>(c) Total</td> <td style="text-align: right;">4,373,779</td> </tr> <tr> <td>(d) Total R &amp; D expenditure as a percentage of total turnover</td> <td style="text-align: right;">0.26%</td> </tr> </table>   | (a) Capital | NIL | (b) Recurring | 4,373,779 | (c) Total | 4,373,779 | (d) Total R & D expenditure as a percentage of total turnover | 0.26% |
| (a) Capital  | NIL   |             |     |               |           |           |           |   |       |
| (b) Recurring  | 4,373,779   |             |     |               |           |           |           |   |       |
| (c) Total  | 4,373,779   |             |     |               |           |           |           |   |       |
| (d) Total R & D expenditure as a percentage of total turnover                    | 0.26%   |             |     |               |           |           |           |   |       |

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

- |  |   |
|--|---|
| <b>(a)</b> Efforts, in brief, made towards technology absorption, adaptation and innovation  | <b>(a)</b> Upgrading the existing plant & equipment to make better product mix.<br><b>(b)</b> Installation of additional state of art distillation facility for critical applications<br><b>(c)</b> Adaptation of new process for making of certain specialty amines. |
| <b>(b)</b> Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.                    | <b>(a)</b> Reduction in energy costs per unit of production<br><b>(b)</b> Able to cater to certain specialized customer requirements<br><b>(c)</b> Increase in the Exports due to product being cost effective and of better Quality.                                 |
| <b>(c)</b> In case of imported Technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished |   |
| <b>(a)</b> Technology imported   | No Technology Imported  |
| <b>(b)</b> Year of import  | N.A.  |
| <b>(c)</b> Has technology been fully absorbed  | N.A.  |
| <b>(d)</b> If not fully absorbed, areas where this has not taken place, reasons therefore and future plans and actions.  | N.A.  |

For and on behalf of the Board

Place: Mumbai  
Date : 30.06.2009

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



## REPORT ON CORPORATE GOVERNANCE

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

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

The Company's philosophy on corporate governance is based upon a legacy of fair, ethical and transparent business and commercial practices. The Company has adopted highest standards of professionalism, integrity and ethical behavior. The Company has adopted the code of conduct and disclosure practices under SEBI regulations which strengthens the implementations of Code of Corporate Governance. The Company also ensures full compliance with the applicable laws and regulations under various Statutes and enactments.

### 2. Board of Directors (Board)

#### (a) Composition and Category of Directors

The Board consists of Six Directors out of which Chairman and Managing Director (CMD) is an Executive Member of the Board and others are Non- Executive Directors.

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

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

Name of the Director	Category of Directorship	Attendance particulars		No. of other directorships and committee memberships other than APL		
		Board Meeting	Last AGM	Other Directorships #	Committee@	
					M	C
Mr. H. K. Ruia	CMD	6	Yes	8	-	-
Mr. K. K. Seksaria	NE/ID	5	No	9	-	-
Dr. M. K. Sinha	NE/ID	6	No	8	-	-
Dr. P. H. Vaidya	NE/ID	5	No	1	-	-
Mr. A. S. Nagar	NE/ID	3	No	0	-	-
Mr. B. M. Jindel	NE/ID	4	No	4	-	-

M = Membership;

C = Chairmanship;

NE/ID = Non-Executive/ Independent;

CMD = Chairman & Managing Director

# Directorships in Private Limited Companies included;

@ comprises of Audit and investors' Grievance Committee of Public Limited Companies;

#### (b) Meeting and Attendance:

Six Board Meetings were held during the financial year ended 31<sup>st</sup> March, 2009, viz. on 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 29<sup>th</sup> August, 2008, 11<sup>th</sup> October, 2008, 31<sup>st</sup> October, 2008, 29<sup>th</sup> January, 2009.

**(c) Board Agenda**

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

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

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

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

**(b) Composition of Audit Committee**

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

**(c) Attendance**

Five meetings were held during the financial year ended 31<sup>st</sup> March, 2009, viz. on 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 25<sup>th</sup> August, 2008, 31<sup>st</sup> October, 2008, 29<sup>th</sup> January, 2009. Composition of the Audit Committee and attendance of each Director at these meetings are as follows:

Name of the Director	Designation	No. of Meetings Attended
Mr. A.S. Nagar	Chairman	3
Mr. B.M. Jindel	Member	5
Mr. H.K. Ruia	Member	5
Dr. M.K. Sinha	Member	2

**4. Remuneration Committee****(a) Composition and Meetings**

The Remuneration Committee presently comprises of Mr. A.S. Nagar, Chairman, besides, Mr. B.M. Jindel and Mr. K.K. Seksaria, the non-executive directors and Mr. H.K. Ruia, an executive director.

**(b) Terms of Reference**

The Remuneration Committee decides the remuneration payable to Chairman & Managing Director & also recommends the remuneration package of other managerial personnel, if any, and sitting fees payable to non-executive directors. The Company pays remuneration by way of salary, perquisites, allowance and additional remuneration to its Chairman & Managing Director. The

remuneration payable to Chairman & Managing Director is as per the amended provisions of Schedule XIII of the Companies Act, 1956.

### (c) Remuneration of Non-Executive Directors

Name of Director	Sitting Fees Paid (Rs.)	
	Board Meeting	Audit Committee Meeting
Mr. K.K. Seksaria	12,500	—
Dr. M.K. Sinha	15,000	2,000
Dr. P.H. Vaidya	12,500	—
Mr. A.S. Nagar	7,500	3,000
Mr. B.M. Jindel	12,500	5,000

### (d) Remuneration of Whole Time Director

The Chairman & Managing Director is the only Whole Time Director in the Company. His remuneration for the period commencing from April 1, 2008 has been approved by the Remuneration Committee of the Board and the Board of Directors of the Company. The remuneration paid to Mr. Hemant Kumar Ruia, Chairman and Managing Director during the year 2008-2009 was Rs 13,53,605/- (excluding PF/SA) which is shown in detail here under:

Salary (Rs.)	Perquisites (Rs.)	PF/SA contribution (Rs.)	Bonus (Rs.)	Commission
9,90,000/-	2,31,605/-	1,74,900/-	1,32,000/-	NIL

## 5. Shareholders' Committee

### (a) Share Transfer Committee

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

### (b) Shareholders' Grievance Committee

The Committee presently consists of three Non-Executive Independent Directors and an Executive Director. This Committee specifically looks into the redressal of shareholders' and investors' complaints with a primary objective to improve investor relations. The Committee met four times during the financial year 2008-09 viz. 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 31<sup>st</sup> October, 2008, 29<sup>th</sup> January, 2009.

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

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





**(c) Compliance officer**

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

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

Number of correspondences received from Share holders	39
Number of correspondences redressed	39
Number of complaints / correspondences not resolved	Nii

**6. General Body Meeting**

**(a) Annual General Meeting**

AGMs	Date of AGMs	Location	Time
AGM (31 <sup>st</sup> )	29 <sup>th</sup> September, 2006	Guwahati	2.00 P.M.
AGM (32 <sup>nd</sup> )	27 <sup>th</sup> September, 2007	Guwahati	1.30 P.M.
AGM (33 <sup>rd</sup> )	30 <sup>th</sup> September, 2008	Guwahati	2.00 P. M.

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

**2005-06** : Voluntary delisting of securities from Kolkata & Gauhati Stock Exchanges.

**2006-07** : There was no ordinary/special resolution passed during the year.

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

**(c) Resolutions passed through Postal Ballot(During the year 2006-07)**

**1. Special**

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

**2. Ordinary**

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

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

**7. Code of Conduct**

The Board has laid down a "Code of Conduct" (Code) for all the Board members and Senior officials of the Company and the Code is posted on the website of the Company [www.amines.com](http://www.amines.com). Annual



confirmation regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the CMD is forming part of the report.

## 8. CEO / CFO Certification

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

## 9. Disclosures

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

## 10. Compliance

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

## 11. Subsidiary Company

The minutes of the meetings of the Board of Directors and the Financial Statements for the year ended March 31, 2009 of APL Infotech Limited and APL Engineering Services Pvt. Ltd. Subsidiaries of the Company were placed before the Board and Audit Committee for review.

## 12. Means of Communication

- (a) The quarterly results are published in 2 News papers circulated at Assam:
  - (i) The North East Times (English), and
  - (ii) Ajir Asom (Assamese), Amar Assam.
- (b) The financial results and shareholding pattern are posted on the website of the Company under corporate information at [www.amines.com](http://www.amines.com)
- (c) This report on Corporate Governance forms part of the Annual Report of the Company and the Certificate from a Practicing Company Secretary confirming compliance is enclosed herewith.
- (d) A report on Management Discussion & Analysis is also a part of the Company's Annual Report.

## 13. General Shareholder Information

### (a) Annual General Meeting

Date	:	30 <sup>th</sup> September, 2009.
Time	:	2.00 p.m.
Venue	:	Hotel Nandan, Paltan Bazar, G.S. Road, Guwahati - 781 008, Assam.

### (b) Financial Calendar

Results for the Quarter Ending on	:	Tentative date of declaration
30 <sup>th</sup> September, 2009	:	Last week of October, 2009
31 <sup>st</sup> December, 2009	:	Last week of January, 2010
31 <sup>st</sup> March, 2010	:	Last week of April, 2010

(c) **Period of Book Closure** : 22<sup>nd</sup> September, 2009 to 30<sup>th</sup> September, 2009 (Both days inclusive)

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

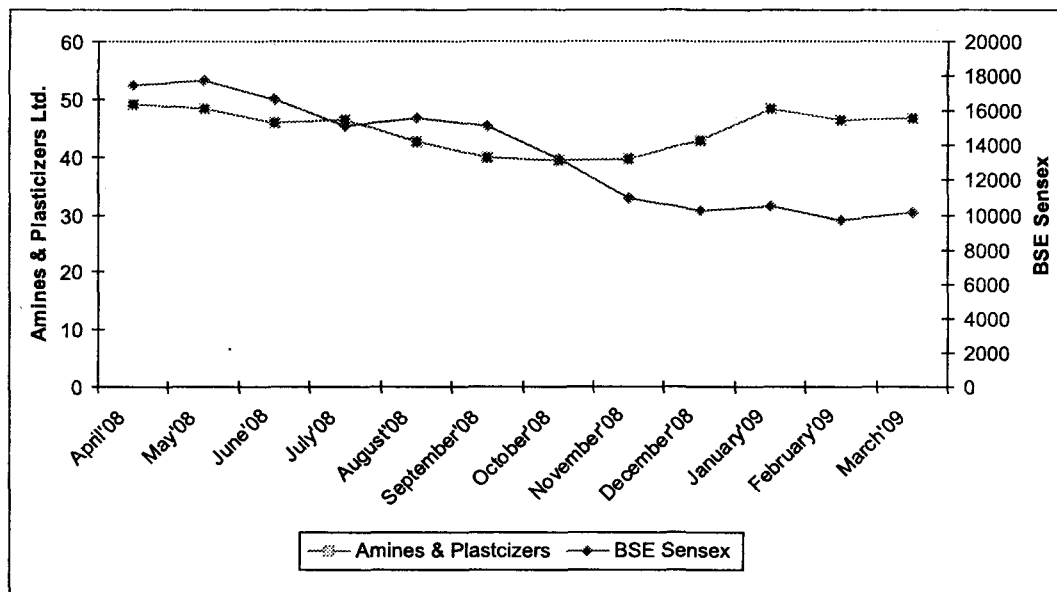
(e) **Stock Code** : Bombay Stock Exchange Limited : 506248

### (f) Market Information

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

Month	Amines & Plasticizers Ltd.		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 2008	39.00	39.00	17480.74	15,297.96
May 2008	63.40	37.10	17735.70	16,196.02
June 2008	59.50	44.70	16632.72	13,405.54
July 2008	51.35	42.00	15130.09	12,514.02
August 2008	50.05	43.50	15579.78	14,002.43
September 2008	49.90	40.00	15107.01	12,153.55
October 2008	49.95	42.90	13203.86	7,697.39
November 2008	42.75	35.00	10945.41	8,316.39
December 2008	34.90	30.95	10188.54	8,467.43
January 2009	33.75	28.60	10469.72	8,631.60
February 2009	32.60	27.20	9724.87	8,619.22
March 2009	30.50	26.05	10127.09	8,047.17

(g) The performance of Company's Share Price (2008-2009) and BSE Sensex



(h) Registrar and Transfer Agent

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

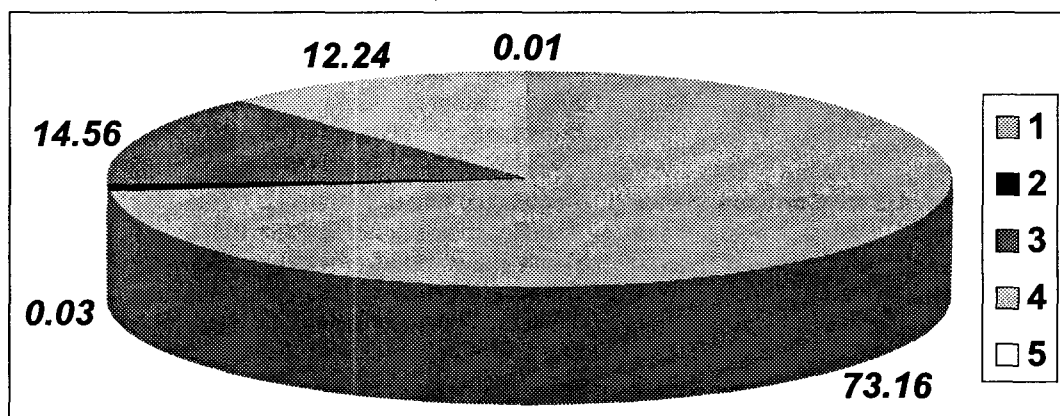
(i) Share Transfer System

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

(j) Shareholding Pattern as on 31.03.2009

Sr. No	Category	No. of Shares held	% of Shareholding
1.	Promoters	4025475	73.16
2.	Banks / Financial Institutions and Insurance Cos.	1600	0.03
3.	Bodies Corporate	800960	14.56
4.	Indian Public / HUF / Clearing Members	673405	12.24
5.	NRIs / OCBs / Foreign nationals	560	0.01
	<b>Total</b>	<b>5502000</b>	<b>100.00</b>

Pie chart showing the Shareholding of the Company



(k) Distribution of Shareholding as on 31.3.2009

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shares
Up to – 5000	4393	99.55	597654	10.86
5001 – 10000	5	0.11	39149	0.71
10001 – 20000	5	0.11	66481	1.21
20001 – 30000	3	0.07	75008	1.36
30001 – 40000	0	0.00	0	0.00
40001 – 50000	0	0.00	0	0.00
50001 – 100000	1	0.02	97298	1.77
100001 and above	6	0.14	4626410	84.09
<b>Total</b>	<b>4413</b>	<b>100.00</b>	<b>5502000</b>	<b>100.00</b>

The total shareholding held in the electronic form as on 31/03/2009 is **4358789** with NSDL and CDSL.

Total number of shares demated as on 31.03.2009:-

	No of Shares	% of Paid Up Capital
NSDL	477536	8.68
CDSL	3881253	70.54
Total	4358789	79.22

- **Depositories** : Central Depository Services (India) Ltd. (CDSL)  
National Securities Depository Ltd. (NSDL)
- **ISIN** : INE275D01014



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

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

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

##### **Office space for Non-Executive Chairman**

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

##### **Remuneration Committee**

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

##### **Shareholder' rights to receive Financial Results**

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

##### **Audit qualifications**

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

##### **Training of Board Members**

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

##### **Whistle Blower Policy**

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

**For and on behalf of the Board**

Place : Mumbai  
Date : 30<sup>th</sup> June, 2009

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



## **CERTIFICATE ON CORPORATE GOVERNANCE**

To

**The Members of**

**Amines & Plasticizers Limited**

We have examined the compliance of conditions of Corporate Governance by **Amines & Plasticizers Limited**, for the year ended 31<sup>st</sup> March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

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

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

**Vijay Kumar Mishra**  
*Partner*

Membership No. F-5023

Place : Mumbai  
Date : 30/06/2009

---

## **DECLARATION ON CODE OF CONDUCT**

To

**The Members of**

**Amines & Plasticizers Limited**

This is to confirm that Board has laid down a code of conduct for all Board members and senior management of the Company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company as at 31<sup>st</sup> March 2009, as envisaged in clause 49 in the Listing Agreement with stock exchanges.

Place : Mumbai  
Date : 30<sup>th</sup> June 2009

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



## **MANAGEMENT DISCUSSION AND ANALYSIS**

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

### **BUSINESS OVERVIEW**

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

The year 2008-2009 was full of turbulence and of unprecedented events. It was a year in which we saw volatility in crude prices which have a direct impact on your Company's working. However, your Company was able to withstand the turbulence and achieved good earnings.

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

As reported earlier, the technology developed by the Company for Pressure Swing Adsorption with reputed technical institute has been commissioned recently and the trials are successful. The Company expects further orders during the current year.

APL Engineering Services Private Ltd., a 100% subsidiary of your Company has received its maiden order for fabrication and supply of Pressure Vessel. The activity of setting up its own Manufacturing and Fabrication unit along with required infrastructure has also been initialized.

The Company is an ISO 9001:2000 certified Company and strictly adheres to the domestic and international standards for all the products manufactured. All these products are manufactured with due attention given not only to the environmental aspects but also by ensuring employee safety and their welfare.

During the period under review, the Company initiated the process of getting Integrated Management System i.e. ISO 14001:2004 and OHSAS 18001:2007 through DNV. This will help in controlling pollution and improving safety and health of persons in and around work area. This will enable the Company to improve environment and create safe working conditions as per health standards.

The Company registered all the products being exported under "REACH" and has obtained the required Registration Numbers.

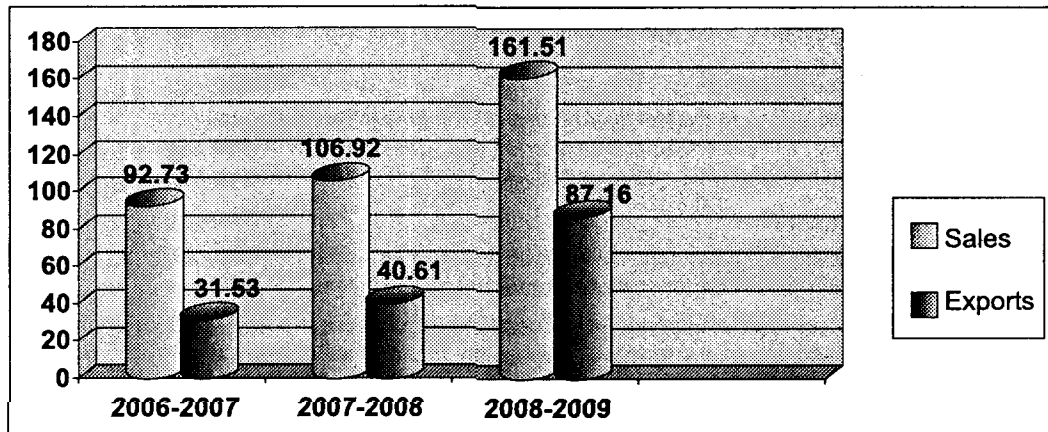
During the year under review, the aggregate revenue of the Company was Rs.161.51 Crores and profit before tax stood at Rs 5.23 Crores.

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

The Company has registered a phenomenal growth in its turnover inspite of fiscal depression and overall weak financial and economic scenario worldwide. The chart depicts the export and total sales achieved by the Company over last 3 years.



## SALES & EXPORT PERFORMANCE (Rs. In Crores)



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

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

### PRODUCTWISE PERFORMANCE

The Company has registered a substantial growth in its sales on domestic and international front mainly because of increase in demand for Company's products due to its high quality and proficiency. The major customers were international and domestic Refineries, Fertilizer Units and Natural Gas Plants.

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

### RESEARCH AND DEVELOPMENT PROGRAMMES

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

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

### OPPORTUNITIES AND THREATS

1. The Company is expecting a moderate demand for its products/processes, but profits are likely to remain under pressure due to highly volatile input cost and cheaper imported products, as also the ongoing recession in international markets.
2. The Company's export revenues are also likely to face adverse impact due to weak economic scenario, dismal demand and stiff competition internationally resulting in lower revenues and margins.
3. The Company's in-house Research and Development with emphasis, quality culture and diversified expertise in chemical manufacture has enabled to create a reputation as a reliable supplier in the domestic as well as in the international market.



4. The Company's in house R&D continue to explore new range of alkonolamines and formulations for local gas processing industries and adopting to latest technology to enhance value addition and develop new product range to keep in pace with the new generation of products and technology.

## RISK AND CONCERNS

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

## INTERNAL CONTROL SYSTEM

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

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

## HUMAN RESOURCE MANAGEMENT

The Company considers its Employees as one of its most valuable asset. They have played a crucial role and enabled the Company to deliver superior performance. The Company has maintained cordial relations with all its employees. The issues, if any, are settled through regular discussion, meetings and dialogues with the employees. The Company undertakes several welfare schemes for the development of its employees. The key to creating a capable and inspired workforce is to develop a harmonious band of human resource management system in the organization.

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

Employees are vital to the Company. We have created a favorable work environment that encourages innovation and meritocracy. We have also set up a scalable recruitment and human resources management process, which enables us to attract and retain high caliber employees.

## FINANCIAL PERFORMANCE

The Company has grown phenominally in the current year. The efficient utilization of existing capacities, sale of new products has helped the Company to achieve greater turnover and income during the year. The comparative financial results for the years 2008-2009 and 2007-08 are as shown below:

(Rs. in Lacs)

FINANCIAL RESULTS	2008-09	2007-08
<b>Total Income</b>	<b>16151.46</b>	<b>10692.31</b>
<b>Total Expenditure</b>	<b>15066.37</b>	<b>9953.58</b>
<b>Profit before Depreciation and Tax</b>	<b>1085.09</b>	<b>738.73</b>
Less: > Depreciation	65.51	55.68
> Interest	496.40	381.00
<b>Profit Before Tax</b>	<b>523.18</b>	<b>302.05</b>
Provision for Taxation	180.75	49.36
<b>Profit After Tax</b>	<b>342.43</b>	<b>252.69</b>

The total income increased by over 51% from Rs.106.92 Crores to Rs.161.51 Crores. The Company was able to hold on to a series of good performance of last few years inspite of higher input cost and severe competition.

With the growing Income, the total expenditure has also gone up to Rs.150.66 Crores in the year under review as compared to Rs.99.54 Crores in the previous year. The high expenditure was primarily due to unprecedented increase in major inputs, interest cost, power and fuel prices.

### RESULTS OF OPERATION

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

(Rs. In Lacs)

Income	Year ending 31.03.2009	Year ending 31.03.2008
Sales And Service	15917.59	10667.63
Other Income	46.02	42.87
Increase / (Decrease) in stock	187.84	(18.19)
<b>Total Income</b>	<b>16151.46</b>	<b>10692.31</b>

The revenue from sales includes export revenue of Rs.87.16 Crores and domestic sales of Rs.74.35 Crores i.e.53.97% of export sales and 46.03% of domestic sales during the year under report.

### SAFE HARBOUR CLAUSE

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

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



## **AUDITORS' REPORT**

To

The Members of

### **AMINES AND PLASTICIZERS LIMITED**

1. We have audited the attached Balance Sheet of **AMINES AND PLASTICIZERS LIMITED** as at 31st March, 2009 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the "Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that: -
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, to the extent applicable;
  - (e) On the basis of written representations received from the directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and Notes to Accounts in Schedule 13 and other notes appearing elsewhere in the accounts, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;



- (ii) in the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

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

**R.P. Baradiya**  
*Partner*  
(Membership No.44101)

**Atanu Chatterjee**  
*Partner*  
(Membership No. 50105)

Mumbai,  
30<sup>th</sup> June, 2009

Mumbai,  
30<sup>th</sup> June ,2009

---

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009 OF AMINES AND PLASTICIZERS LIMITED**

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company's programme to physically verify all fixed assets over three years period is considered reasonable having regard to the size of the Company and nature of its fixed assets. Pursuant to the programme, physical verification was carried out during the year and no material discrepancies were noticed on such physical verification.
- (c) No substantial part of fixed assets has been disposed off by the Company during the year.
2. (a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventories lying with the third party and in-transit have been verified by the management with reference to confirmation or statement of accounts or subsequent receipt of goods.
- (b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained proper records of inventory and the discrepancies between the physical inventory and the book inventory noticed on physical verification as mentioned in para (b) above were not material and have been properly dealt with in the books of account.
3. (a) During the year, the Company has granted unsecured loan to a subsidiary company covered under Section 301 of the Act amounting to Rs 9,807,184 including interest accrued Rs.2,393,539. The maximum balance during the year and the year-end balance was Rs.30,190,788 including interest accrued Rs.4,347,142. There is no stipulation about the repayment schedule for the principal as also for interest.
- (b) Considering positive development of a complex software for gas pipelines by the subsidiary, the management is hopeful of realising the principal and interest accrued thereon at the earliest and



on the basis of such representation by the management, the terms and conditions of the aforesaid loan are not prejudicial to the interest of the Company.

- (c) The Company has taken interest free unsecured loans from parties covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs.6,000,000 and the year-end balances of loan taken from aforesaid parties was Rs. Nil.
  - (d) The terms and conditions of the aforesaid loans taken are, prima-facie, not prejudicial to the interest of the Company and the principal amounts have been repaid as stipulated.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased and sold are of the special nature and suitable alternative source does not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
  5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of the contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.  
(b) According to the information and explanations given to us, there were no transactions that have been entered into in pursuance of contracts or arrangements recorded in the register maintained under Section 301 of the Act except the loans taken from the interested party.
  6. The Company has not accepted any deposits within the meaning of Sections 58A, 58AA or any other relevant provisions of the Act and rules framed thereunder. No order has been issued by the Company Law Board on the Company.
  7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
  8. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Act in respect of products manufactured by the Company.
  9. (a) The Company is generally regular in depositing with the appropriate authorities the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it. As explained to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited with the appropriate authorities on account of any dispute except the sales tax dues aggregating to Rs.1,003,533 (for the years 01/04/1999 to 31/03/2003), the dispute whereof is pending before the Appellate Tribunal.
  10. The Company does not have accumulated losses as at 31<sup>st</sup> March 2009 and has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
  11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions or banks.



12. During the year, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company is not a dealer or trader in shares, securities, debentures and other investments.
15. The Company has not given any guarantees for loans taken by others during the year.
16. According to the information and explanations given to us, in our opinion, the term loans were applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the cash flow statement and balance sheet of the Company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
18. During the year, the Company has made preferential allotment of equity shares to parties covered in the register maintained under Section 301 of the Act pursuant to the order of the Appellate Authority for Industrial & Financial Reconstruction and accordingly, the price at which shares have been issued is not prejudicial to the interest of the Company.
19. During the year, the Company has not raised any money by way of issue of debentures.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

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

**R.P. Baradiya**  
*Partner*  
Membership No. 44101

Mumbai  
30<sup>th</sup> June, 2009

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

**Atanu Chatterjee**  
*Partner*  
Membership No. 50105

Mumbai  
30<sup>th</sup> June, 2009

# AMINES & PLASTICIZERS LIMITED



## BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULE	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	56,958,500	36,958,500
Reserves and Surplus	2	128,026,912	99,545,632
		<u>184,985,412</u>	<u>136,504,132</u>
<b>LOANS FUNDS</b>			
Secured Loans	3	247,519,895	234,741,700
		<u>247,519,895</u>	<u>234,741,700</u>
<b>DEFERRED STATUTORY DUES</b>	4	-	2,945,417
<b>DEFERRED TAX LIABILITY</b>		7,733,769	8,410,041
<b>TOTAL</b>		<u>440,239,076</u>	<u>382,601,290</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	5	205,226,426	203,917,285
Less: Depreciation		132,779,162	126,820,176
Net Block		72,447,264	77,097,109
Capital Work-In-Progress		13,193,646	107,000
<b>INVESTMENTS</b>	6	10,627,953	10,627,853
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories		182,824,009	183,413,399
Sundry Debtors		188,019,841	203,592,495
Cash & Bank Balances		20,309,777	10,236,457
Loans & Advances		165,270,430	91,729,404
Interest accrued on Deposits / Loans		4,717,630	2,347,742
		<u>561,141,687</u>	<u>491,319,497</u>
<b>Less : CURRENT LIABILITIES AND PROVISIONS</b>	8		
Current Liabilities		199,912,270	186,729,862
Provisions		17,259,204	9,820,307
		<u>217,171,474</u>	<u>196,550,169</u>
<b>NET CURRENT ASSETS</b>		<u>343,970,213</u>	<u>294,769,328</u>
<b>TOTAL</b>		<u>440,239,076</u>	<u>382,601,290</u>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			

13

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

As per our attached report of even date

For and on behalf of the Board

For LODHA & Co.  
Chartered Accountants

For D. BASU & Co.  
Chartered Accountants

Hemant Kumar Ruia Chairman & Mg. Director

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

R.P. Baradiya  
Partner

Atanu Chatterjee  
Partner

Ajay Puranik Company Secretary

Mumbai, Dated : 30<sup>th</sup> June, 2009

Mumbai, Dated : 30<sup>th</sup> June, 2009



# AMINES & PLASTICIZERS LIMITED



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	Year ended 31 <sup>st</sup> March, 2009 Rupees	Year ended 31 <sup>st</sup> March, 2008 Rupees
<b>INCOME</b>			
Sales and Services-Gross	9	1,667,296,493	1,155,558,670
Less : Excise Duty		75,537,213	88,795,227
Sales and Services-Net		1,591,759,280	1,066,763,443
Other Income	10	4,602,468	4,286,514
Increase / (Decrease) in Stock	11	18,784,490	(1,818,713)
		<u>1,615,146,238</u>	<u>1,069,231,244</u>
<b>EXPENDITURE</b>			
Raw Materials consumed		749,191,072	429,738,550
Purchase for Resale and Repacking		343,516,177	283,261,802
Manufacturing and Other Expenses	12	463,569,725	320,458,194
Depreciation		6,915,614	5,999,354
Less : Transferred from Revaluation Reserve		<u>364,357</u>	<u>431,023</u>
		<u>6,551,257</u>	<u>5,568,331</u>
		<u>1,562,828,231</u>	<u>1,039,026,877</u>
<b>PROFIT BEFORE TAX</b>			
		52,318,007	30,204,367
Deferred Tax		(676,272)	2,380,699
Current Tax		15,911,465	3,304,507
Fringe Benefit Tax		1,036,228	1,018,609
Wealth Tax		22,552	12,083
MAT Credit Entitlement		1,780,681	(1,780,681)
<b>PROFIT AFTER TAX</b>			
		<u>34,243,353</u>	<u>25,269,150</u>
Tax provision relating to earlier years reversed		-	5,576,936
Balance of Profit brought forward from Previous year		84,295,306	53,449,220
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>			
		<u>118,538,659</u>	<u>84,295,306</u>
<b>APPROPRIATIONS</b>			
Proposed Dividend - Preference Shares (Refer note no B-7 of Schedule 13)		4,613,630	-
Corporate Dividend Tax		784,086	-
<b>BALANCE OF PROFIT CARRIED TO BALANCE SHEET</b>			
		<u>113,140,943</u>	<u>84,295,306</u>
Basic and Diluted Earnings Per Equity Share of face value Rs.10 each (in Rupees) (Refer Note No. B-19 in Schedule 13)		7.84	8.73
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	13		

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

As per our attached report of even date

For LODHA & Co.  
Chartered Accountants

For D. BASU & Co.  
Chartered Accountants

R.P. Baradiya  
Partner

Atanu Chatterjee  
Partner

For and on behalf of the Board

Hemant Kumar Ruita Chairman & Mg. Director

M.K. Sinha  
P.H. Vaidya  
A.S. Nagar  
B.M. Jindal  
Directors

Ajay Puranik Company Secretary

Mumbai, Dated : 30<sup>th</sup> June, 2009

Mumbai, Dated : 30<sup>th</sup> June, 2009



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Current Year (Rs.)	Previous Year (Rs.)
<b>A. Cash Flow from Operating Activities</b>		
Net profit before tax and extraordinary items	52,318,007	30,204,367
Adjustments for:		
Depreciation	6,551,257	5,568,331
Sundry Balances Written Off / Back (Net)	1,771,378	(563,624)
(Profit) / Loss on Sale of fixed assets	348,208	134,517
Interest Income	(3,790,588)	(2,201,148)
Interest Paid	49,639,827	38,099,979
Operating profit before working capital changes	106,838,089	71,242,422
Adjustments for:		
Trade and other receivables *	(64,479,609)	(79,083,847)
Inventories	589,391	(26,609,648)
Trade payables	13,077,123	(12,468,050)
<b>Cash generated from operations</b>	<b>56,024,993</b>	<b>(46,919,123)</b>
Direct taxes (paid) / Refund (net of tax paid)	(14,909,628)	(15,038,065)
<b>Net cash flow from operating activities (A)</b>	<b>41,115,365</b>	<b>61,957,188</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(2,668,977)	(20,747,197)
Capital Work in Progress	(13,086,646)	5,436,496
Investments	(100)	(10,028,353)
Interest Received	3,790,588	2,201,148
Sale of Fixed Assets	55,000	100,000
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(11,910,135)</b>	<b>(23,037,906)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds / (Repayment) from Long Term Borrowings (Net)	(4,954,227)	(9,471,682)
Proceeds / (Repayment) from Short Term Borrowings	14,787,005	134,847,291
Proceeds from issue of Share Capital	20,000,000	—
Interest Paid	(49,639,827)	(38,099,979)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(19,807,049)</b>	<b>87,275,630</b>
<b>Net increase / (decrease) in cash and Cash equivalents</b>	<b>Total = A + B + C</b>	<b>9,398,181</b>
<b>Cash equivalents</b>	<b>– Opening Balance</b>	<b>2,795,524</b>
<b>Cash and Cash equivalents</b>	<b>– Closing Balance</b>	<b>12,193,705</b>
		<b>2,280,536</b>
		<b>342,058</b>
		<b>2,795,524</b>

\* Includes Margin Money in the form of Term Deposits with the Bank

### Notes

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3 – 'Cash Flow Statement notified' in the Companies (Accounting Standard) Rules, 2006.
- Previous year's figures have been regrouped / recast, wherever necessary.

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

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

**R.P. Baradiya**  
Partner

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

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

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

**Ajay Puranik** Company Secretary

Mumbai, Dated : 30<sup>th</sup> June, 2009

Mumbai, Dated : 30<sup>th</sup> June, 2009



## SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	Rupees	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>SCHEDULE 1</b>			
<b>SHARE CAPITAL</b>			
<b>Authorised :</b>			
9,500,000	Equity Shares of Rs.10 each	95,000,000	95,000,000
50,000	Preference Shares of Rs.100 each	<u>5,000,000</u>	<u>5,000,000</u>
		<u>100,000,000</u>	<u>100,000,000</u>
<b>Issued, Subscribed and Paid-Up :</b>			
5,502,000 (35,02,000)	Equity Shares of Rs.10 each	55,020,000	35,020,000
19,385 (19,385)	14% Redeemable Cumulative Preference Shares of Rs.100 each, redeemable at par on or before 9th April, 2015.	1,938,500	1,938,500
		<u>56,958,500</u>	<u>36,958,500</u>
<b>SCHEDULE 2</b>			
<b>RESERVES AND SURPLUS</b>			
<b>Revaluation Reserve :</b>			
As per last Balance Sheet	15,184,210		15,615,233
Less: Transferred to Profit and Loss Account	<u>364,357</u>		<u>431,023</u>
		14,819,853	15,184,210
<b>Capital Reserve :</b>			
(Surplus on re-issue of forfeited shares)			
As per last Balance Sheet		4,616	4,616
<b>Capital Redemption Reserve :</b>			
As per last Balance Sheet		61,500	61,500
Surplus as per Profit & Loss Account annexed		<u>113,140,943</u>	<u>84,295,306</u>
		<u>128,026,912</u>	<u>99,545,632</u>



As at 31<sup>st</sup>  
March, 2009  
Rupees

As at 31<sup>st</sup>  
March, 2008  
Rupees

## SCHEDULE 3

### SECURED LOANS

#### Loan from banks :

Cash Credit	<b>246,662,355</b>	231,875,350
-------------	--------------------	-------------

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

Vehicle Loans	<b>857,540</b>	2,866,350
---------------	----------------	-----------

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

<u><b>247,519,895</b></u>	<u>234,741,700</u>
---------------------------	--------------------

## SCHEDULE 4

### DEFERRED STATUTORY DUES

-	2,945,417
---	-----------

(Repayable within one year)

<u>-</u>	<u>2,945,417</u>
----------	------------------

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

Rupees

DESCRIPTION	GROSS BLOCK (COST / BOOK VALUE)				DEPRECIATION				NET BLOCK	
	As at 1st April, 2008	Additions	Deductions	As at 31st March, 2009	Upto 31 st March, 2008	For the year	Adjustments/ Deductions	Upto 31st March, 2009	As at 31st March, 2009	As at 31st March, 2008
Freehold Land	682,874	-	-	682,874	-	-	-	-	682,874	682,874
Leasehold Land	21,994,500	-	-	21,994,500	7,456,726	265,366	-	7,722,092	14,272,408	14,537,774
Development of Leasehold Land	48,452	-	-	48,452	15,914	584	-	16,498	31,954	32,538
Buildings	19,748,839	-	-	19,748,839	10,983,970	431,996	-	11,415,966	8,332,873	8,764,869
Plant & Machinery										
R & D Equipment	6,904,336	-	-	6,904,336	887,910	323,827	-	1,211,737	5,692,599	6,016,426
Effluent Treatment Plant	1,329,080	-	-	1,329,080	1,064,951	15,631	-	1,080,582	248,498	264,129
Office and Computer Equipments	9,492,742	1,977,205	-	11,469,947	4,619,731	973,776	-	5,593,507	5,876,440	4,873,011
Software	6,746,200	-	-	6,746,200	-	480,248	-	480,248	6,265,952	6,746,200
Others	120,208,999	292,775	-	120,501,774	95,729,537	2,848,753	-	98,578,290	21,923,484	24,479,462
Furniture & Fittings	2,380,827	398,997	-	2,779,824	1,423,788	355,365	-	1,779,153	1,000,671	957,039
Vehicles	14,380,436	-	1,359,836	13,020,600	4,637,649	1,220,068	956,628	4,901,089	8,119,511	9,742,787
<b>Total</b>	<b>203,917,285</b>	<b>2,668,977</b>	<b>1,359,836</b>	<b>205,226,426</b>	<b>126,820,176</b>	<b>6,915,614</b>	<b>956,628</b>	<b>132,779,162</b>	<b>72,447,264</b>	<b>77,097,109</b>
Previous Year	183,632,566	20,747,197	462,478	203,917,285	121,048,783	5,999,354	227,961	126,820,176	77,097,109	
Capital Work-in-Progress									13,193,646	107,000

**Notes**

1. Leasehold land is for the period of 95 years commencing from 1st August, 1968.

2. Capital work-in-progress comprises of :

	2008-2009	2007-2008
	Rs.	Rs.
Plant & Machinery (under installation)	13,193,646	-
R & D-Building	-	107,000
<b>Total</b>	<b>13,193,646</b>	<b>107,000</b>



	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>SCHEDULE 6</b>		
<b>INVESTMENTS : LONG TERM</b>		
<b>(QUOTED, NON TRADE)</b>		
2000 (1000) Equity Shares of Larsen and Toubro Limited of Rs.2 each fully paid up.	3,335,046	3,335,046
3200 (3200) Equity Shares of Reliance Communication Limited of Rs.5 each fully paid up.	1,892,008	1,892,008
3000 (3000) Equity Shares of Reliance Infrastructure Limited of Rs.10 each fully paid up.	4,701,399	4,701,399
<b>(UNQUOTED, TRADE)</b>		
<b>Government Securities :</b>		
6 year National Savings Certificates (Lodged with the Excise Authorities)	2,000	2,000
<b>In Subsidiary Companies</b>		
5,97,500 (5,97,500) Equity Shares of APL Infotech Limited of Rs.10 each fully paid up.	597,500	597,500
10,000 (9,990) Equity Shares of APL Engineering Services Private Limited of Rs.10 each fully paid up.	100,000	99,900
	<u>10,627,953</u>	<u>10,627,853</u>
Aggregate Book value of unquoted investments	699,500	599,500
Aggregate Book value of quoted investments	9,928,453	9,928,453
	<u>10,627,953</u>	<u>10,527,953</u>
<b>Aggregate Market value of quoted investments</b> (Refer Note No. A-5 in Schedule 13)	<b>3,447,570</b>	<b>8,404,810</b>

## SCHEDULE 7

### CURRENT ASSETS, LOANS AND ADVANCES :

#### A. CURRENT ASSETS

##### (I) INVENTORIES

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

(a) Stores & Spare Parts and Packing Materials	11,774,825	12,258,235
(b) Raw Materials (in Transit Rs.14,734,883; Previous Year Rs.22,056,763)	37,422,250	33,903,904
(c) Materials-in-Process	21,388,429	7,634,163
(d) Finished Goods	78,632,763	75,814,339
(e) Materials for Repacking (in Transit Rs.29,787,879; Previous Year Rs.16,062,234)	30,724,342	53,133,158
(f) Materials for Resale	2,881,400	669,600
	<u>182,824,009</u>	<u>183,413,399</u>

# AMINES & PLASTICIZERS LIMITED



	Rupees	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>(II) SUNDRY DEBTORS</b>			
(i) SECURED			
Debtor due for a period exceeding six months . (Secured by way of charge on the assets of a debtor in possession of the Company pursuant to an order of Hon'ble Mumbai High Court.)	14,469,739		14,469,739
(ii) UNSECURED			
(a) Others			
exceeding six months :			
Considered Good	5,574,637		8,472,536
Considered Doubtful	1,333,465		1,333,465
	<u>6,908,102</u>		<u>9,806,001</u>
Less : Provision for Doubtful Debts	1,333,465		1,333,465
	<u>5,574,637</u>		8,472,536
(b) Other debts :			
Considered Good	167,975,465		180,650,220
		<b>188,019,841</b>	203,592,495
<b>(III) CASH AND BANK BALANCES</b>			
(a) Cash on Hand	214,471		79,913
(b) Cheques in Hand	10,710,969		-
(c) Balances with Scheduled Banks :			
In Current Accounts	1,268,265		2,715,611
In Term/Margin Money Deposits (Receipts lodged with Bank for margin money / bank guarantees)	8,116,072		7,440,933
		<b>20,309,777</b>	10,236,457
<b>B. LOANS AND ADVANCES</b>			
(Unsecured, considered good)			
(a) Loan to Subsidiaries	33,853,156		18,430,000
(b) Advances recoverable in cash or in kind or for value to be received	18,616,067		11,740,504
(c) Deposits	3,679,353		3,381,439
(d) Balance with Central Excise	70,598,554		45,553,161
(e) Export Benefit Receivable	28,281,665		6,909,671
(f) Balances with Sales Tax	9,949,951		3,728,113
(g) MAT Credit Entilement	-		1,780,681
(h) Fringe Benefit Tax (net of provision of Rs.1036228; Previous Year Rs.1,018,609)	291,684		205,835
		<b>165,270,430</b>	91,729,404
<b>C. INTEREST ACCRUED ON DEPOSIT / LOANS</b>			
interest accrued on deposit / loans (includes Rs.43,47,142 (previous year Rs.1,953,603) due from a subsidiary company)		<b>4,717,630</b>	2,347,742
		<u><b>561,141,687</b></u>	<u>491,319,497</u>

# AMINES & PLASTICIZERS LIMITED



As at 31<sup>st</sup>  
March, 2009  
Rupees

As at 31<sup>st</sup>  
March, 2008  
Rupees

## SCHEDULE 8

### CURRENT LIABILITIES AND PROVISIONS :

#### A. CURRENT LIABILITIES

- (a) Sundry Creditors  
(Refer Note No. B-8 and B-9 in Schedule 13)  
Due to Small, Medium and Micro Enterprises  
Others  
(b) Other Liabilities\*

	—	—
	<b>189,833,244</b>	173,141,224
	<b><u>10,079,026</u></b>	<u>13,588,638</u>
	<b>199,912,270</b>	186,729,862

#### B. PROVISIONS

- (a) Income-Tax (Net of tax paid of Rs.11,062,758;  
Previous Year Rs.1,043,815)  
(b) Wealth Tax  
(c) Proposed Preference Dividend  
(d) Provision for Dividend Tax  
(e) Gratuity  
(f) Leave Compensation

	4,737,243	2,601,246
	22,552	12,083
	<b>4,613,630</b>	
	<b>784,086</b>	
	<b>3,849,775</b>	3,466,389
	<b>3,251,918</b>	3,740,589
	<b><u>17,259,204</u></b>	<u>9,820,307</u>
	<b><u>217,171,474</u></b>	<u>196,550,169</u>

\* includes Rs.Nil (previous year Rs.99,900) due to a subsidiary company, APL Engineering Services Private Limited on account of subscription of shares which has been since paid.

## SCHEDULES ATTACHED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Year ended 31st March, 2009 Rupees	Year ended 31st March, 2008 Rupees
---	---

### SCHEDULE 9

#### SALES AND SERVICES :

- Sales & Services - Gross  
Less: Excise Duty  
Sales & Services - Net (Refer Note No. B-5 in Schedule 13)  
Export Benefits

	1,632,608,922	1,145,529,517
	<b>75,537,213</b>	88,795,227
	<b>1,557,071,709</b>	1,056,734,290
	<b>34,687,571</b>	10,029,153
	<b><u>1,591,759,280</u></b>	<u>1,066,763,443</u>

### SCHEDULE 10

#### OTHER INCOME :

- Interest (Gross) :  
On Long Term Investments  
Others  
Gross: (Tax deducted at source  
Rs.1,062,758; Previous Year Rs.748,034)  
Miscellaneous Income  
Sundry Balances Written Back / Off (Net)

	102	239
	<b>3,790,486</b>	2,200,909
	<b>3,790,588</b>	2,201,148
	<b>811,880</b>	1,521,742
	—	563,624
	<b><u>4,602,468</u></b>	<u>4,286,514</u>



# AMINES & PLASTICIZERS LIMITED



	Year ended 31 <sup>st</sup> March, 2009 Rupees	Year ended 31 <sup>st</sup> March, 2008 Rupees
<b>SCHEDULE 11</b>		
<b>INCREASE / (DECREASE) IN STOCKS :</b>		
Closing Stocks :		
Finished Goods	78,632,763	75,814,339
Materials-in-process	21,388,429	7,634,163
Materials for Resale	<u>2,881,400</u>	<u>669,600</u>
	<u>102,902,592</u>	<u>84,118,102</u>
Opening Stocks :		
Finished Goods	75,814,339	72,021,758
Materials-in-process	7,634,163	13,213,447
Materials for Resale	<u>669,600</u>	<u>701,610</u>
	<u>84,118,102</u>	<u>85,936,815</u>
	<u>18,784,490</u>	<u>(1,818,713)</u>
<b>SCHEDULE 12</b>		
<b>MANUFACTURING AND OTHER EXPENSES :</b>		
Payments to and Provisions for Employees :		
Salaries, Wages, Bonus and Gratuity	40,666,782	43,404,684
Contribution to Provident and Other Funds	2,639,314	2,581,508
Staff and Workmen Welfare Expenses	7,663,076	6,438,007
Power and Fuel	119,461,870	80,864,759
Laboratory Expenses	845,535	509,549
Conversion Charges	8,680,525	4,945,402
Repairs and Maintenance to		
Plant & Machinery	12,354,095	10,844,940
Buildings	8,135,312	1,294,678
Others	5,091,203	1,996,345
Research & Development Expenses	4,373,779	4,044,423
Packing Materials Consumed	37,630,527	23,536,780
Conveyance and Vehicle Expenses	5,338,888	4,637,701
Rent	2,659,798	1,345,268
Rates and Taxes	10438705	6,175,418
Insurance	2,020,001	1,744,426
Directors' Fees	65,500	62,500
Excise Duty on Stocks	(3,868,122)	(184,247)
Freight Outward	32,735,143	29,204,737
Payment to Auditors	514,070	451,990
Commission on Sales	72,216,674	21,379,063
Managerial Remuneration	1,545,005	1,486,788
Interest paid	32,657,034	23,571,995
Other Finance Costs	16,982,793	14,527,984
Technical Fees Paid	11,859,769	11,238,922
Miscellaneous Expenses	28,742,863	24,220,057
Sundry Balances Written Off / Back (Net)	1,771,378	-
(Refer Note No. B-6 in Schedule 13)		
Loss on Sale of Fixed Assets (Net)	<u>348,208</u>	<u>134,517</u>
	<u>463,569,725</u>	<u>320,458,194</u>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF  
THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009****SCHEDULE 13****A. SIGNIFICANT ACCOUNTING POLICIES****1. GENERAL****(a) Overview of the Company:**

The Company was incorporated in 1973 under the Companies Act, 1956 as AMINES AND PLASTICIZERS LIMITED. with registration number (CIN) L24229AS1973PLC001446. The Company is primarily involved into Manufacturing of Ethanolamines and Morpholine having facility at Turbhe Navi Mumbai.

(b) The financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India under the historical cost convention except for certain fixed assets, which have been revalued, in accordance with the applicable Accounting Standards (AS) notified in the Companies (Accounting Standard) Rules, 2006 and on the principles of a going concern.

(c) The Company follows the mercantile system of accounting and recognizes income and expenditure on the accrual basis except those with significant uncertainties.

(d) The accounting policies have been consistently followed.

**2. USE OF ESTIMATES**

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

**3. FIXED ASSETS**

(a) Fixed Assets are stated at cost adjusted by revaluation in case of Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant.

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

**4. DEPRECIATION**

(a) Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Further, in the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts at the rates as determined by the valuer. The difference between the depreciation on the assets based on such revaluation and that on original cost is transferred from Revaluation Reserve Account to Profit and Loss Account.

- (b) Depreciation on Gas Cylinders is provided on the basis of anticipated life, as certified by a Chartered Engineer, on straight line method @ 5.5555% per annum.
- (c) Premium and Development Cost paid for Leasehold-land is amortised over the period of lease.
- (d) Depreciation on Fixed Assets added / disposed off / discarded during the year has been provided on the pro-rata basis with reference to the month of addition / disposal / discarding.

## 5. INVESTMENTS

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

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

## 6. VALUATION OF INVENTORIES

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

## 7. FOREIGN CURRENCY TRANSACTIONS

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

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

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

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

## 8. REVENUE RECOGNITION

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

## 9. RESEARCH AND DEVELOPMENT EXPENDITURE

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



## 10. EMPLOYEE BENEFITS

### (a) Gratuity :

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

### (b) Provident Fund :

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

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

## 11. BORROWING COSTS

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

## 12. INCOME TAX

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

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

### (c) Provision for Fringe Benefit Tax (FBT) is made on the basis of expenses incurred on employees/ other expenses as prescribed under the Income Tax Act, 1961.

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

## 13. LEASES

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

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

## 14. PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

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

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

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

	31.03.2009 Rs.	31.03.2008 Rs.
<b>B. NOTES ON ACCOUNTS :</b>		
1. Contingent Liabilities not provided for in respect of :		
(i) Disputed Sales Tax Dues (excluding interest, if any)	1,003,533	1,003,533
(ii) Claims against the Company not acknowledged as debts	1,368,024	531,799
(iii) Arrears of Dividend on 19,385 14% Redeemable Cumulative Preference Shares of Rs.100 each.	-	4,342,240
2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	225,000	1,316,250
3. The Company has revalued Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant in the year 1990-91 on the basis of reports of an external approved valuer on market value / replacement cost using standard indices. The revalued amounts (net of withdrawals) remaining substituted for the historical cost in the gross block of fixed assets as at the close of the year are Leasehold Land. Rs.21,994,500 (Rs.21,994,500), Buildings Rs.7,509,750 (Rs.7,509,750), Plant & Machinery Rs.68,530,500. (Rs.68,530,500), Research & Development Equipment Rs.470,500 (Rs.470,500) and Effluent Treatment Plant Rs.1,000,000. (Rs.1,000,000).		
4. (a) The Accounts of certain Debtors, Creditors, Loans & Advances are pending confirmations, reconciliations, and adjustments, if any, having consequential impact on the profit for the year, assets and liabilities, the amounts whereof are presently not ascertainable. The management, however, does not expect any material difference affecting the current year's financial statements.		
(b) In the opinion of the Board, the Current Assets and Loans and Advances are approximately of the value stated, if realised in the ordinary course of business unless otherwise stated. The provisions for depreciation and for all known liabilities are adequate and reasonable.		
5. Sales for the current year is net of Rs.44,015,597 being the amount of returns in respect of sales of the previous year.		
6. Sundry Balance Written off / back include Rs.1,441,186 (Rs. Nil) in respect of foreign party for advance given towards import of raw material written off being not receivable subject to RBI approval.		
7. Proposed Cumulative Preference Share Dividend is recommended subject to the Approval of Hon'ble BIFR and State Bank of India.		
8. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.		
9. Sundry Creditors include Rs.97,367,617 (Rs.80,060,450) being the amount of acceptances of Bills of Exchange by the Company, drawn by the Suppliers.		
10. The break up of the deferred tax (liabilities) / assets (net) is as follows :		
	<b>Deferred Tax Assets / (Liabilities)</b>	
	(Rs.)	(Rs.)
	31.03.2009	31.03.2008
Timing difference on account of		
Difference between book depreciation and tax depreciation	(9,638,942)	(9,867,762)
Expenses allowable u/s 43 B of Income Tax Act, 1961	1,451,928	1,457,721
Net Deferred Tax assets / (liabilities)	<u>(8,187,014)</u>	<u>(8,410,041)</u>
11. (a) The following are included under other heads of Expenses in the Profit and Loss Account :	31.03.2009	31.03.2008
	Rs.	Rs.
(i) Salaries, Wages and Bonus	3,304,285	2,858,459
(ii) Contribution to Provident and other funds	235,258	205,199
(iii) Staff and Workmen Welfare Expenses	129,367	73,612
(iv) Repairs and Maintenance – Others	28,750	10,000
(v) Stores and Spare Parts Consumed	6,506,093	3,948,184

# AMINES & PLASTICIZERS LIMITED



(b) Aggregate Expenses:	<b>31.03.2009</b>	<b>31.03.2008</b>
Aggregate amount incurred on specific expenses:	<b>Rs.</b>	<b>Rs.</b>
(i) Salaries, Wages, Bonus and Gratuity	<b>43,971,067</b>	<b>46,263,143</b>
(ii) Contribution to Provident and other funds	<b>2,874,572</b>	<b>2,786,707</b>
(iii) Staff and Workmen Welfare Expenses	<b>7,792,443</b>	<b>6,511,619</b>
(iv) Repairs and Maintenance – Others	<b>5,119,953</b>	<b>2,006,345</b>
(v) Stores and Spare Parts Consumed	<b>6,506,093</b>	<b>3,948,184</b>
12. Payment to Auditors :		
(Excluding Service Tax Rs.57568 previous year Rs.55,866)		
(a) Audit Fees	<b>130,000</b>	<b>125,000</b>
(b) In respect of :		
(i) Taxation Matters	<b>15,000</b>	<b>15,000</b>
(ii) Tax Audit Fees	<b>70,000</b>	<b>70,000</b>
(iii) Management Services	<b>25,000</b>	<b>25,000</b>
(iv) Certification Work	<b>225,000</b>	<b>175,000</b>
(v) Reimbursement of out of pocket expenses	<b>49,070</b>	<b>41,990</b>
	<b>514,070</b>	<b>451,990</b>
13. Managerial Remuneration comprise of the following :		
(a) Salaries, Bonus and Allowances	<b>1,122,000</b>	<b>897,600</b>
(b) Contribution to Provident and Family Pension Fund	<b>79,200</b>	<b>63,360</b>
(c) Contribution to Superannuation Fund	<b>112,200</b>	<b>79,200</b>
(d) Perquisites (evaluated as per Income Tax Rules 1962, where necessary)	<b>231,605</b>	<b>197,295</b>
(e) Leave Entitlement	<b>–</b>	<b>117,333</b>
(f) Leave Travel Allowance	<b>–</b>	<b>132,000</b>
	<b>1,545,005</b>	<b>1,486,788</b>

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

14. (i) Foreign exchange difference (net) debited to the Profit & Loss Account for the year Rs.3,383,003 (credited Rs.569,660).
- (ii) Details of Foreign currency unhedged

Particulars	Foreign Currency	2008-09		2007-08	
		Amount in Foreign Currency	Indian rupee equivalent	Amount in Foreign Currency	Indian rupee equivalent
<b>Assets:</b>					
Debtors	USD	518,576.85	26,260,835	1,241,929.50	49,702,018
	EUR	794,494.87	53,542,598	64,218.05	4,061,895
Advances	USD	13,208.00	668,856	53,600.00	2,145,072
Bank	USD	11,452.11	579,937	56,139.36	2,246,497
<b>Total</b>		<b>1,337,731.83</b>	<b>81,052,226</b>	<b>1,359,747.55</b>	<b>55,908,985</b>
<b>Liabilities:</b>					
Creditors	USD	230,793.00	11,687,404	927,056.80	37,100,813
<b>Total</b>		<b>230,793.00</b>	<b>11,687,404</b>	<b>927,056.80</b>	<b>37,100,813</b>

# AMINES & PLASTICIZERS LIMITED



15. Raw Materials consumed*	Quantity (MT)	Amount (Rs.)
(a) Organic Chemicals	14,743.493 (9,341.894)	729,919,443 (420,574,242)
(b) Inorganic Chemicals	887.37 (904.695)	16,441,234 (9,164,308)
		<b>746,360,677</b> <b>(429,738,550)</b>

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

16. (a) Value of imported and indigenous materials consumed and percentage thereof to total consumption	Value (Rs.)	Percentage
(i) Imported	72,954,031 (39,911,706)	9.77 (9.29)
(ii) Indigenous	673,406,646 (389,826,844)	90.23 (90.71)
	<b>746,360,677</b> <b>(429,738,550)</b>	<b>100.00</b> <b>(100.00)</b>

(b) Stores and Spare Parts consumed of Rs.65,06,093 (Rs.3,948,184) and debited to other accounts.

	31.03.2009 Rs.	31.03.2008 Rs.
17. (a) CIF value of Imports :		
(i) Raw Materials	31,005,155	12,833,825
(ii) Materials For Resale and Repacking	235,761,889	249,625,706
(iii) Capital Goods	-	54,584
(b) Expenditure in Foreign Currency :		
(i) Travelling Expenses	599,703	1,225,240
(ii) Bank Charges & Commission	863,947	550,125
(iii) Others	3,089,411	1,052,590
(c) Earnings in Foreign Exchange : (on accrual basis)		
FOB value of Exports	854,955,360	406,058,937

## 18. Related Party Disclosures :

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

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

(i) Party where control exists: Subsidiaries

APL Infotech Limited

APL Engineering Services Private Limited (wholly owned subsidiary w.e.f 1st November 2008)

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

Multiwyn Investments & Holdings Private Limited

APL Holdings & Investments Limited

APL Investments Limited

(iii) Key Management Personnel :

Mr. Hemant Kumar Ruia – Chairman & Managing Director

(b) Related Party Transactions :

NATURE OF TRANSACTION	Amount / Rs.		
	Referred to in a(i) above	Referred to in a(ii) above	Referred to in a(iii) above
<b>Income</b>			
Interest on Loan			
APL Infotech Limited	3,094,827 (1,750,396)		
<b>Expenses</b>			
<b>Service &amp; Maintenance Charges</b>			
APL Holdings & Investments Limited		704,290 (696,294)	
APL Investments Limited		704,290 (696,294)	
<b>Managerial Remuneration – Mr. Hemant Kumar Ruia</b>			1,545,005 (1,486,788)
<b>Finance</b>			
<b>Loan given</b>			
Maximum amount of debit balance during the Year			
APL Infotech Limited	25,843,646 (18,430,000)		
APL Engineering Services Private Limited	8,009,510 (-)		
<b>Equity issued</b>			
Multiwyn Investments & Holdings Private Limited			2,500,000 (-)
Mr. Hemant Kumar Ruia			17,500,000 (-)
<b>Loans taken and repaid</b>			
(a) Maximum amount of credit balance during the Year			
Multiwyn Investments & Holdings Private Limited		2,800,000 (1,500,000)	
Mr. Hemant Kumar Ruia			3,200,000 (150,000)
<b>Equity investment</b>			
Equity investment in subsidiary APL Engineering Services Private Limited from Mr Hemant Kumar Ruia			100 (-)
APL Engineering Services Private Limited	- (99,900)		
<b>Recoverable Expenses</b>			
APL Engineering Services Private Limited	- (9,510)		
(b) Outstandings as at 31st March, 2009			
APL Infotech Limited	30,190,788 (20,383,603)		
APL Engineering Services Private Limited	8,009,510 (-)		
APL Holdings & Investments Limited		252,175 (-)	
APL Investments Limited		252,175 (-)	

**Notes :**

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



# AMINES & PLASTICIZERS LIMITED



19. The computation of Basic and Diluted Earnings per Share :	<b>31.03.2009</b>	31.03.2008
Net Profit after Tax (Rs.)	<b>34,243,352</b>	30,846,086
Less: Dividend Payable on Preference Shares (Rs.)	<b>271,390</b>	271,390
Net Profit available to Equity Shareholders (Rs.)	<b>33,971,962</b>	30,574,696
Weighted average no. of equity shares (denominator)		
Basic	<b>4,335,333</b>	3,502,000
Diluted	<b>4,335,333</b>	3,502,000
Nominal value of Share (Rs.)	<b>10</b>	10
Basic and Diluted Earnings Per Share (Rs.)	<b>7.84</b>	8.73
20. Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits: –		
(i) In respect of gratuity, defined benefit scheme (based on Actuarial Valuation) –		

Description	31.03.2009 Rs.	31.03.2008 Rs.
<b>A. Expense recognised in the statement of Profit and Loss</b>		
Account for the year		
– Current Service Cost	<b>3,855,391</b>	4,299,353
– Interest Cost	–	–
– Expected return on plan assets	–	484,701
– Net actuarial (gain) / loss recognised during the year	<b>829,898</b>	–
Total Expense	<b>4,685,290</b>	3,814,652
<b>B. Actual return on plan assets</b>		
– Expected return of plan assets		
– Actuarial (gain) / loss on plan assets		
– Actual return of plan assets		
<b>C. Net Asset / (Liability) recognised in the Balance Sheet</b>		
– Present value of obligation	<b>14,390,670</b>	14,094,418
– Fair value of plan assets	<b>14,390,670</b>	14,094,418
– Funded status (surplus / (deficit))	–	–
– Net Asset / (Liability) recognised in the Balance Sheet	–	–
<b>D. Change in Present value of Obligation during the year</b>		
– Present value of obligation at the beginning of the year	<b>14,094,418</b>	15,684,409
– Current Service Cost	<b>3,855,391</b>	3,814,652
– Interest Cost	–	–
– Benefits paid	<b>2,729,240</b>	5,889,345
– actuarial (gain) / loss on obligation	<b>829,898</b>	–
– Present value of obligation at the end of the year	<b>14,390,670</b>	13,609,716
<b>E. Change in Assets during the year</b>		
– Fair value of plan assets as at beginning of the year	<b>14,094,418</b>	15,684,409
– Expected return on plan assets	–	484,701
– Contributions made	<b>3,855,391</b>	3,814,652
– Benefits paid	<b>2,729,240</b>	5,889,345
– actuarial (gains) / loss on plan assets	<b>829,898</b>	–
– Fair value of plan assets at the end of the year	<b>14,390,670</b>	14,094,418
<b>F. Major categories of plan assets as a percentage of total plan</b>		
– Mutual Fund	<b>90%</b>	72%
– Government Bonds	<b>10%</b>	28%
<b>G. Actuarial Assumptions</b>		
– Discount rate	<b>7.75%</b>	8.00%
– Expected rate of return on assets	<b>11%</b>	11%
– Mortality Rate	<b>LIC (1994 – 96)</b>	LIC (1994 – 96)
	<b>Table</b>	Table
– Future salary increases consider inflation, seniority, promotion and other relevant factors	<b>2%</b>	2%

# AMINES & PLASTICIZERS LIMITED



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

Rupees

	Chemical	Technical Services	Total
(a) Segment Revenue	1,567,259,280 (1,031,763,443)	24,500,000 (35,000,000)	1,591,759,280 (1,066,763,443)
(b) Segment results	97,119,446 (46,298,055)	6,479,060 (23,534,701)	103,598,506 (69,832,756)
Less : Unallocable expenses net of unallocable income			1,640,672 (1,528,410)
: Interest			49,639,827 (38,099,979)
Profit before tax			52,318,007 (30,204,367)
Provision for taxation (current, deferred and FBT)			18,074,654 (4,935,217)
Profit after tax			34,243,353 (25,269,150)
(c) Carrying amount of Segment Assets	634,235,013 (557,709,522)	12,547,584 (10,814,084)	646,782,597 (568,523,606)
Unallocated Assets			10,627,953 (10,627,853)
Total Assets			657,410,550 (579,151,459)
(d) Carrying amount of Segment Liabilities	464,691,369 (431,291,869)	– –	464,691,369 (431,291,869)
Unallocated Liabilities			7,733,769 (11,355,458)
Total Liabilities			472,425,138 (442,647,327)
(e) Cost incurred to acquire Segment fixed assets during the year	2,561,977 (8,021,617)	– (7,289,084)	2,561,977 (15,310,701)
Unallocated acquisitions			– –
Total			2,561,977 (15,310,701)
(f) Depreciation / Amortisation	6,070,838 (5,568,331)	480,419 –	6,551,257 (5,568,331)
Unallocable Depreciation / Amortisation			– –
Total			6,551,257 (5,568,331)

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

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

Class of Goods	Quantity Unit	Installed Capacity (P.A.)	Actual Production	Purchase for Repacking and Resale		Turnover		Stock			
				Quantity	Amount (Rs.)	Quantity	Amount (Rs.)	Opening		Closing	
								Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
<b>Manufacturing</b>											
Ethanolamines	M.T.	10,000 (10,000)	10,205.960 (7,339.773)	2,531.477 (2,789.601)	319,642,152 (222,474,632)	11,664.506 (9,235.988)	1,400,656,425 (933,406,315)	497.876 (520.395)	49,331,923 (51,322,180)	886.054 (497.876)	65,225,710 (49,331,923)
Phthalate - Plasticizers	M.T.	8,000 (8,000)	- -	- (34.120)	- (3,876,334)	2.750 (33.441)	360,448 (4,718,955)	7.965 (7.286)	842,998 (700,258)	5.215 (7.965)	297,649 (842,998)
Morpholine and derivatives	M.T.	3,600 (3,600)	636.896 (613.360)	49.541 (28.200)	4,432,721 (3,727,841)	621.999 (575.957)	128,364,710 (119,844,498)	111.213 (147.605)	16,084,772 (19,999,320)	79.536 (111.213)	13,109,404 (16,084,772)
Others- (Industrial Gases)	M.T.						667,012 (633,200)		- -		- -
Purchase for Resale											
Ethanolamines & Others	M.T.			110.288 (605.420)	19,409,340 (42,437,415)	101.200 (605.420)	2,523,114 (52,126,549)	7.200 (7.200)	669,600 (701,610)	16.288 (7.200)	2,881,400 (669,600)
Technical Services							24,500,000 (35,000,000)				
<b>TOTAL</b> (Rs.)					<b>343,484,213</b> <b>(272,516,222)</b>		<b>1,557,071,709</b> <b>(1,145,529,517)</b>		<b>66,929,292</b> <b>(72,723,368)</b>		<b>81,514,163</b> <b>(66,929,292)</b>

**NOTE :**

1. The licensed Capacity is not given as licensing has been abolished.
2. Installed Capacity as certified by the Chairman & Managing Director and relied upon by the auditors, this being a technical matter.
3. Production of Phthalate Plasticizers includes Nil (Nil.) processed for others.
4. Actual production includes 684.370 M.T. (915.905 M.T.) of Ethanolamines and 95.930 M.T.(101.995 MT) of Morpholine used for captive consumption.
5. Closing Stock excludes handling / transit losses & samples.
6. No production in Plasticizers plant due to lack of market demand and the same is revamped to produce Morpholine derivatives.
7. Actual production includes 851.900 M.T. (738.970 M.T.) of Ethanolamines produced by job work.

24. (a) Figures shown in brackets relate to the previous year.

(b) Figures of previous year have been regrouped / rearranged, wherever necessary to conform to the current year's presentation.

### Signatories to Schedules 1 to 13

<b>Hemant Kumar Ruia</b>	<i>Chairman &amp; Mg. Director</i>
<b>M.K. Sinha</b>	} <i>Directors</i>
<b>P.H. Vaidya</b>	
<b>A.S. Nagar</b>	
<b>B.M. Jindel</b>	
<b>Ajay Puranik</b>	<i>Company Secretary</i>

Mumbai

Dated : 30<sup>th</sup> June, 2009

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

PARTICULARS	APL Infotech Ltd.	APL Engineering Services Pvt. Ltd.
Financial year of the subsidiary company ended on	31 <sup>st</sup> March 2009	31 <sup>st</sup> March 2009
No. of Equity Shares held by Amines & Plasticizers Limited in the subsidiary as at 31 <sup>st</sup> March, 2009	5,97,500 Equity Shares of 10/- each fully paid	10,000 Equity Shares of 10/- each fully paid
Extent of interest of Amines & Plasticizers Limited in the capital of the subsidiary company	51%	100%
Net aggregate amount of profit / (loss) of the subsidiary so far as it concerns to the members of Amines & Plasticizers Limited as it is not dealt with the Company's accounts for the year ended 31 <sup>st</sup> March, 2009 of the subsidiary	(20975)	(52958)
Net aggregate amount of profit / (loss) of the subsidiary so far as dealt with or provision is made for those losses in the accounts of Amines & Plasticizers Limited for the year ended 31 <sup>st</sup> March, 2009 of the subsidiary	-	-

(Rs. in Lacs)

PARTICULARS	As on 31 <sup>st</sup> March, 2009	
	APL Infotech Ltd.	APL Engineering Services Pvt. Ltd.
Capital	117.15	1.00
Reserves / (Loss)	(7.06)	-
Total Assets	432.86	80.59
Total Liabilities	315.71	80.13
Investments	-	-
Total Income	-	-
Profit / (loss) Before Taxation	(0.05)	(0.52)
Profit / (loss) After Taxation	(0.41)	(0.52)
Proposed Dividend	-	-

For and on behalf of the Board

<b>Hemant Kumar Ruia</b>	<i>Chairman &amp; Mg. Director</i>
<b>M.K. Sinha</b>	} <i>Directors</i>
<b>P.H. Vaidya</b>	
<b>A.S. Nagar</b>	
<b>B.M. Jindel</b>	
<b>Ajay Puranik</b>	<i>Company Secretary</i>

Mumbai, Dated : 30<sup>th</sup> June, 2009



Balance Sheet Abstract & Company's General Business Profile :

## I. REGISTRATION DETAILS

Registration No.	1446	State Code	2
Balance Sheet Date	31 <sup>st</sup> March, 2009		

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

Public Issue Nil	Nil	Right Issue	Nil
Bonus Issue Nil	Nil	Preferential Allotment	20000

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

Total Liabilities	657,410.55	Total Assets	657,410.55
-------------------	------------	--------------	------------

SOURCE OF FUNDS	Rs. (In Thousands)		Rs. (In Thousands)
Paid-up Capital	56,958.50	Reserves & Surplus	128,026.91
Secured Loans	247,519.90	Unsecured Loans	0
		Deferred Tax Liabilities	7,733.77

APPLICATION OF FUNDS	Rs. (In Thousands)		Rs. (In Thousands)
Net Fixed Assets	72,447.26	Investments	10,627.95
Net Current Assets	343,970.21	Capital Work in Progress	13,193.65

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

Turnover (Including Other Income)	1,615,146.24	Total Expenditure	1,562,828.23
Profit/(Loss) Before Tax	52,318.01	Profit/(Loss) After Tax	34,243.36
Earnings per Share(Rs.)		Dividend Rate (%)	14
Basic	7.84		
Diluted	7.84		

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

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



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

To,

The Board of Directors of

**AMINES & PLASTICIZERS LIMITED**

1. We have audited the attached Consolidated Balance Sheet of AMINES & PLASTICIZERS LIMITED (the 'Parent Company') and its subsidiaries as at March 31, 2009 and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Parent Company's management and have been prepared by them on the basis of separate financial statements and other financial information regarding component. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries APL Infotech Limited & APL Engineering Services Private Limited whose financial statements reflect total assets of Rs.50,625,788 as at March 31, 2009 and total revenues of Rs. Nil for the year from April 01, 2008 to March 31, 2009. These financial statements have been audited by other auditors and have been furnished to us by the Management and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary is based solely on these audited financial statements.
4. We report that the consolidated financial statements have been prepared by the Parent Company's management in accordance with the requirements of the Accounting Standards (AS) 21-Consolidated Financial Statements notified in the Companies (Accounting Standard) Rules, 2006.
5. Based on our audit and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements, read together with para 3 above, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of Consolidated Balance Sheet, of the state of affairs of the parent company and its subsidiary as at March 31, 2009;
  - (ii) in the case of Consolidated Profit and Loss account, of the profit for the year ended on that date.
  - (iii) in the case of Consolidated Cash Flow, of the cash flows for the year ended on that date.

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

**R.P. Baradiya**  
*Partner*  
(Membership No.44101)

Place : Mumbai  
Date : 30<sup>th</sup> June, 2009

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

**Atanu Chatterjee**  
*Partner*  
(Membership No.50105)

Place : Mumbai  
Date : 30<sup>th</sup> June, 2009

# AMINES & PLASTICIZERS LIMITED



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2009

	SCHEDULE	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	56,958,500	36,958,500
Reserves and Surplus	2	<u>127,372,875</u>	<u>102,060,362</u>
		<b>184,331,375</b>	<b>139,018,862</b>
<b>LOANS FUNDS</b>			
Secured Loans	3	<u>247,519,895</u>	<u>234,741,700</u>
		<b>247,519,895</b>	<b>234,741,700</b>
<b>MINORITY INTEREST</b>			
DEFERRED STATUTORY DUES	4	5,394,365	5,414,617
DEFERRED TAX LIABILITY		—	2,945,417
		<u>7,733,769</u>	<u>8,410,041</u>
<b>TOTAL</b>		<b><u>444,979,405</u></b>	<b><u>390,530,637</u></b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	5	205,342,099	203,917,285
Less: Depreciation		<u>132,785,728</u>	<u>126,820,176</u>
Net Block		72,556,371	77,097,109
Capital Work-In- Progress		<u>48,303,641</u>	<u>28,469,257</u>
<b>INVESTMENTS</b>	6	9,930,453	9,930,453
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	7	188,865,292	183,413,399
Sundry Debtors		<u>188,019,842</u>	<u>203,592,495</u>
Cash & Bank Balances		20,520,960	10,262,323
Loans & Advances		<u>134,952,874</u>	<u>74,222,313</u>
Interest accrued on Deposits/ loans		370,488	394,139
		<b>532,729,456</b>	<b>471,884,669</b>
<b>Less: CURRENT LIABILITIES AND PROVISIONS</b>	8		
Current Liabilities		201,295,050	187,031,802
Provisions		<u>17,259,204</u>	<u>9,828,559</u>
		<b>218,554,254</b>	<b>196,860,361</b>
<b>NET CURRENT ASSETS</b>		<b>314,175,202</b>	<b>275,024,308</b>
<b>MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)	9	13,738	9,510
<b>TOTAL</b>		<b><u>444,979,405</u></b>	<b><u>390,530,637</u></b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	14		

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

As per our attached report of even date

For LODHA & Co.  
Chartered Accountants

For D. BASU & Co.  
Chartered Accountants

R.P. Baradiya  
Partner

Atanu Chatterjee  
Partner

For and on behalf of the Board

Hemant Kumar Ruia Chairman & Mg. Director

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

Ajay Puranik Company Secretary

Mumbai, Dated : 30<sup>th</sup> June, 2009

Mumbai, Dated : 30<sup>th</sup> June, 2009



## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009

	SCHEDULE	Year ended 31 <sup>st</sup> March, 2009 Rupees	Year ended 31 <sup>st</sup> March, 2008 Rupees
<b>INCOME</b>			
Sales and Services-Gross	10	1,667,296,493	1,155,558,670
Less : Excise Duty		75,537,213	88,795,227
Sales and Services-Net		1,591,759,280	1,066,763,443
Other Income	11	1,507,641	2,536,118
Increase/(Decrease) in Stock	12	18,784,490	(1,818,713)
		<u>1,612,051,411</u>	<u>1,067,480,848</u>
<b>EXPENDITURE</b>			
Raw Materials consumed		749,191,072	429,738,550
Purchase for Resale and Repacking		343,516,177	283,261,802
Manufacturing and Other Expenses	13	463,621,122	320,460,694
Depreciation		6,922,180	5,999,354
Less: Transferred from Revaluation Reserve		364,357	431,023
		<u>6,557,823</u>	<u>5,568,331</u>
		<u>1,562,886,194</u>	<u>1,039,029,377</u>
<b>PROFIT BEFORE TAX</b>			
		49,165,217	28,451,471
Deferred Tax		(676,272)	2,380,699
Current Tax		15,911,465	3,304,507
Fringe Benefit Tax		1,072,356	1,026,861
Wealth tax		22,552	12,083
MAT Credit Entitlement		1,780,681	(1,780,681)
<b>PROFIT AFTER TAX</b>			
		31,054,435	23,508,002
Tax provision relating to earlier years reversed		-	5,576,936
Less : Minority interest		(20,152)	(5,268)
<b>PROFIT AFTER MINORITY INTEREST</b>			
		31,074,587	29,090,206
Balance of Profit brought forward from Previous year		81,432,536	52,342,330
Amount available for appropriation		112,507,123	81,432,536
<b>APPROPRIATIONS</b>			
Proposed Dividend - Preference Shares (Refer note no B-7 of Schedule 14)		4,613,630	-
Corporate Dividend Tax		784,086	-
<b>BALANCE OF PROFIT CARRIED TO BALANCE SHEET</b>			
		<u>107,109,406</u>	<u>81,432,536</u>
Basic and Diluted Earnings Per Equity Share of face value Rs.10 each (in Rupees) (Refer Note No.B- 17 in Schedule 14)		7.11	8.23
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	14		
The Schedules referred to above form an integral part of the financial statements.			

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

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

**R.P. Baradiya**  
Partner

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

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

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

**Ajay Puranik** Company Secretary

Mumbai, Dated : 30<sup>th</sup> June, 2009

Mumbai, Dated : 30<sup>th</sup> June, 2009



# AMINES & PLASTICIZERS LIMITED



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009

	Current Year (Rs.)	Previous Year (Rs.)
<b>A. Cash Flow from Operating Activities</b>		
Net profit before tax and extraordinary items	49,165,217	28,451,471
Adjustments for:		
Depreciation	6,557,823	5,568,331
Sundry Balances Written Off/Back (Net)	1,771,373	(563,624)
Preliminary Expenses written off	1,527	-
(Profit)/ Loss on Sale of fixed assets	348,208	134,517
Interest Income	(695,761)	(450,752)
Interest Paid	49,642,682	38,099,979
Operating profit before working capital changes	106,791,069	71,239,922
Adjustments for:		
Trade and other receivables *	(49,275,601)	(71,076,581)
Inventories	(5,451,892)	(26,609,648)
Trade payables	14,157,963	(12,427,760)
<b>Cash generated from operations</b>	66,221,538	(38,874,067)
Direct taxes (paid) /Refund (net of tax paid)	(14,954,008)	(15,041,490)
<b>Net cash flow from operating activities</b> (A)	51,267,530	- 53,915,557
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(2,784,650)	(20,747,197)
Capital Work in Progress	(19,834,384)	(952,248)
Investments	(100)	(9,928,453)
Preliminary Expenses	(5,755)	(9,510)
Interest Received	695,761	450,752
Sale of Fixed Assets	55,000	100,000
<b>Net cash flow from investing activities</b> (B)	(21,874,128)	(31,086,656)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) from Long Term Borrowings (Net)	(4,954,227)	(9,471,682)
Proceeds/(Repayment) from Short Term Borrowings	14,787,005	134,847,291
Proceeds from issue of Share Capital	20,000,000	-
Interest Paid	(49,642,682)	(38,099,979)
<b>Net cash flow from financing activities</b> (C)	(19,809,904)	87,275,630
<b>Net increase/(decrease) in cash and cash equivalents</b>	Total = A+B+C	9,583,498
<b>Cash and Cash equivalents</b>	- Opening Balance	2,821,390
	- Closing Balance	12,404,888
		2,273,417
		547,973
		2,821,390

\* Includes Margin Money in the form of Term Deposits with the Bank

### Notes

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3 - Cash Flow Statement notified in the Companies (Accounting Standard) Rules, 2006.
- Previous year's figures have been regrouped/recast, wherever necessary.

As per our attached report of even date

For **LODHA & Co.**  
Chartered Accountants

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

**R.P. Baradiya**  
Partner

**Atanu Chatterjee**  
Partner

For and on behalf of the Board

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

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

**Ajay Puranik** *Company Secretary*

Mumbai, Dated : 30<sup>th</sup> June, 2009

Mumbai, Dated : 30<sup>th</sup> June, 2009



## SCHEDULES ATTACHED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2009

	Rupees	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>SCHEDULE 1</b>			
<b>SHARE CAPITAL</b>			
<b>Authorised :</b>			
9,500,000 Equity Shares of Rs.10 each		95,000,000	95,000,000
50,000 Preference Shares of Rs.100 each		<u>5,000,000</u>	<u>5,000,000</u>
		<u>100,000,000</u>	<u>100,000,000</u>
<b>Issued, Subscribed and Paid-Up :</b>			
5,502,000 (35,02,000) Equity Shares of Rs.10 each		55,020,000	35,020,000
19,385 (19,385) 14% Redeemable Cumulative Preference Shares of Rs.100 each, redeemable at par on or before 9 <sup>th</sup> April, 2015		<u>1,938,500</u>	<u>1,938,500</u>
		<u>56,958,500</u>	<u>36,958,500</u>

## SCHEDULE 2

### RESERVES AND SURPLUS

#### Revaluation Reserve :

As per last Balance Sheet	15,184,210	15,615,233
Less : Transferred to Profit and Loss Account	<u>364,357</u>	<u>431,023</u>
	14,819,853	15,184,210

#### Capital Reserve :

(Surplus on re-issue of forfeited shares)

As per last Balance Sheet	4,616	4,616
---------------------------	-------	-------

#### Capital Redemption Reserve :

As per last Balance Sheet	61,500	61,500
Surplus as per Profit & Loss Account annexed	107,109,406	81,432,536
Capital Reserve (Arising on Consolidation)	<u>5,377,500</u>	<u>5,377,500</u>
	<u>127,372,875</u>	<u>102,060,362</u>



**As at 31<sup>st</sup>  
March, 2009  
Rupees**

**As at 31<sup>st</sup>  
March, 2008  
Rupees**

**SCHEDULE 3****SECURED LOANS****Loan from banks :**

Cash Credit **246,662,355** 231,875,350

The above facilities are secured against hypothecation of stock-in-trade and stores and against Security of Trade Bills and by way of mortgage of the immovable properties (both present and future) of the Company, situated at Turbhe and Vadval as continuing /collateral security and is also personally guaranteed by Managing Director of the Company

Vehicle Loans **857,540** 2,866,350

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

**247,519,895** **234,741,700**

**SCHEDULE 4****DEFERRED STATUTORY DUES**

(Repayable within one year)

**—** **2,945,417**  
**—** **2,945,417**

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

Rupees

DESCRIPTION	GROSS BLOCK (COST / BOOK VALUE)				DEPRECIATION				NET BLOCK	
	As at 1 <sup>st</sup> April, 2008	Additions	Deductions	As at 31 <sup>st</sup> March, 2009	Upto 31 <sup>st</sup> March, 2008	For the year	Adjustments/ Deductions	Upto 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
Freehold Land	682,874	--	--	682,874	--	--	--	--	682,874	682,874
Leasehold Land	21,994,500	--	--	21,994,500	7,456,726	265,366	--	7,722,092	14,272,408	14,537,774
Development of Leasehold Land	48,452	--	--	48,452	15,914	584	--	16,498	31,954	32,538
Buildings	19,748,839	--	--	19,748,839	10,983,970	431,996	--	11,415,966	8,332,873	8,764,869
Plant & Machinery										
R & D Equipment	6,904,336	--	--	6,904,336	887,910	323,827	--	1,211,737	5,692,599	6,016,426
Effluent Treatment Plant	1,329,080	--	--	1,329,080	1,064,951	15,631	--	1,080,582	248,498	264,129
Office and Computer Equipments	9,492,742	2,092,878	--	11,585,620	4,619,731	980,342	--	5,600,073	5,985,547	4,873,011
Software	6,746,200	--	--	6,746,200	--	480,248	--	480,248	6,265,952	6,746,200
Others	120,208,999	292,775	--	120,501,774	95,729,537	2,848,753	--	98,578,290	21,923,484	24,479,462
Furniture & Fittings	2,380,827	398,997	--	2,779,824	1,423,788	355,365	--	1,779,153	1,000,671	957,039
Vehicles	14,380,436	--	1,359,836	13,020,600	4,637,649	1,220,068	956,628	4,901,089	8,119,511	9,742,787
<b>Total</b>	203,917,285	2,784,650	1,359,836	205,342,099	126,820,176	6,922,180	956,628	132,785,728	72,556,371	77,097,109
Previous Year	183,632,566	20,747,197	462,478	203,917,285	121,048,783	5,999,354	227,961	126,820,176	77,097,109	
Capital Work-in-Progress									48,303,641	28,469,257

**Notes**

1. Leasehold land is for the period of 95 years commencing from 1st August, 1968.

2. Capital work in progress comprises of :

	2008-2009	2007-2008
	Rs.	Rs.
Plant & Machinery (under installation)	13,193,646	--
R & D- Building	--	107,000
Software Product Development	35,109,995	28,362,257
<b>Total</b>	<b>48,303,641</b>	<b>28,469,257</b>



	Rupees	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>SCHEDULE 6</b>			
<b>INVESTMENTS : LONG TERM</b>			
<b>(QUOTED, NON TRADE)</b>			
2000	(1000)Equity Shares of Larsen and Toubro Limited of Rs.2 each fully paid up.	<b>3,335,046</b>	3,335,046
3200	(3200)Equity Shares of Reliance Communication Limited of Rs.5 each fully paid up.	<b>1,892,008</b>	1,892,008
3000	(3000)Equity Shares of Reliance Infrastructure Limited of Rs.10 each fully paid up.	<b>4,701,399</b>	4,701,399
<b>(UNQUOTED, TRADE)</b>			
<b>Government Securities :</b>			
	6 year National Savings Certificates (Lodged with the Excise Authorities)	<b>2,000</b>	2,000
		<b>9,930,453</b>	9,930,453
	Aggregate Book value of unquoted investments	<b>2,000</b>	2,000
	Aggregate Book value of quoted investments	<b>9,928,453</b>	9,928,453
		<b>9,930,453</b>	9,930,453
	<b>Aggregate Market value of quoted investments</b> (Refer Note No. A-6 in Schedule 14)	<b>3,447,570</b>	8,404,810

## SCHEDULE 7

### CURRENT ASSETS, LOANS AND ADVANCES :

#### A. CURRENT ASSETS

##### i) INVENTORIES

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

(a)	Stores & Spare Parts and Packing Materials	<b>11,774,825</b>	12,258,235
(b)	Raw Materials (in Transit Rs.14,734,883; Previous Year Rs.22,056,763)	<b>43,463,533</b>	33,903,904
(c)	Materials-in-Process	<b>21,388,429</b>	7,634,163
(d)	Finished Goods	<b>78,632,763</b>	75,814,339
(e)	Materials for Repacking (in Transit Rs.29,787,879 ; Previous Year Rs.16,062,234)	<b>30,724,342</b>	53,133,158
(f)	Materials for Resale	<b>2,881,400</b>	669,600
		<b>188,865,292</b>	183,413,399



	Rupees	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>ii) SUNDRY DEBTORS</b>			
I) SECURED			
Debtor due for a period exceeding six months (Secured by way of charge on the assets of a debtor in possession of the Company pursuant to an order of Hon'ble Mumbai High Court.)	14,469,739		14,469,739
II) UNSECURED			
(a) Others			
Exceeding six months :			
Considered Good	5,574,637		8,472,536
Considered Doubtful	1,333,465		1,333,465
	<u>6,908,102</u>		<u>9,806,001</u>
Less : Provision for Doubtful Debts	1,333,465		1,333,465
	<u>5,574,637</u>		8,472,536
(b) Other debts :			
Considered Good	<u>167,975,466</u>		<u>180,650,220</u>
		<b>188,019,842</b>	203,592,495
<b>iii) CASH AND BANK BALANCES</b>			
(a) Cash on Hand	220,181		88,721
(b) Cheques in Hand	10,710,969		-
(c) Balances with Scheduled Banks :			
In Current Accounts	1,473,738		2,732,669
In Term/Margin Money Deposits (Receipts lodged with Bank for margin money / bank guarantees)	<u>8,116,072</u>		<u>7,440,933</u>
		<b>20,520,960</b>	10,262,323
<b>B. LOANS AND ADVANCES</b>			
(Unsecured, considered good)			
(a) Advances recoverable in cash or in kind or for value to be received	19,616,067		11,731,094
(b) Deposits	3,714,353		3,386,439
(c) Balance with Central Excise	72,476,961		46,480,480
(d) Export Benefit Receivable	28,281,665		6,909,671
(e) Balances with Sales Tax	10,572,144		3,728,113
(f) MAT Credit Entitlement	-		1,780,681
(g) Fringe Benefit Tax (net of provision of Rs.1,024,837.; Previous Year Rs.1,018,609)	<u>291,684</u>		<u>205,835</u>
		<b>134,952,874</b>	74,222,313
<b>C. INTEREST ACCRUED ON DEPOSIT / LOANS</b>			
Interest accrued on deposit / loans		<b>370,488</b>	394,139
		<u><b>532,729,456</b></u>	<u>471,884,669</u>

# AMINES & PLASTICIZERS LIMITED



	Rupees	As at 31 <sup>st</sup> March, 2009 Rupees	As at 31 <sup>st</sup> March, 2008 Rupees
<b>SCHEDULE 8</b>			
<b>CURRENT LIABILITIES AND PROVISIONS :</b>			
<b>A. CURRENT LIABILITIES</b>			
(a) Sundry Creditors (Refer Note No. B-8 and B-9 in Schedule 14) Due to Small, Medium and Micro Enterprises Others		190,359,932	173,141,224
(b) Other Liabilities		<u>10,935,118</u>	<u>13,890,578</u>
		<u>201,295,050</u>	<u>187,031,802</u>
<b>B. PROVISIONS</b>			
(a) Income-Tax (Net of tax paid of Rs.11,062,758; Previous Year Rs.1,043,815)		4,737,243	2,601,246
(b) Wealth Tax		22,552	12,083
(c) Fringe Benefit tax		-	8,252
(d) Proposed Preference Dividend		4,613,630	-
(e) Provision for Dividend Tax		784,086	-
(f) Gratuity		3,849,775	3,466,389
(g) Leave Compensation		<u>3,251,918</u>	<u>3,740,589</u>
		<u>17,259,204</u>	<u>9,828,559</u>
		<u>218,554,254</u>	<u>196,860,361</u>

## SCHEDULE 9

Miscellaneous Expenditure (to the extent not written off or adjusted) Preliminary Expenses	15,265		
Less : Written Off during the year (1/10)	<u>1,527</u>	<u>13,738</u>	<u>9,510</u>
		<u>13,738</u>	<u>9,510</u>

## SCHEDULES ATTACHED TO AND FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year ended 31st March, 2009 Rupees	Year ended 31st March, 2008 Rupees
<b>SCHEDULE 10</b>		
<b>SALES AND SERVICES :</b>		
Sales & Services - Gross	1,632,608,922	1,145,529,517
Less: Excise Duty	75,537,213	88,795,227
Sales & Services - Net	<u>1,557,071,709</u>	<u>1,056,734,290</u>
(Refer Note No. B-5 in Schedule 14)		
Export Benefits	<u>34,687,571</u>	<u>10,029,153</u>
	<u>1,591,759,280</u>	<u>1,066,763,443</u>
<b>SCHEDULE 11</b>		
<b>OTHER INCOME :</b>		
<b>Interest (Gross) :</b>		
On Long Term Investments	102	239
Others	<u>695,659</u>	<u>450,513</u>
Gross: (Tax deducted at source Rs. 1,062,758 ; Previous Year Rs.748,034)	695,761	450,752
Miscellaneous Income	<u>811,880</u>	<u>1,521,742</u>
Sundry Balances Written Back/Off (Net)	<u>-</u>	<u>563,624</u>
	<u>1,507,641</u>	<u>2,536,118</u>

# AMINES & PLASTICIZERS LIMITED



	Year ended 31st March, 2009 Rupees	Year ended 31st March, 2008 Rupees
<b>SCHEDULE 12</b>		
<b>INCREASE / (DECREASE) IN STOCKS :</b>		
<b>Closing Stocks :</b>		
Finished Goods	78,632,763	75,814,339
Materials - in - process	21,388,429	7,634,163
Materials for Resale	2,881,400	669,600
	<u>102,902,592</u>	<u>84,118,102</u>
<b>Opening Stocks :</b>		
Finished Goods	75,814,339	72,021,758
Materials - in - process	7,634,163	13,213,447
Materials for Resale	669,600	701,610
	<u>84,118,102</u>	<u>85,936,815</u>
	<u>18,784,490</u>	<u>(1,818,713)</u>
<b>SCHEDULE 13</b>		
<b>MANUFACTURING AND OTHER EXPENSES :</b>		
<b>Payments to and Provisions for Employees :</b>		
Salaries, Wages, Bonus and Gratuity	41,872,634	44,366,557
Contribution to Provident and Other Funds	2,639,314	2,581,508
Staff and Workmen Welfare Expenses	7,679,937	6,467,996
Power and Fuel	119,461,870	80,864,759
Laboratory Expenses	845,535	509,549
Conversion Charges	8,680,525	4,945,402
Repairs and Maintenance to		
Plant & Machinery	12,354,095	10,844,940
Buildings	8,135,312	1,294,678
Others	5,091,203	1,996,345
Research & Development Expenses	4,373,779	4,044,423
Packing Materials Consumed	37,630,527	23,536,780
Conveyance and Vehicle Expenses	5,863,121	4,785,566
Rent	2,659,798	1,345,268
Rates and Taxes	10,443,813	6,193,521
Insurance	2,020,001	1,744,426
Directors' Fees	65,500	62,500
Excise Duty on Stocks	(3,868,122)	(184,247)
Freight Outward	32,735,143	29,204,737
Payment to Auditors	526,570	454,490
Commission on Sales	72,216,674	21,379,063
Managerial Remuneration	1,545,005	1,486,788
Interest paid	32,657,034	23,571,995
Other Finance Costs	16,985,648	14,527,984
Technical Fees Paid	11,859,769	11,238,922
Miscellaneous Expenses	29,884,847	24,705,897
Sundry Balances Written Off /Back (Net) (Refer Note No. B-6 in Schedule 14)	1,771,373	-
Loss on Sale of Fixed Assets (Net)	348,208	134,517
Software Development Expenses	3,888,221	4,745,074
Preliminary Expenses written off	1,527	-
Less: Transferred to Capital Work in Progress	<u>(6,747,738)</u>	<u>(6,388,744)</u>
	<u>463,621,122</u>	<u>320,460,694</u>



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE  
CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009****SCHEDULE 14****A. SIGNIFICANT ACCOUNTING POLICIES****1. GENERAL**

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

**2. USE OF ESTIMATES**

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

**3. PRINCIPLES OF CONSOLIDATION**

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

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

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

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

**4. FIXED ASSETS**

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

**5. DEPRECIATION**

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



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

## 6. INVESTMENTS

Long term Investments are stated at cost less provision, if any, for diminution in value, which is other than temporary. All current investment are valued at lower of cost or net market value and provision is made to recognize any decline in the carrying value .

## 7. VALUATION OF INVENTORIES

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

## 8. FOREIGN CURRENCY TRANSACTIONS

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

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

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

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

## 9. REVENUE RECOGNITION

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

## 10. RESEARCH AND DEVELOPMENT EXPENDITURE

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

## 11. RETIREMENT BENEFITS

### (a) Gratuity :

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

### (b) Provident Fund :

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

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

## 12. BORROWING COSTS

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

## 13. INCOME TAX

- (a) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.



- (b) Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future. The same is subject to review annually.
- (c) Provision for Fringe Benefit Tax (FBT) is made on the basis of expenses incurred on employees/ other expenses as prescribed under the Income Tax Act,1961.
- (d) MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

## 14. LEASES

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

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

## 15. PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

- (a) A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation.
- (b) Contingent liabilities, unless the possibility of the outflow of resources embodying economic benefit is remote, are disclosed by way of notes to accounts.
- (c) Contingent assets are not recognized or disclosed in the financial statement.

<b>B. NOTES ON ACCOUNTS :</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
1. Contingent Liabilities not provided for in respect of :		
(i) Disputed Sales Tax Dues (excluding interest, if any)	<b>1,003,533</b>	1,003,533
(ii) Claims against the Company not acknowledged as debts	<b>1,368,024</b>	531,799
(iii) Arrears of Dividend on 19,385 14% Redeemable Cumulative Preference Shares of Rs.100 each.	-	4,342,240
2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<b>225,000</b>	1,316,250
3. The Company has revalued Leasehold Land, certain Buildings, Plant & Machinery, Research & Development Equipment and Effluent Treatment Plant in the year 1990-91 on the basis of reports of an external approved valuer on market value/ replacement cost using standard indices. The revalued amounts (net of withdrawals) remaining substituted for the historical cost in the gross block of fixed assets as at the close of the year are Leasehold Land. Rs 21,994,500(Rs.21,994,500), Buildings Rs.7,509,750(Rs. 7,509,750), Plant & Machinery Rs.68,530,500. (Rs68,530,500), Research & Development Equipment Rs.470,500 (Rs.470,500) and Effluent Treatment Plant Rs.1,000,000. (Rs.1,000,000).		
4. (a) The Accounts of certain Debtors, Creditors, Loans & Advances are pending confirmations, reconciliations, and adjustments, if any, having consequential impact on the profit for the year, assets and liabilities, the amounts whereof are presently not ascertainable. The management, however, does not expect any material difference affecting the current year's financial statements.		
(b) In the opinion of the Board, the Current Assets and Loans and Advances are approximately of the value stated, if realised in the ordinary course of business unless otherwise stated. The provisions for depreciation and for all known liabilities are adequate and reasonable.		
5. Sales for the current year is net of Rs.44,015,597 being the amount of returns in respect of sales of the previous year.		
6. Sundry Balance Written off / back include Rs.1,441,186 (Rs. Nil) in respect of foreign party for advance given towards import of raw material written off being not receivable subject to RBI approval.		
7. Proposed Cumulative Preference Share Dividend is recommended subject to the Approval of Hon'ble BIFR and State Bank of India.		
8. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.		
9. Sundry Creditors include Rs 97,367,617 (Rs. 800,60,450) being the amount of acceptances of Bills of Exchange by the Company, drawn by the Suppliers.		

# AMINES & PLASTICIZERS LIMITED



10. The break up of the deferred tax (liabilities)/assets (net) is as follows :

## Deferred Tax Assets/(Liabilities)

	(Rs.) 31.03.2009	(Rs.) 31.03.2008
<b>Timing difference on account of</b>		
Difference between book depreciation and tax depreciation	(9,638,942)	(9,867,762)
Expenses allowable u/s 43 B of Income-Tax Act,1961	1,451,928	1,457,721
Net Deferred Tax assets/(liabilities)	<u>(8,187,014)</u>	<u>(8,410,041)</u>
11. (a) The following are included under other heads of Expenses in the Profit and Loss Account :		
i) Salaries, Wages and Bonus	3,304,285	2,858,459
ii) Contribution to Provident and other funds	235,258	205,199
iii) Staff and Workmen Welfare Expenses	129,367	73,612
iv) Repairs and Maintenance - Others	28,750	10,000
v) Stores and Spare Parts Consumed	6,506,093	3,948,184
(b) Aggregate Expenses:		
Aggregate amount incurred on specific expenses:		
i) Salaries, Wages, Bonus and Gratuity	45,176,919	46,263,143
ii) Contribution to Provident and other funds	2,874,572	2,786,707
iii) Staff and Workmen Welfare Expenses	7,809,304	6,511,619
iv) Repairs and Maintenance - Others	5,119,953	2,006,345
v) Stores and Spare Parts Consumed	6,506,093	3,948,184
12. Payment to Auditors :		
(Excluding Service Tax Rs.57568 previous year Rs.55,866)		
(a) Audit Fees	142,500	127,500
(b) In respect of :		
i) Taxation Matters	15,000	15,000
ii) Tax Audit Fees	70,000	70,000
iii) Management Services	25,000	25,000
iv) Certification Work	225,000	175,000
v) Reimbursement of out of pocket expenses	49,070	41,990
	<u>526,570</u>	<u>454,490</u>
13. Managerial Remuneration comprise of the following :		
(a) Salaries, Bonus and Allowances	1,122,000	897,600
(b) Contribution to Provident and Family Pension Fund	79,200	63,360
(c) Contribution to Superannuation Fund	112,200	79,200
(d) Perquisites (evaluated as per Income Tax Rules 1962, where necessary)	231,605	197,295
(e) Leave Entitlement	-	117,333
(f) Leave Travel Allowance	-	132,000
	<u>1,545,005</u>	<u>1,486,788</u>

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

# AMINES & PLASTICIZERS LIMITED



14. i) Foreign exchange difference (net) debited to the Profit & Loss Account for the year Rs.3,383,003 (credited Rs.569,660).  
 ii) Details of Foreign currency unhedged

Particulars	Foreign Currency	2008-09		2007-08	
		Amount in Foreign Currency	Indian rupee equivalent	Amount in Foreign Currency	Indian rupee equivalent
<b>Assets:</b>					
Debtors	USD	518,576.85	26,260,835	1,241,929.50	49,702,018
	EUR	794,494.87	53,542,598	64,218.05	4,061,895
Advances	USD	13,208.00	668,856	53,600.00	2,145,072
Bank	USD	11,452.11	579,937	56,139.36	2,246,497
<b>Total</b>		<b>1,337,731.83</b>	<b>81,052,226</b>	<b>1,359,747.55</b>	<b>55,908,985</b>
<b>Liabilities:</b>					
Creditors	USD	230,793.00	11,687,404	927,056.80	37,100,813
<b>Total</b>		<b>230,793.00</b>	<b>11,687,404</b>	<b>927,056.80</b>	<b>37,100,813</b>

15. Stores and Spare Parts consumed of Rs.65,06,093 (Rs. 3,948,184) and debited to other accounts.

16. Related Party Disclosures :

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

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

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

Multiwyn Investments & Holdings Private Limited  
 APL Holdings & Investments Limited  
 APL Investments Limited

ii) Key Management Personnel :

Mr. Hemant Kumar Ruia - Chairman & Managing Director

(b) Related Party Transactions :

NATURE OF TRANSACTION	Amount/Rs.	
	Referred to in a(i) above	Referred to in a(ii) above
<b>Income</b>		
<b>Expenses</b>		
<b>Service &amp; Maintenance Charges</b>		
APL Holdings & Investments Limited	704,290	
	(696,294)	
APL Investments Limited	704,290	
	(696,294)	
<b>Managerial Remuneration-Mr. Hemant Kumar Ruia</b>		1,545,005
		(1,486,788)
<b>Finance</b>		
<b>Equity issued</b>		
Multiwyn Investments & Holdings Private Limited		2,500,000
		(-)
Mr. Hemant Kumar Ruia		17,500,000
		(-)
<b>Loans taken and repaid</b>		
a) Maximum amount of credit balance during the Year		
Multiwyn Investments & Holdings Private Limited	2,800,000	
	(1,500,000)	
Mr. Hemant Kumar Ruia		3,200,000
		(150,000)
<b>Equity investment</b>		
Equity investment in subsidiary APL Engineering Services Private Limited from Mr Hement Kumar Ruia		100
		(-)
b) Outstandings as at 31st March,2009		
APL Holdings & Investments Limited	252,175	
	(-)	
APL Investments Limited	252,175	
	(-)	

**Notes:**

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

17. The computation of Basic and Diluted Earnings per Share :	<u>31.03.2009</u>	<u>31.03.2008</u>
Net Profit after Tax (Rs.)	31,074,587	29,090,206
Less: Dividend Payable on Preference Shares (Rs.)	<u>271,390</u>	<u>271,390</u>
Net Profit available to Equity Shareholders (Rs.)	30,803,197	28,818,816
Weighted average no. of equity shares (denominator)		
Basic	4,335,333	3,502,000
Diluted	4,335,333	3,502,000
Nominal value of Share (Rs.)	10	10
Basic and Diluted Earnings Per Share (Rs)	7.11	8.23

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

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

Description	31.03.2009 Rs.	31.03.2008 Rs.
<b>A. Expense recognised in the statement of Profit and Loss</b>		
Account for the year		
– Current Service Cost	3,855,391	4,299,353
– Interest Cost	–	–
– Expected return on plan assets	–	484,701
– Net actuarial (gain) / loss recognised during the year	829,898	–
Total Expense	4,685,290	3,814,652
<b>B. Actual return on plan assets</b>		
– Expected return of plan assets		
– Actuarial (gain) / loss on plan assets		
– Actual return of plan assets		
<b>C. Net Asset / (Liability) recognised in the Balance Sheet</b>		
– Present value of obligation	14,390,670	14,094,418
– Fair value of plan assets	14,390,670	14,094,418
– Funded status (surplus / (deficit))	–	–
– Net Asset / (Liability) recognised in the Balance Sheet	–	–
<b>D. Change in Present value of Obligation during the year</b>		
– Present value of obligation at the beginning of the year	14,094,418	15,684,409
– Current Service Cost	3,855,391	3,814,652
– Interest Cost	–	–
– Benefits paid	2,729,240	5,889,345
– actuarial (gain) / loss on obligation	829,898	–
– Present value of obligation at the end of the year	14,390,670	13,609,716
<b>E. Change in Assets during the year</b>		
– Fair value of plan assets as at beginning of the year	14,094,418	15,684,409
– Expected return on plan assets	–	484,701
– Contributions made	3,855,391	3,814,652
– Benefits paid	2,729,240	5,889,345
– Actuarial (gains) / loss on plan assets	829,898	–
– Fair value of plan assets at the end of the year	14,390,671	14,094,418
<b>F. Major categories of plan assets as a percentage of total plan</b>		
– Mutual Fund	90%	72%
– Government Bonds	10%	28%
<b>G. Actuarial Assumptions</b>		
– Discount rate	7.75%	8.00%
– Expected rate of return on assets	11%	11%
– Mortality Rate	LIC (1994 – 96) Table	LIC (1994 – 96) Table
– Future salary increases consider inflation, seniority, promotion and other relevant factors	2%	2%

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

Rupees

	Chemical	Technical Services	Total
a. Segment Revenue	1,567,259,280 (1,031,763,443)	24,500,000 (35,000,000)	1,591,759,280 (1,066,763,443)
b. Segment results	97,076,842 (44,545,159)	6,479,060 (23,534,701)	103,555,902 (68,079,860)
Less: Unallocable expenses net of unallocable income			4,748,003 (1,528,410)
: Interest			49,642,682 (38,099,979)
Profit before tax			49,165,217 (28,451,471)
Provision for taxation (current, deferred and FBT)			18,110,782 (4,943,469)
Profit after tax			31,054,435 (23,508,002)
c. Carrying amount of Segment Assets	605,931,889 (566,646,461)	47,657,579 (10,814,084)	653,589,468 (577,460,545)
Unallocated Assets			9,930,453 (9,930,453)
Total Assets			663,519,921 (587,390,998)
d. Carrying amount of Segment Liabilities	466,074,149 (431,200,221)	6,774,645 (5,816,457)	472,848,794 (437,016,678)
Unallocated Liabilities			7,733,769 (11,355,458)
Total Liabilities			480,582,563 (448,372,136)
e. Cost incurred to acquire Segment fixed assets during the year	(35,642,845) (11,266,682)	9,958,238 (7,289,084)	(25,684,607) (18,555,766)
Unallocated acquisitions			-
Total			(25,684,607) (18,555,766)
f. Depreciation / Amortisation	6,077,404 (5,568,331)	480,419 -	6,557,823 (5,568,331)
Unallocable Depreciation / Amortisation			-
Total			6,557,823 (5,568,331)



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

## Signatories to Schedules 1 to 14

<b>Hemant Kumar Rula</b>	<i>Chairman &amp; Mg. Director</i>
<b>M.K. Sinha</b>	} <i>Directors</i>
<b>P.H. Valdyia</b>	
<b>A.S. Nagar</b>	
<b>B.M. Jindel</b>	
<b>Ajay Puranik</b>	<i>Company Secretary</i>

Mumbai

Dated : 30<sup>th</sup> June, 2009



**FORM OF PROXY**

**AMINES & PLASTICIZERS LIMITED**

Registered Office  
Chenikuthi, Guwahati – 781 003, ASSAM.

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member / members of the above named Company, hereby appoint

\_\_\_\_\_ of \_\_\_\_\_ or failing

him \_\_\_\_\_ of \_\_\_\_\_ as

my/our proxy to vote for me/us on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company to be held on **Wednesday, 30<sup>th</sup> day of September, 2009** at 2.00 p.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Folio No. ....
DP ID .....
Client ID .....
No. of Shares held .....

Affix 1 Rupee Revenue Stamp
--------------------------------------

- Notes:**
1. The proxy form should be deposited at the Registered Office / Head Office of the Company not less than forty-eight hours before the time for holding the Annual General Meeting.
  2. The form should be signed across the stamp to enforce the validity.
  3. A proxy need not be a member of the Company.

**MUMBAI**

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

**CHEMICAL PLANT**

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

**APL INDUSTRIAL  
GASES PLANT**

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

**KOLKATA**

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

**DELHI**

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

**GUWAHATI**

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

**BOOK-POST**



*If undelivered please return to :*

**AMINES & PLASTICIZERS LIMITED**

'D' Building, Shivsagar Estate

Dr. Annie Besant Road,

Worli, Mumbai - 400 018.