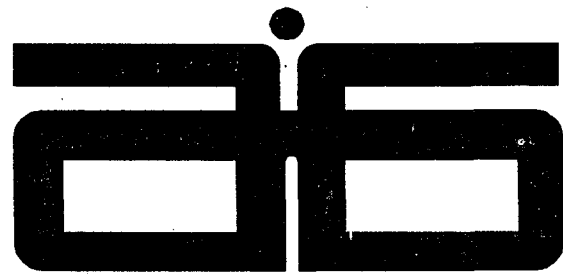


17TH
ANNUAL REPORT
2008-2009



ASHOK ALCO-CHEM LIMITED

ASHOK ALCO-CHEM LIMITED

- BOARD OF DIRECTORS** : DR. ANIL M. KADAKIA Chairman & Managing Director
PANKAJ M. KADAKIA Vice Chairman
VIPIN P. SHAH Independent Director
DR. UMESH S. KULKARNI Independent Director
SUBRAMANIAM AYYAR Independent Director
- BANKERS** : DENA BANK
- AUDITORS** : R. A. KUVADIA & CO.
Chartered Accountants, Mumbai
- SOLICITORS** : MULLA & MULLA & CRAIGE BLUNT & CAROE,
MUMBAI
- REGISTERED OFFICE** : 404, Sharda Chambers, 33, New Marine Lines,
V. Thakersey Marg, Mumbai - 400 020
Tel. Nos. : 22002236, Fax No.: 22009456
E-mail : anmk06@rediffmail.com
- PLANTS** : ACETIC ACID UNIT & ETHYL ACETATE UNIT
Plot No.A-22/2/1, Mahad Industrial Area,
Village Kamble, Mahad - 402 301,
Dist: Raigad, Maharashtra
- REGISTRAR AND SHARE TRANSFER AGENT** : LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W),
Mumbai - 400 078
Phones : 022- 2596 38 38
Fax: 022 - 2594 69 69
E-mail: isrl@vsnl.com

ASHOK ALCO-CHEM LIMITED

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of **Ashok Alco-Chem Limited** will be held on Friday, the 25th September, 2009 at 10.30 a.m. at its Registered Office at 404, Sharda Chambers, 33, New Marine Lines, Mumbai – 400 020, to transact the following **Ordinary Business**.

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March 2009, Balance Sheet as of that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri (Dr.) Umesh Kulkarni, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

For and on behalf of the Board,

Place : Mumbai,
Date : 30-06-2009

Anil M. Kadakia
Chairman & Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective, must be received by the Company at its Registered Office not later than 48 hours before the commencement of the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 19th September, 2009 to Friday, 25th September, 2009 (both days inclusive).
4. Members are requested;
 - i) to notify changes, if any, in their address to the Registrar and Share Transfer Agents, at the earliest.
 - ii) to hand over the enclosed attendance slip, duly signed in accordance with their specimen signatures registered with the Company for admission to the venue of the Meeting.
5. Members desirous of getting any information about the accounts and operations of the Company, are requested to address their queries to the Company at least seven days in advance of the Meeting so that the information required, can be readily available at the meeting.
6. Pursuant to SEBI circular No. D&CC/FITTC/CIR-15/2002 dtd. 27.12.2002 all the work related to Share Registry in terms of both physical and electronic are being done by the Company's R&T Agents M/s. Link Intime India Private Ltd. Therefore, Shareholders are requested to send their communication directly to them, in future.

Annexure to the Notice of Annual General Meeting.

Information pursuant to Clause 49 of the Listing Agreement regarding reappointment of Director.

Name of the Director	:	Shri (Dr.) Umesh Kulkarni
Date of Birth	:	12-03-1964
Date of Appointment	:	17-06-2002
Specialised Expertise	:	Expertise in Pollution Control
Qualifications	:	M.Sc. Ph.D.
Directorships of others Companies as on 31 st March, 2009	:	NIL
Chairman/ Member of Committees of Companies	:	Member of Audit Committee and Share holders' Grievance Committee and Chairman of Remuneration Committees of Ashok Alco- chem Limited.

ASHOK ALCO-CHEM LIMITED

DIRECTORS' REPORT

The Members,
Ashok Alco-Chem Limited
 Mumbai

Your Directors submit their 17th Annual Report together with the Statement of Account for the year ended on 31st March, 2009.

Following figures summaries the financial performance of the Company during the year under review.

1. Financial Results :

	(Rs. In Lacs)	
Particulars	31 st March, 2009 (12 Months)	31 st March, 2008 (9 Months)
Turnover (net of excise and sales tax) and Other Income	665	1559
Profit before Interest,		
Depreciation and Tax	183	22
Add/Less : Interest	69	4
Depreciation	109	84
F B T	1	1
Deferred Tax Surplus	25	22
Prior period adjustment	7	6
Net Profit / (Loss) for the Year	(330)	(51)
Balance in Profit & Loss Account	(1505)	(1454)
Balance Available for Appropriation	(1835)	(1505)

2. Dividend :

In view of the loss, your Directors regret their inability to recommend payment of dividend to the Shareholders for the year under review.

3. Operation in Retrospect :

During the Year under review, the Company generated Gross Income of Rs. 665 lacs and fetched Net Loss of Rs. 330 lacs as against Gross Income of Rs. 1559 lacs with Net Loss of Rs. 51 lacs during the previous year, mainly due to suspension of work for more than six months on account of revamping activities undertaken for effecting Modernization and Expansion of plant to increase its production capacities.

The Company continued to face adverse and unfavourable conditions due to dumping of Imported Final products at cheaper price, non availability of Alcohol at reasonable price, increase in cost / price of other inputs etc. which suppressed the margins available to the Company, making the manufacturing cost more than the Sale Price available in the market. In fact non remunerative Selling price of Products had adversely affected to the Company's endeavours to operate its plant continuously.

In a drive to utilise its manufacturing capacities to the optimum level and to run its operation smoothly, the Company has been trying to seek suitable strategic Partner for financial support.

The Company has also been planning to undertake new business activity relating to Minerals which would provide boost to Operational Income.

4. One Time Settlement with S I C O M Ltd. :

In terms of One Time Settlement (OTS) entered into with SICOM Ltd., the Secured Creditors, the Company has already fulfilled its obligations by making payments of agreed amount and by issue and allotment of 5,00,000 Equity Shares to SICOM ARC Ltd. on preferential basis. As the Company has already made due payment to Dena Bank under OTS, the Company is now process of satisfying the charges earlier created in their favour.

5. Management Discussion And Analysis :

(a) Industry Structure and Development :

The overall growth of the Indian Economy and higher industrial growth augur well for the future. The industrial climate is also positive for an enhanced role in the global economy. In this scenario, market for the Company's products have improved substantially and this development is expected to continue in the future.

The improvement at macro-level helped your Company to restart the industrial activity which was otherwise standstill for some time.

(b) Outlook :

Organic chemical Industry in India continues to face competition within itself from petro-route vis-à-vis the alcohol route. Again the pricing of petro-route had direct relation with the movements in crude prices internationally whereas the pricing of alcohol route had effects of government policies of using alcohol in automobile fuel, molasses controls and so on.

(c) Segment-wise Performance :

The Company has one segment of Organic Chemicals. The period saw the Company out of activity for major part thereof. The Company faced myriads of problems including non availability of Raw Material and Power at reasonable price along with paucity of Working Capital, which had cumulative effects making it more difficult for the Company to undertake its operational activities on continuous basis.

(d) Opportunities, Threats, Risks and concerns :

The Organic Chemical Industry in India look forward with optimism on account of tremendous potential of using Alcohol in automobile fuel / petrol. When implemented fully, this will give tremendous boost to the overall demand in this sector.

The uncertainties faced by the Indian economy through movements in crude prices in international market as well as changes in government policies with respect to controls on molasses prices & movements represent threats and risks to be reckoned in the Industry. The Company being a part of the Industry is affected by these threats, risks and uncertainties.

ASHOK ALCO-CHEM LIMITED

(e) Financial Performance :

Financial Performance achieved by the Company during the year under review, are shown in the Directors' Report to the Shareholders.

During the year, the plant of the Company remained out of operations for major part of the period. As a result, the Company suffered losses. However, due to stricter control on expenditure, the Company could minimise loss. The Company has been pursuing various ways to operate continuously, at its optimum capacity.

(f) Internal Control Systems and Adequacy:

The Internal Control Systems, continuously made updated and strengthened, realizing the need for the same. Although during the year, for major part of the Year, the plant remained closed, however, whatever transactions that took place, were closely monitored with proper checks and controls.

(g) Human Relations :

There has been cordial relations in the Company during the period.

(h) Cautionary Statement :

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation may be 'forward - looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include availability of adequate working capital, economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

6. Directors' Responsibility Statement :

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors state that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 viz., March 31st, 2009 and of the Loss of the Company for the year ended on that date;
- iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting standards and records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

7. Directorate :

Shri (Dr.) Umesh Kulkarni, the Director, retires by rotation at the ensuing Annual General Meeting, however, being eligible, offers himself for re-appointment.

During the year under review, Mr. Shyam Kadakia and Mr. Ashok Kadakia resigned as Directors of the Company, owing to their pre-occupations. The Board places on record its sincere appreciations for their contributions given to the Company, during their tenure as Directors.

8. Audit Committee :

As required in terms of Clause 49 of the Listing Agreement entered in to with the Bombay Stock Exchange Limited, the Audit Committee duly constituted by Independent Directors, performed its duties as required in terms thereof.

9. Remarks made by Auditors in their Report :

Remarks and observation made by the Statutory Auditors in their Report are self explanatory and do not call for any further explanation and clarification.

10. Disclosures :

Information as per Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of this Report, is annexed to this report as **Annexure- A**.

As per Section 217 (2A) read with Companies (Particulars of Employees) Rules, 1975, as amended, are not furnished as no employee is covered there under, during the year under review.

11. Corporate Governance :

As per the amended Listing Agreement with the Bombay Stock Exchange Limited, your Company complied with the requirements of Corporate Governance and Report thereon forms part of this Report as **Annexure- B**.

12. Auditors :

M/s R.A. Kuvadiah & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment.

Members are requested to consider their appointment as the Statutory Auditors of the Company for the current financial year and fix their remuneration.

13. Fixed Deposits :

Your Company has not accepted any fixed deposit from public attracting the provisions of Section 58A of the Companies Act, 1956 and the rules made there under.

14. Insurance :

The properties and insurable assets of the Company including buildings, plant and machinery and inventories are adequately insured.

15. Employees :

An atmosphere of understanding prevailed at all levels of employees of the Company.

16. Acknowledgment :

The Board acknowledges with thanks the contributions and support received from the Government, Local Authorities, Financial Institutions and Banks, Creditors and Suppliers, Valued Customers, employees and the Shareholders of the Company.

For and on behalf of the Board,

Place : Mumbai,
Date : 30-06-2009

Anil M. Kadakia
Chairman & Managing Director

ASHOK ALCO-CHEM LIMITED

Annexure "A"

Information as per section 217 (1) (a) read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2009.

A. CONSERVATION OF ENERGY :

(a) Measures taken :

The Company undertook various energy conservation measures at its manufacturing units which, inter alia, include :

- (i) Cooling tower at Mahad shows improved performance by use of non-conventional parts and accessories.
- (ii) Power factor improved by installation of capacitors.

(b) Additional Investments & Proposals :

- (i) Painting and insulation of pipelines and equipments periodically.
- (ii) Replacement of out-dated/old parts and accessories on regular basis.

(c) Impact of the measures :

The measures have benefited the company in optimizing the energy consumption per unit of production under continuous operation.

(d) Total energy consumption and energy consumption per unit of production.

A. Power and fuel Consumption :

	(Rs. in Lacs)	
	2008-09 (12 Months)	2007-08 (9 Months)
1) ELECTRICITY		
a) Purchased -		
Unit (kwh in lacs)	7.56	21.70
Total Amount (Rs.in lacs)	38.64	100.23
Cost Per Unit	5.11	4.62
b) Own Generation		
Through Diesel Generator -		
Units (Kwh. In lacs)	Nil	Nil
Units per liter of Diesel Oil	Nil	Nil
Cost per Units	Nil	Nil
2) FURNACE OIL		
Quantity (K. Ltrs.)	142.00	1242.00
Total Amount (Rs. In lacs)	35.22	310.70
Average Rate (per K. ltrs.)	24802.82	25016.26
3) DIESEL OIL		
Quantity (K. Ltrs.)	Nil	Nil
Total Amount (Rs. In lacs)	Nil	Nil
Average Rate (per K. Ltrs.)	Nil	Nil
4) COAL		
(Steam Coal of Grade A/B used as fuel for Boiler)		
Quantity (MT)	844.00	Nil
Total Cost (Rs. In lacs)	41.21	Nil
Average Rate (per K. Ltrs.)	4.88	Nil

B. Consumption per unit production :

(Please refer Notes given here in below)

Name of the Product

(i) Acetic Acid :		
Electricity Kwh/MT	656	443
Furnace Oil Ltr./MT	258	254
Coal Kg./MT	1517	Nil
(ii) Ester :		
Electricity Kwh/MT	285	Nil
Furnace Oil Ltr./MT	Nil	Nil
Coal Kg./MT	875	Nil

Notes :-

1. The consumption per unit of production gives only broad indication as it is arrived at without taking into consideration the variations in grade, quality and purity of the products.
2. The consumption of power per unit of production includes the consumption for ETP.

B.

I. TECHNOLOGY ABSORPTION :

Efforts made in technology absorption : Nil

RESEARCH & DEVELOPMENT :

1) Specific area in which R & D carried out by the Company.

- a) Processes are modified on on-going basis for enhancing the efficiency and energy conservation.

2) Benefits derived as a result of above R & D

- a) Higher production and productivity
- b) Better product quality
- c) Reduced Pollution

3) Future plan of action :

Continuous efforts are made to save energy and to improve the quality.

4) Company has not incurred any expenditure on R & D.

II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION :

1) Efforts, in brief, made towards technology absorption, adaptation & innovation.: N. A.

2) Benefits derived as a result of the above efforts. : N. A.

C. FOREIGN EXCHANGE EARNING AND OUT GO :

1. Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans.

Efforts are being to exports products

2. Total Foreign Exchange earned and spent.

	(Amount in Rupees)	
	Current Year (Rs.)	Previous Year(Rs.)
i) Foreign Exchange used (Foreign Traveling)	Nil	96,264
ii) Foreign Exchange earned	Nil	Nil

For and on behalf of the Board,

Place : Mumbai,
Date : 30-06-2009

Anil M. Kadakia
Chairman & Managing Director

ASHOK ALCO-CHEM LIMITED

Annexure - B Report on Corporate Governance

1. Company's Philosophy :

The Company believes in good Corporate Governance in tune with the guidelines recommended by SEBI and in terms of the Listing Agreements.

Given below is the report of the Board of Directors of the Company on Corporate Governance practices being followed by the Company.

2. Board of Directors :

The Board of Directors was consisting of Five Directors with Promoter, Chairman & Managing Director, Promoter Non Executive Vice-Chairman, with Three Non Executive Independent Directors as on 31st March, 2009. The Composition of the Board was in conformity with Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he is a Director. Necessary disclosure regarding Committee position in other Public Companies as at 31st March, 2009, have been made by the Director.

Board Meetings :

During the year 2008-09, the Board met 8 times on 2.04.2008, 3.04.2008, 30.04.2008, 31.07.2008, 30.08.2008, 31.10.2008, 31.12.2008 and 29.01.2009. The longest gap between any two Board Meetings did not exceed four months.

A brief resume of the directors being reappointed at the Annual General Meeting, the nature of their expertise in specific functional areas and names of Companies in which they hold directorship and membership of the committees of the Board are annexed to the Notice.

The names and categories of the Directors, their attendance at Board Meetings, Annual General Meeting, No of directorships in other Companies and committees etc are given below :

Name of Directors	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other companies in which he is directors/ chairman	No. of Committees of other Companies in which he is a Member/ Chairman
Ashok M. Kadakia *	Chairman, Promoter & Non-Executive Director	8	Yes	10	3
Dr. Anil M. Kadakia ***	Promoter, Chairman & Managing Director	8	Yes	4	—
Pankaj M. Kadakia	Promoter & Non Executive Director	8	Yes	4	—
Vipin P. Shah	Non-Executive Independent Director	5	No	—	—
Dr. Umesh Kulkarni	Non-Executive Independent Director	3	No	—	—
Subramaniam Ayyar	Non-Executive Independent Director	8	Yes	1	—
Shyam Kadakia**	Promoter & Non Executive Director	—	No	—	—

* Ceased to be the Chairman and Director with effect from 31-03-2009

** Ceased to be the Director with effect from 31-08-2008

*** Appointed as the Chairman with effect from 31-03-2009

None of the Non Executive Directors have any material pecuniary relationship or transactions with the Company. Necessary information as mentioned in Annexure 1A to the Clause 49 of the Listing Agreement has been placed before the Board for their consideration.

Shareholding of Directors with their Relatives :

Names of Directors	No. of Shares
Ashok M. Kadakia	14,800
Dr. Anil M. Kadakia	1,58,303
Pankaj M. Kadakia	1,50,752

Code of Conduct :

The Board of Directors of the Company have adopted Code of Conduct for all Board Members and senior management of the Company. The Board members have affirmed compliance to the Code of Conduct. In view of severe financial crunch, the Company has not been able to have its website to post the Code of Conduct on it.

3. Audit Committee :

The Board has constituted Audit Committee pursuant to Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE) with the required terms of reference as per the above referred statutory requirements.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

ASHOK ALCO-CHEM LIMITED

The Company has an Audit committee comprising with Shri (Dr.) Umesh Kulkarni, Shri Subramaniam Ayyar, and Shri Pankaj Kadakia as the Members with Shri V.P.Shah, as the Chairman. The Committee met on 30.04.2008, 31.07.2008, 30.08.2008, 31.10.2008 and 29.01.2009 and during the year the attendance of the members at the meetings was as follows :

Name of Members	Status	No. of Meetings held	No. of Meetings attended
V. P. Shah	Chairman	5	5
Dr. Umesh Kulkarni	Member	5	3
Subramaniam Ayyar	Member	5	5
Pankaj Kadakia	Member	5	5

The Company has not denied any personnel, access to the Audit Committee of the Company and the situation has not arisen to provide protection to "whistle blowers" from unfair termination and other unfair or prejudicial employment practices.

4. Remunerations Committee :

The Company has Remuneration Committee of Directors with Shri Subramaniam Ayyar and Shri V. P. Shah, as the Members with Shri (Dr.) Umesh Kulkarni, as the Chairman. One meeting was held during the year under review.

The Remuneration Committee has been constituted to recommend /review remuneration of the Executive Director based on their performance and defined assessment criteria.

Remuneration Policy of the Company is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing Industry practice.

The remuneration of Managing Director is approved by the Board within the overall limit fixed under the law. No other Director is being paid remuneration including sitting fees for meeting attended by independent Directors, in view of weak financial position.

The aggregate value of salary and perquisites for the year ended 31st March, 2009 paid to Shri (Dr.) Anil Kadakia, Managing Director was Rs.17.90 lacs.

As of now, the Company does not have any employee stock option plan.

There were no other pecuniary relationship or transactions of the Non Executive Director vis-à-vis the Company. The Company has not granted any stock option to any of its Directors.

5. Shareholders' Grievance Committee :

The Board has Shareholders' Grievance Committee, comprising of Shri V. P. Shah and Shri (Dr.) Umesh Kulkarni as the Members with Shri Subramaniam Ayyar, as the Chairman. The Board has appointed Shri Vibhakar B. Parikh, as the Compliance Officer.

The Committee, inter alia, oversees and reviews all matters connected with the securities and looks into shareholders complaints like transfer of shares, non receipt of balance sheet etc. The Committee oversees the performance and the working of M/s. Link Intime India Private Ltd., the Registrar & Transfer Agent and of the Secretarial Department and recommends measures for overall improvement in the quality of investor services.

During the year 2008-09, the Committee met 30.04.2008, 31.07.2008, 30.08.2008, 31.10.2008 and 29.01.2009 which were attended by Committee Members, as under :

Name of Members	Status	No. of Meetings held	No. of Meetings attended
Shri V. P. Shah	Chairman	5	5
Shri (Dr.) Umesh Kulkarni	Member	5	3
Shri Subramaniam Ayyar	Member	5	5

As on 31.03.2009, there were no Investor Grievances remaining unattended / pending for redressal for more than 30 days.

6. General Body Meetings

Details of the location of the last three Annual General Meetings are as under:

Annual General Meetings	Day & Date and Time	Locations
16 th AGM	Tuesday, 30.09.2008 At 10.30 a.m.	Sharda Chambers Hall, 8 th floor, Sharda Chambers, 33, New Marine Lines, Mumbai – 400 020.
15 th AGM	Saturday, 29.12.2007 At 11.00 a.m.	Sharda Chambers Hall, 8 th floor, Sharda Chambers, 33, New Marine Lines, Mumbai – 400 020.
14 th AGM	Thursday, 28.09.2006 At 11.30 a.m.	Sharda Chambers Hall, 8 th floor, Sharda Chambers, 33, New Marine Lines, Mumbai – 400 020.

Whether special resolutions were put through postal ballot last year? No.

Are polls proposed to be conducted through postal ballot this year? No

ASHOK ALCO-CHEM LIMITED

7. Disclosures :

- (a) There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- (b) No penalties or strictures have been imposed on the Company by SEBI or any Statutory Authority on any matter related to capital markets. The Company's scrip which was temporarily suspended for trading by BSE, has been restored with effect from October, 2008.

8.1 Compliance of Mandatory Requirements :

The Company has complied with the mandatory requirements as stipulated in Clause 49 of the listing agreements with the Bombay Stock Exchange Ltd.

8.2 Compliance of Non Mandatory Requirements :

The Company has adopted the non-mandatory requirements as regards the provisions relating to the Remuneration Committee. The Quarterly Financial Results are at times published in newspapers, and also sent to the shareholders on request. The Company affirms that no employee has been denied access to the Audit Committee. As regards the other non mandatory requirements the Board has taken cognizance of the same and shall consider adopting the same as and when necessary.

8.3 Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to the Bombay Stock Exchange Limited immediately after the same are approved by the Board. Though, due to financial difficulties the results could not be published in newspapers, they are submitted to the Bombay Stock Exchange Ltd. in accordance with the Listing Agreement and are supplied through E-Mail & posts to the Shareholders on demand.

9. General Shareholder Information

(a) 17th Annual General Meeting

Date and Time : 25th September, 2009 at 10:30 a.m.
 Venue : 404, Sharda Chambers, 33, New Marine Lines, Mumbai-400020.

(b) Financial Calendar

Board Meeting to approve Unaudited Financial results for	Period
Quarter ending September 30 th , 2009	By end of October, 2009
Quarter ending December 31 st , 2009	By end of January, 2010
Quarter ending March, 31 st , 2010	By end of April, 2010
Quarter ending June 30 th , 2010	By end of July, 2010

- (c) Date of Book Closure : 19.09.2009 to 25.09.2009 (both days inclusive)
- (d) Dividend payment Date : Not Applicable
- (e) Listing on Stock Exchange : The Bombay Stock Exchange Limited, Mumbai
- (f) Company Code : 524594
- (g) Market Price Data :

Trading in Equity Shares recommenced on the Bombay Stock Exchange Limited from October, 2009 Details relating thereto are provided hereunder.

Months	High Price*	Low Price*	Months	High Price*	Low Price*
April, 2008			October, 2008	14.45	13.10
May, 2008	} Trading was suspended by the Bombay Stock Exchange Limited		November, 2008	12.45	7.88
June, 2008			December, 2008	7.49	5.33
July, 2008			January, 2009	5.40	4.30
August, 2008			February, 2009	5.58	4.06
September, 2008			March, 2009	5.58	4.83

(h) Registrar & Share Transfer Agents:

Link Intime India Pvt.Ltd.
 203, Daver House, 2nd Floor,
 197/199, Dr. D. N. Road, Mumbai-400001
 Phone No. 2265 6929 / 27

Link Intime India Pvt.Ltd.
 C-13, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West), Mumbai-400 078
 Phone No. : 25963838 Fax No. 25946969 Email :isrl@vsnal.com

ASHOK ALCO-CHEM LIMITED

Share Transfer System:

Shares lodged for transfer in physical form are processed and duly transferred Share Certificates are sent within 30 days of receipt of the valid documents. The Shares are transferred at an interval of 15 days time.

Dematerialization of Shares : Electronic holding by members constitute 23.43% of the total Equity Capital of the Company. The Members are requested to get their shares demated to facilitate better custody and easy dealings.

(i) Distribution of Shareholding :

The Distribution of Shareholding as on 31st March, 2009

No. of Shares	No. of Shareholders	% of ShareHolders	No. of Shares Held	% of Total Share holders
Up to 500	3,173	91.49	4,37,440	11.59
501 to 1000	166	4.79	1,36,289	3.61
1001 to 2000	62	1.79	94,099	2.49
2001 to 3000	18	0.51	44,986	1.19
3001 to 4000	9	0.26	31,850	0.84
4001 to 5000	9	0.25	40,477	1.07
5001 to 10000	13	0.37	1,01,640	2.69
10001 & above	18	0.51	28,88,562	76.51
Total	3,468	100.00	37,75,343	100.00

(j) Shareholding Pattern as on 31st March, 2009 :

Associates	No. of Shares held	% of Shareholding
1. Directors & Relatives (Promoter)	23,12,743	61.26
2. Mutual Funds & Bank	5,00,100	13.25
3. Non Residents	6,730	0.18
4. Corporate Bodies	52,140	1.38
5. Indian Public	8,87,657	23.51
6. Others	15,973	0.42
TOTAL	37,75,343	100.00

- (k) Outstanding GDRs/ADRs Warrants :** Not Applicable
- (l) Plant Location :** Plot No.A-22/2/1, Mahad Industrial Area, Vill.-Kamble, Mahad- 402301,
Dist. Raigad, Maharashtra
- (m) Address of Correspondence :** 404, Sharda Chambers, 33, New Marine Lines, Mumbai – 400 020.

ASHOK ALCO-CHEM LIMITED

CERTIFICATE OF PRACTICING COMPANY SECRETARY

To,
The Members,
Ashok Alco-Chem Limited
Mumbai.

We have examined the compliance of conditions of Corporate Governance by **Ashok Alco-Chem Limited** for the year ended on 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

For Jayesh Vyas & Associates

Practising Company Secretary

Jayesh Vyas

FCS : 5072 CP : 1790

Place : Vadodara

Date :29-06-2009

DECLARATION

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct :

This is to confirm that the Company has adopted a Code of Conduct for its employees , Non executive Directors and Executive Director.

I confirm that the Company has, in respect of the financial year ended 31st March, 2009 received from the Senior Management Team of the Company and the Members of the Board, declaration of Compliance with the Code of Conduct as applicable to them.

Place :Mumbai

Date :30-06-2009

Anil M. Kadakia

CEO & Managing Director

CERTIFICATE

To,
The Board of Directors,
Ashok Alco-chem Ltd.,
Mumbai.

This is to certify that ;

I have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief ; these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading, these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations,

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct

I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

I have indicated to the Auditors and the Audit Committee,

- significant changes in Internal Control during the year ;
- significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
- instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place :Mumbai

Date :30-06- 2009

Anil M. Kadakia

CEO & Managing Director

ASHOK ALCO-CHEM LIMITED

AUDITOR'S REPORT

**TO
THE MEMBERS
ASHOK ALCO CHEM LIMITED
MUMBAI**

We have audited the attached Balance Sheet of **ASHOK ALCO CHEM LIMITED**, as at 31st March, 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. 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.

We conducted our audit in accordance with 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.

As required by Companies (Auditors Report) Order, 2003 issued by the central Government in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments as above, we report that:

1. 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.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
4. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the accounting standards referred to in sub-section(3C) of section 211 of the Companies Act 1956.
5. According to information & explanations given to us and on the basis of written representations received from the Directors of the Company & taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts *subject to, Note No. 5 regarding settlement of dues of Dena Bank and non-release of charge on the assets of the Company and note no 7 regarding non deposit of unpaid dividend, of Schedule 18* and read along with other notes to accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - b) In the case of Profit and Loss Account, of the **LOSS** for the year ended on that date, and
 - c) In case of Cash Flow Statement, cash flow for the year ended on that date.

**For R.A. KUVADIA & Co.
Chartered Accountants**

**(R.A. KUVADIA)
Proprietor
M. No. 40087**

**Place : Mumbai
Date : 30.06. 2009**

Annexure referred to in Paragraph 3 of our report of even date

1.
 - (a) The Company has *not updated* the records showing particulars, including quantitative details and situation of fixed assets;
 - (b) *The fixed assets are not physically verified by the management at reasonable intervals.* The discrepancies if any on such verification could not be ascertained in absence of the records ;
 - (c) In our opinion and according to the information and explanations given to us, during the year the Company has not disposed of substantial part of fixed assets.
2.
 - (a) The stock of Finished Goods, Raw materials, Stores and consumables and trading Material was physically verified by the Management at reasonable intervals;
 - (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
3.
 - (a) According to the information and explanations given to us, the company has taken unsecured loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956. The number of party involved is one and the year end balance of the loan is Rs. 43,44,774/-.
 - (b) Deposits and advances given to parties listed under section 301 for use of the assets or otherwise are free of interest. The loans or advances in nature of loan from companies or parties listed in the register maintained under section 301 of Companies Act 1956 are, prima facie, not prejudicial to the interest of the Company. There are no stipulation as to repayments of loans.
3. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.

ASHOK ALCO-CHEM LIMITED

4. In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed asset and with regard to the sale of goods and services. During the course of our audit, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.
5. (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section;
(b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements exceeding value of rupees five lacs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted deposits from the public and provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable.
7. The Company has a internal audit system commensurate with the size and nature of its business.
8. Maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act in respect of Glacial Acetic Acid manufactured by the Company. We have broadly reviewed the books of accounts and records maintained by the Company in this connection are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have, however, not made detailed examination of the records with a view to determining whether they are accurate or complete.
9. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident 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 except for marginal delays.
(b) According to the records of the Company and subject to method of accounts consistently followed by it the undisputed amount payable to appropriate authorities in respect of Sales-tax for the F. Y. 2000-2001 Rs. 34.54 lacs, F. Y. 2001-2002 Rs. 52.73 lacs, F. Y. 2002-2003 Rs. 67.57 lacs, F. Y. 2003-2004 Rs. 21.12 lacs and Sales Tax Deferment Dues Rs. 249.12. Income Tax Rs. 8.95 lacs for F. Y. 1998-1999 and Rs 16.75 lacs, Dividend Tax under Income Tax Act 1961 Rs. 6.88 lacs for F. Y. 1999-2000 were outstanding as on 31.03.2009 for the period of six months from the date they become payable.
(c) In case of Income Tax for the A. Y. 1996-1997 Rs. 50.20 lacs and for A. Y. 1997-1998 Rs. 66.10 Lacs and A. Y. 1999-2000 Rs. 99.37 Lacs appeal is pending before appropriate authorities.
10. The Company's accumulated losses at the end of the financial year is less than the free reserves. The Company is not a sick Company in terms of section 3 (1)(o) of Sick Industries Companies Act, 1985. The company has incurred cash loss during the year under review and also in the immediately preceding financial year
11. The Company has defaulted in repayment of dues to financial institution and account is declared as NPA as per the guidelines issued by Reserve Bank of India. However, Company's application for One Time Settlement is approved subject to fulfillment of underlying conditions. Which has been complied with. The position of secured loans outstanding as per the books of accounts of the Company as on 31.03.2009 is Rs. 712.50 Lacs.
12. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
13. According to the information and explanations given to us the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) are not applicable to the Company.
15. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the Company has not taken any new term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short-term basis, prima facie, have not been used during the year for long-term investment
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
19. The Company has not raised any money through a public issue during the year.
20. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

**For R.A. KUVADIA & Co.
Chartered Accountants**

**(R.A. Kuvadiah)
Proprietor
M. No. 40087**

Place : Mumbai.
Date : 30.06.2009

ASHOK ALCO-CHEM LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

			As at 31.03.2009 (12 months) RUPEES	As at 31.03.2008 (09 months) RUPEES
SCHEDULE				
SOURCES OF FUNDS :				
Shareholders' Funds				
Share Capital	1	37,753,430		32,753,430
Reserves & Surplus	2	135,955,551		139,165,209
			173,708,981	171,918,639
Loan Funds				
Secured Loans	3	71,250,000		86,750,000
Unsecured Loans	4	11,844,774		4,778,973
			83,094,774	91,528,973
			256,803,755	263,447,612
APPLICATION OF FUNDS :				
Fixed Assets				
(a) Gross Block	5	308,000,649		295,249,457
(b) Less: Depreciation		199,863,564		186,858,816
(c) Net Block			108,137,085	108,390,641
(d) Capital Work-in-progress			-	6,752,971
			108,137,085	115,143,612
Investments	6		14,000	14,000
Deferred Tax Assets			22,611,097	20,133,827
Current Assets, Loans and Advances				
(a) Inventories	7	7,890,162		11,661,220
(b) Sundry Debtors	8	5,814,318		1,898,534
(c) Cash & Bank Balances	9	3,210,880		1,094,195
(d) Loans & Advances	10	71,877,876		43,002,253
			88,793,236	57,656,202
Less: Current Liabilities and Provisions				
(a) Liabilities	11	141,808,055		75,400,645
(b) Provisions	12	4,510,428		4,637,765
			146,318,483	80,038,410
Net Current Assets			(57,525,247)	(22,382,208)
Balance in Profit and Loss account			183,566,820	150,538,381
			256,803,755	263,447,612
Accounting Policies	18			

As per our report of even date

For R. A. Kuvadia & Co.
Chartered Accountants

R. A. Kuvadia
Proprietor
Membership No. 40087

Place : Mumbai
Date : 30th June, 2009

For Ashok Alco-Chem Ltd.

Anil M. Kadakia
Chairman & Managing Director

Pankaj M. Kadakia
Vice Chairman

ASHOK ALCO-CHEM LIMITED

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

		For the Period ended 31.03.2009 (12 months) RUPEES	For the Period ended 31.03.2008 (09 months) RUPEES
SCHEDULE			
INCOME :			
Sales Turnover(Gross)		68,447,184	172,628,225
Less : Excise Duty		5,539,120	20,652,197
Less: VAT		<u>2,126,487</u>	<u>5,507,396</u>
		60,781,577	146,468,632
Other Income	13	<u>5,760,179</u>	<u>9,385,967</u>
		<u>66,541,756</u>	<u>155,854,599</u>
EXPENDITURE :			
Manufacturing & Establishment Expenses	14	70,636,966	139,779,452
(Increase)/Decrease in Stocks	15	4,464,115	(3,739,349)
Administrative, Selling & General Expenses	16	9,719,627	17,650,062
Finance Cost	17	<u>6,920,457</u>	<u>438,924</u>
		91,741,165	154,129,089
Profit / (Loss) before Depreciation		(25,199,409)	1,725,510
Add : Depreciation		14,068,808	10,812,486
Less : Transfer from Revaluation Reserve		<u>3,209,658</u>	<u>2,407,244</u>
Net Depreciation		10,859,150	8,405,242
Profit / (Loss) before Taxation		(36,058,559)	(6,679,732)
Less : Provision For Taxation			
Deferred Tax		2,477,270	2,209,100
Fringe Benefit Tax		<u>158,233</u>	<u>120,000</u>
Profit/(Loss) After Taxation		(33,739,522)	(4,590,632)
Add : Excess Depreciation Written Back		1,064,060	-
Less : Prior Period Adjustments		<u>352,977</u>	<u>550,513</u>
		(33,028,439)	(5,141,145)
Add : Profit/(Loss) upto last Year		<u>(150,538,381)</u>	<u>(145,397,236)</u>
Balance Carried to the Balance Sheet		<u>(183,566,820)</u>	<u>(150,538,381)</u>
Accounting Policies	18		

As per our report of even date

For R. A. Kuvadla & Co.
Chartered Accountants

R. A. Kuvadla
Proprietor
Membership No. 40087

Place : Mumbai
Date : 30TH June, 2009

For Ashok Alco-Chem Ltd.

Anil M. Kadakia
Chairman & Managing Director

Pankaj M. Kadakia
Vice Chairman

ASHOK ALCO-CHEM LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2009 (12 months) RUPEES	As at 31.03.2008 (09 months) RUPEES
SCHEDULE - 1 : SHARE CAPITAL :		
Authorised :		
50,00,000 Equity Shares of Rs.10/- each	50,000,000	50,000,000
20,00,000 11% Cumulative Redeemable Preference Shares of Rs.10/- each	20,000,000	20,000,000
	70,000,000	70,000,000
Issued ,Subscribed & Paid-up :		
3775343(pr.year 32,75,343) Equity Shares of Rs.10/- each fully paid up	37,753,430	32,753,430
Note :		
1. Of the above, 8,00,112 Equity Shares of Rs.10/- each were allotted on 07.10.1993 as Bonus Shares by capitalisation of Rs.80,01,120/- from revaluation reserves in terms of resolution passed by the members at Annual General Meeting held on 30.09.1993.		
2. 500000 shares allotted to SICOM ARC LTD for consideration other than cash in terms of resolution passed by the members at the extra ordinary general meeting held on 29.01.2009		
SCHEDULE - 2 : RESERVES & SURPLUS :		
1. Capital Subsidy	2,500,000	2,500,000
2. Revaluation Reserve		
As per Last Balance Sheet	7,405,184	9,812,428
Less: Transferred to Profit & Loss Account	3,209,658	2,407,244
	4,195,526	7,405,184
3. Share Premium Account	61,879,025	61,879,025
4. Capital Reserve	67,381,000	67,381,000
	135,955,551	139,165,209
SCHEDULE - 3 : SECURED LOANS :		
1. Term Loan from SICOM Ltd.		
Borrowings are for expansion/down stream projects and are secured by mortgage of immovable properties and plant & machineries , both present and future , at MIDC , Mahad]	86,750,000	86,750,000
Less : OTS Payment to SICOM	15,500,000	-
	71,250,000	86,750,000
SCHEDULE - 4 : UNSECURED LOANS :		
Short Term Loan - Directors	4,344,774	4,778,973
Intercorporate Deposit	7,500,000	-
	11,844,774	4,778,973

SCHEDULE - 5 : FIXED ASSESSMENT

ASSETS	AS ON	ADDITIONS	SALE/	GROSS	TOTAL	DEPR.	DEPR.	TOTAL	NET	NET BLOCK
	01-04-08	2008-2009	ADJ.	BLOCK	DEPR.	31-03-2009	SALE/	DEPR.	BLOCK	AS ON
			2008-2009	31-03-2009	31-03-2009	31-03-2009	ADJ.	31-03-2009	31-03-2009	31-03-2008
LEASEHOLD LAND	7,304,000	0	0	7,304,000	190,153	12,677	0	202,830	7,101,170	7,113,847
BUILDINGS	23,621,395	0	0	23,621,395	5,612,540	416,149	0	6,028,689	17,592,706	18,008,855
PLANT & MACHINERY	254,996,774	12,648,351	0	267,645,125	126,200,505	9,669,366	0	135,869,871	131,775,253	12,879,626
FURNITURE & FITTINGS	4,636,354	102,841	0	4,739,195	3,781,517	315,320	0	4,096,837	642,358	854,837
VEHICLES	4,690,934	0	0	4,690,934	3,173,420	445,638	0	3,619,058	1,071,876	1,517,514
TOTAL	295,249,457	12,751,192	0	308,000,649	138,958,135	10,859,150	0	149,817,285	158,183,363	156,291,322
PREVIOUS YEAR	295,249,457	0	0	295,249,457	130,552,893	8,405,242	0	138,958,135	156,291,322	164,696,564

Note:

- Gross Block includes revaluation as on 31st March,1994 of Leasehold Land (RS.60,87,005), Building (RS.42,57,704) and plant & Machinery (Rs.5,18,98,217). The aforesaid amounts in aggregate of Rs.8,25,23,797 were debited to the fixed assets and were credited to revaluation reserve.
- Depreciation (a)for the year is net of transfer from revaluation reserve Rs. 32,09,658/-(Previous Year 24,07,244), and (b) as on 31st March 2009 is net of cumulative transfer from revaluation reserve of Rs.5,00,46,280/- (Previous Year Rs. 4,68,36,622/-)

ASHOK ALCO-CHEM LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2009 (12 months) RUPEES	As at 31.03.2008 (09 months) RUPEES
SCHEDULE - 6 : INVESTMENTS :		
(At Cost)(Quoted,unless otherwise stated)		
1. Nos.7 (Previous Year: Nos. 7) Shares of Rs.2000/- each fully paid-up of Shri Chhatrapati S.S.K.Ltd.(Unquoted)	14,000	14,000
	<u>14,000</u>	<u>14,000</u>
SCHEDULE - 7 : INVENTORIES :		
1. Raw Materials	2,294,828	2,620,733
2. Semi-finished Goods	531,314	528,314
3. Finished Goods	1,386,733	5,853,848
4. Stores , Spares and Packing Materials	2,990,488	2,139,274
5. Fuel	386,679	519,051
6. Goods in Transit	300,120	-
	<u>7,890,162</u>	<u>11,661,220</u>
SCHEDULE - 8 : SUNDRY DEBTORS :		
Debts over Six Months	105,635,005	105,635,005
Less: Provision for Doubtful Debts	<u>105,635,005</u>	<u>105,635,005</u>
Other Debts	5,814,318	1,898,534
	<u>5,814,318</u>	<u>1,898,534</u>
SCHEDULE - 9 : CASH & BANK BALANCES :		
1. Cash on Hand	583,397	1,308,350
2. Balances with Scheduled Banks In Current Accounts	<u>2,627,483</u>	<u>(214,155)</u>
	<u>2,627,483</u>	<u>(214,155)</u>
	<u>3,210,880</u>	<u>1,094,195</u>
SCHEDULE - 10 : LOANS & ADVANCES :		
(Unsecured - considered good)		
1. Advances recoverable in cash/kind or for value to be received includes :	71,409,055	42,609,831
Associates		
- Ashok Cellulose Ltd. , Rs. 85.14 Lacs(P. Y. Rs. 85.14 Lacs)		
- Raj Enterprises Rs.96.88 Lacs(P.Y.Rs.96.88 Lacs)		
- Ashok Organic Industries Ltd Rs.94.87 Lacs(P.Y.Rs 95.68 Lacs)		
- USM Enterprises Rs.0.49 Lacs(P.Y.Rs.0.49 lacs)		
- Aqua Alco Bio Tech Ltd Rs.62.80 Lacs(P.Y.62.80 Lacs)		
2. Balances with Central Excise	468,821	392,422
	<u>71,877,876</u>	<u>43,002,253</u>
SCHEDULE - 11 : CURRENT LIABILITIES :		
1. Sundry Creditors	15,367,265	22,898,218
2. Unclaimed Dividend	278,104	278,104
3. Other Liabilities	101,250,492	27,312,129
4. Sales Tax Defferment Amount	<u>24,912,194</u>	<u>24,912,194</u>
	<u>141,808,055</u>	<u>75,400,645</u>
SCHEDULE - 12 : PROVISIONS :		
1. Provision for Taxation	4,352,195	4,352,195
2. Provision for Fringe Benefit Tax	158,233	285,570
	<u>4,510,428</u>	<u>4,637,765</u>

ASHOK ALCO-CHEM LIMITED**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2009 (12 months) RUPEES	As at 31.03.2008 (09 months) RUPEES
SCHEDULE - 13 : OTHER INCOME :		
1. Interest Received (Gross) Tax deducted at source Rs.-32768/- (Previous Year Rs.Nil)	149,046	164
2. Miscellaneous Receipts	1,227,625	580,689
3. VAT Set-off	2,969,079	6,499,514
4. Sale of Scrap	86,229	63,878
5. Sundry balance w/off-w/back	1,328,200	2,241,722
	<u>5,760,179</u>	<u>9,385,967</u>
SCHEDULE - 14 : MANUFACTURING & ESTABLISHMENT EXPENSES		
1. Material Consumed		
Opening Stock	2,620,733	673,720
Add: Purchases & Incidental Expenses	47,351,191	99,064,641
Less: Closing Stock	<u>2,294,828</u>	<u>2,620,733</u>
	47,677,096	97,117,628
2. Stores & Spares Consumed	1,170,189	1,594,692
3. Packing Materials Consumed	440,443	587,419
4. Power & Fuel	11,764,931	33,633,647
5. Water Charges	498,008	869,670
6. Employees' Remuneration and Benefits		
Salaries, Wages & Allowances	7,780,256	4,939,145
Contribution to Provident and Other Fund	579,907	502,402
Staff Welfare Expenses	324,382	303,400
Bonus/Ex-gratia	<u>401,754</u>	<u>231,449</u>
	9,086,299	5,976,396
	<u>70,636,966</u>	<u>139,779,452</u>

ASHOK ALCO-CHEM LIMITED

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	As at 31.03.2009 (12 months) RUPEES	As at 31.03.2008 (09 months) RUPEES
SCHEDULE - 15 : (INCREASE)/DECREASE IN STOCK		
Opening Stock		
Finished Goods	5,853,848	1,736,753
Semi-finished Goods	528,314	906,060
	6,382,162	2,642,813
Less: Closing Stock		
Finished Goods	1,386,733	5,853,848
Semi-finished Goods	531,314	528,314
	1,918,047	6,382,162
	4,464,115	(3,739,349)
SCHEDULE - 16 : ADMINISTRATIVE, SELLING & GENERAL EXPENSES		
Rent, Rates & Taxes	35,779	273,024
Postage, Telegraph & Telex	285,740	212,857
Insurance	141,134	57,081
Repairs & Maintenance		
Plant & Machinery	968,843	393,841
Others	314,585	429,464
	1,283,428	823,305
Travelling and Conveyance Expenses	1,735,571	1,215,222
Auditor's Remuneration	170,965	113,766
Legal & Professional Fees	1,372,158	591,592
Donation	5,000	26,500
Selling Expenses	368,725	5,877,435
Sales Tax Assessment Dues	-	6,051,095
Factory General Expenses	498,280	284,713
Security Charges	427,060	204,132
Advertisement and Publicity	11,400	-
Share issue expenses	56,180	-
Service charges	2,182,093	962,608
Miscellaneous Expenses	1,146,114	956,732
	9,719,627	17,650,062
SCHEDULE - 17 : FINANCE COST		
Interest on - Fixed Loans	4,829,753	-
- Others	1,999,164	363,072
Bank Charges	91,540	75,852
	6,920,457	438,924

ASHOK ALCO-CHEM LIMITED

SCHEDULE - 18 :

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF ACCOUNTING:

These financial statements are prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India and the Accounting Standards (AS) as notified under Companies (Accounting Standards) Rules, 2006, as modified to include the revaluation of certain assets.

II. USE OF ESTIMATES:

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

III. FIXED ASSETS AND DEPRECIATION/ AMORTIZATION

- (i) Gross Fixed Assets are stated at historical cost of acquisition / construction net of cenvat credit / Input Credit under VAT on capital goods.

Depreciation on tangible assets is provided on Straight Line Method at the rates specified in Schedule XIV to The Companies Act, 1956.

Lease hold land is amortised over the period of lease.

- (ii) Fixed assets are eliminated from financial statements either on disposal or when retired from active use. The retired assets are disposed off or discarded immediately.
- (iii) Depreciation is provided on pro-rata basis from the date on which assets have been put to use and unto the date on which assets have been used for the company.
- (iv) The assets of the company consisting of land, building and plant and machineries which were revalued during accounting year 1993-94 on the basis of the valuation report of an approved valuer. Consequent to the said revaluation, there is charge of depreciation of Rs. 32,09,658 in F.Y. 2008-09 (Previous Year Rs. 24,07,244). The equivalent amount has been withdrawn from the Revaluation Reserve and credited to the Profit and Loss Account.

IV. IMPAIRMENT OF ASSETS:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or

the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

V. REVENUE RECOGNITION:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when the significant risk and reward of ownership of the goods have passed to the buyer which normally coincides with the despatch of goods from the factory of the company. Sales are disclosed net of trade discount.

Revenue in respect of insurance, interest, cash subsidy and other claims is recognized only when it is reasonably certain that the ultimate collection will be made.

VI. INVESTMENTS:

Investments are classified into Current and Long Term Investments.

- (a) Long term investments are carried at cost after providing for any diminution in value, if such diminution is of other than temporary nature.
- (b) Current investments are carried at the lower of cost and market value. The determination of carrying costs of such investments is done on the basis of specific identification.

VII. INVENTORIES:

- i) Raw materials and packing materials are valued at landed cost determined on FIFO Basis after deducting VAT/ CENVAT, wherever applicable.
- ii) The finished goods have been valued at cost or net realizable value whichever is less.
- iii) Semi finished goods have been valued at estimated cost, as certified by the management.
- iv) Stores & Spares have been valued at cost or market price whichever is lower.

VIII. EMPLOYEE BENEFITS

Post –Employment Benefit Plans

- i. Defined Contribution Plan : Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner.
- ii. Defined Benefit Plan : The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out at the Balance Sheet date. Actuarial gains and losses are recognized in full in the Profit & Loss Account for the period in which they occur.

In respect of gratuity, the Company has created approved Gratuity trust and Company every year provides towards differential liability on the basis of actuarial valuation. Provision for leave encashment is accounted for on the basis of actuarial valuation.

ASHOK ALCO-CHEM LIMITED

Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

IX. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

X. SALES

Sales excludes Excise Duty and VAT

XI. EXCISE DUTY :

Excise Duty payable on finished goods is accounted on the production thereof.

XII. CENVAT CREDIT :

Cenvat Credit is accounted at the time of purchase on accrual basis and is appropriated as payment of Excise Duty payable on clearance of finished goods.

Cenvat credit availed on Input services is accrued on the basis of payment made for such services and is appropriated as payment of Excise Duty payable on clearance of Finished Goods.

XIII. PRE-OPERATIVE EXPENDITURE :

All expenses including funds borrowed specifically for the acquisition, construction and commissioning of new project / assets are carried forward to be capitalized and apportioned to various assets on commissioning of the project.

XIV. TAXES ON INCOME:

Tax expense comprises of Current, Deferred and Fringe Benefit Tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

XV. EARNING PER SHARE:

Basic earning per Share is computed by dividing the net profit attributable to Equity Shareholders for the year, by weighted average number of Equity Shares outstanding during the year. Diluted earning per share is computed using the weighted average number of Equity and dilutive Equity equivalent share outstanding at year-end

XVI. PROVISIONS AND CONTINGENT LIABILITIES :

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.

XVII. ACCOUNTING POLICIES :

Accounting Policies not specifically referred to are consistent and in consonance with generally accepted Accounting principles.

NOTES TO ACCOUNTS:

1. Figures for previous year have been re-grouped wherever necessary.
2. Contingent Liabilities not provided for in respect of :

(Amount in Rupees)			
Sr. No.	Particulars	2008-09 (12 Months)	2007-08 (9 Months)
I	Income-tax matters	2,15,67,630/-	2,15,67,630/-
II	Excise matters	27,220/-	18,000/-
III	Labour matters	4,40,000/-	Nil
Total :		2,20,34,850/-	2,15,85,630/-

Note : Company is seeking legal remedy in the form of appeal and alternate redressal in respect of liabilities listed above.

3. In the opinion of the Board of Directors of the Company, the current assets, loans and advances are approximately of the value stated in the Balance Sheet, if realised in the ordinary course of business.
4. The Company has entered into for One Time Settlement (OTS) for settlement of dues which is in principle approved by the SICOM(Term lending Institute) and the company has complied with the terms and conditions stipulated therein.
5. The charge created by the Company's on its assets located at Mahad, in favour of Dena Bank for securing the loans to the company though paid in full in OTS, still not vacated and company is yet to carry out formalities in this regards.
6. The provision for doubtful debts continues at an amount of Rs 1056.35 Lacs (P.Y. Rs 1056.35 lacs) In the opinion of the management these debts have not become bad and they are quite hopeful of recovery of the amount.
7. Unpaid dividend amounting to Rs 2,78,104 /- remaining unpaid even after the stipulated period of seven year is not deposited in Investor Education and Protection Fund.
8. In view of accumulated losses exceeding its net worth a reference was made on 16.6.2003 to Board for Industrial and Financial Reconstruction (BIFR) under the provision of Section 3 (1) (o) of Sick Industrial Companies (Special Provisions) Act, 1985. The same is registered with Board for Industrial & Financial Restructuring BEARING NO. 291/2003.

ASHOK ALCO-CHEM LIMITED

9. The Figure for the current year are for a period of 12 months as compared to 9 months in the previous year & hence are strictly not comparable.

10. SEGMENT REPORTING:

As the Company's business activity, in the opinion of the management, falls within a single primary segment namely manufacture of organic chemicals which are subject to the same risks and returns, the disclosure requirements of Accounting Standard (AS) -17 "Segment Reporting" issued by the institute of Chartered Accountants of India are, in the opinion of the management, would not be applicable.

11. Related Party Transaction :

As required by Accounting Standard - AS - 18, "Related Parties Disclosure" issued by the Institute of Chartered Accountants of India, the details are as follows:

List of Related parties are as under (more than 20% controlled by the Directors and Relatives):

A. Associate Concerns :

- Ashok Organic Industries Limited
- Kadakia Alkalies & Chemicals Limited
- Ashok Cellulose Limited
- Ashok Chem Pharma International
- USM Enterprise
- Devjagan Salt Farm Pvt. Ltd.
- Aqua Alco Bio-tech Pvt. Ltd.
- Ashok Pharmaceuticals Pvt. Ltd.
- Ashok & Brothers, Ashok M Kadakia HUF
- Anil M Kadakia HUF
- Pankaj M Kadakia HUF

B. Key Management Personnel and Relatives :

- Mr. Ashok M. Kadakia
- Dr. Anil M. Kadakia
- Mr. Pankaj M. Kadakia
- Mr. Shyam P. Kadakia
- Mrs. Urvashi Ashok Kadakia Proprietor of Raj Enterprises (Wife of Mr. Ashok M. Kadakia)
- Mrs. Shobhana Anil Kadakia (Wife of Dr. Anil M. Kadakia)
- Mrs. Madhavi Pankaj Kadakia (Wife of Mr. Pankaj M. Kadakia)

Particulars	Associates	Key Mgt.	Relatives
Sale of goods & services	23.12	Nil	Nil
Remuneration and sitting fees	Nil	17.90	Nil
Debts due to the company (Loans & Advances)	245.75	Nil	96.88
Debts due to the company (Sundry Debtors)	1056.35	Nil	Nil
Debts payable by the company	6.68	45.90	Nil

12. Deffered Tax :

Considering the market trend for company's product and Management's perception on future outlook of the Company, the Deferred Tax Surplus for current year is accounted to Profit & Loss Account. The deferred tax adjustment in terms of Accounting Standard 22 is assessed out on the basis of following timing differences.

Particulars	Deferred Tax Surplus for Current Year
Surplus-arising from claim u/s 43B net of reversal	82,801
Reversal of Liability-Depreciation difference as per Books compared to Income-Tax	(25,82,497)
Surplus-unabsorbed Depreciation and Loss Adjusted	56,40,541
Expenses Allowable on Payment of TDS Sec 40(a)(ii)	(6,63,575)
Deferred Tax Surplus	24,77,270

13. Earning Per Share :

	2008-09	2007-08
	Rs. In Lacs	Rs. In Lacs
Loss after Tax.	3,30,28,439	51,41,145
Of Weighted average shares		
Outstanding during the year	33,60,276	32,75,343
Basic and Diluted Earning Per Share	(9.83)	(1.57)

14. Payment to Auditors :

(Amount in Rupees)			
Sr. No.	Particulars	2008-09 (12 Months)	2007-08 (9 Months)
a.	Audit Fees	88,240	82,584
b.	Taxation Matters	44,120	43,823
c.	Tax Audit	27,575	25,281
d.	Other Matters	11,030	-
Total:		1,70,965	1,51,688

15. As required by the notification no. GSR 129 (E) dated 22nd February, 1999 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs and based on the information available with the Company in respect of the status of the suppliers, a sum of Rs.11,92,240/- is due and is included in "Sundry Creditors". The Company has not received any claim for interest from the suppliers covered by the said provisions. The suppliers covered by the said provisions to whom the Company owes more than Rs.1 lac for more than 30 days as at 31st March, 2005 are : Crown Plastic Industries, Maldar Barrels Pvt. Ltd., and Renu Engineering Industries.

16. The Management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard (AS) -28 issued by the Institute of Chartered Accountants of India.

ASHOK ALCO-CHEM LIMITED

Based on the judgment of the Management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.

17. The Company has not received information from Vendors regarding their status under micro, small and medium Enterprise Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid / payable under this account have not been given.
18. Remuneration includes Rs.17.90 lacs (P.Y. Rs. 9.00 lacs) paid to Managing Director.
19. Capacities, Production, Stocks and Sales :

A. Capacities:

Product	Unit	Licensed / Registered Capacity	Installed Capacity
(i) Glacial Acetic Acid	MT	13000 (13000)	13000 (13000)
(ii) Esters	MT	5400 (3600)	5400 (3600)

B. Production, Stocks and Sales :

Product	Opening Stock	Production	Sales	Closing Stock
i) Glacial Acetic Acid :				
Qty. (MT)	148 (31)	620 (4899)	761 (4782)	7 (148)
Value (Rs.in lacs)	50.55 (9.63)	Nil (-)	288.33 (1409.50)	1.87 (50.55)
ii. Ethyl Acetate:				
Qty. (MT)	3 (3)	790 (-)	775 (-)	18 (3)
Value (Rs.in lacs)	1 (1.00)	- (-)	357.33 (-)	8.47 (1.00)
iii. Others :				
Value (Rs.in lacs)	12.74 (6.73)	- (-)	38.81 (316.78)	3.53 (12.74)
Total (Rs.in lacs)	64.29 (17.36)	- (-)	684.47 (1726.28)	13.87 (64.29)

Notes :

- (i) Figures in brackets are in respect of the previous year.
- (ii) Sales includes Excise Duty and Sales Tax
- (iii) Loss / Gain of goods during the year is adjusted in sales quantity.
- (iv) Installed Capacities are as certified by management.

Analysis of Raw Materials consumed for manufacturing activities :

Unit	2008-09 (12 Months)		2007-08 (9 Months)	
	I Alcohol Lac Ltrs.	15.44	31318499	59.85
II Glacial Acetic Acid MT	572	16217592	NIL	NIL

Note: Values are inclusive of incidental expenses like transport, freight etc.

20. Value of Raw Materials, Stores & Packing Materials consumed :

	2008-09 (12 Months)		2007-08 (9 Months)	
	% of Total Consumption	Value Rs.	% of Total Consumption	Value Rs.
Imported	Nil	Nil	—	Nil
Indigenous	100	49287730	100%	98200472
Total:	100	49287730	100%	98200472

21. Value of Imports on CIF Basis NIL Nil
22. Expenditure in Foreign Currency
- | | | |
|-------------------|-----|-------|
| Technical Knowhow | Nil | Nil |
| - For traveling | Nil | 96264 |
| - Others | Nil | Nil |
23. Remittance in Foreign Currency on account of Dividend of Non-resident Shareholders Nil Nil
24. Earning in Foreign Exchange (FOBvalue) Nil Nil
25. Previous Years Figures have been regrouped / recast wherever necessary. Figure have been rounded of to the nearest rupee.

ASHOK ALCO-CHEM LIMITED

26. Additional information pursuant to the provisions of Part IV of Schedule VI to the Companies Act, 1956.
Balance Sheet Abstract and Company's General Business Profile

I. Registration Details:

Registration No.	69615
State Code	11
Balance Sheet	31.03.2009

II. Capital raised during the year (Amount in Rs. Thousands):

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of mobilisation & deployment of funds (Amount in Rs.Thousand):

Total Liabilities	256804	Total Assets	256804
<u>Sources of funds :</u>		<u>Application of Funds :</u>	
Paid-up Capital	37753	Net Fixed Assets	108137
Reserves & Surplus	135956	Investments	14
Secured Loans	71250	Deferred Tax Assets	22611
Unsecured Loans	11845	Net Current Assets	(57525)
		Miscellaneous Expenditure	—
		Profit & Loss A/c.	183567
	256804		256804

IV. Performance of Company (Amount in Rs. Thousands):

Turnover & Other Income	66542
Total Expenditure	101889
Profit/(Loss) before Tax	35347
Profit/(Loss) after Tax	33028
Earning Per Share (in Rs.)	(8.75)
Dividend Rate (%)	—

V. Generic Names of Three Principal Products/Services of Company (as per Monetary Terms)

Item Code No.	291521
Product Description	Acetic Acid
Item Code No.	291531
Product Description	Ethyl Acetate

As per our report of even date

For R. A. Kuvadla & Co.
Chartered Accountants

R. A. Kuvadla
Proprietor
Membership No. 40087

Place : Mumbai
Date : 30TH June, 2009

For Ashok Alco-Chem Ltd.

Anil M. Kadakia
Chairman & Managing Director

Pankaj M. Kadakia
Vice Chairman

ASHOK ALCO-CHEM LIMITED

CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2009

RUPEES IN LACS

	2008-09 12 MONTHS	2007-08 9 MONTHS
A CASH FLOW FROM OPERATING ACTIVITIES		
1 Net Profit before Interest, Tax & Extra-ordinary Items	(360.58)	(66.80)
2 Adjustments for		
I) Depreciation	108.59	84.05
II) Loss/(Profit) on sale of Fixed Assets/Investments(net)	0.00	0.00
III) Interest	69.20	4.39
SUB TOTAL	177.79	88.44
3 Operating profit before working capital charges	(182.79)	21.64
4 Adjustments for		
I) Trade & Other Receivables	0.00	0.00
II) Inventories	78.90	116.61
III) Trade Payables	153.67	228.98
IV) Bank Borrowings / Repayments	155.00	3.00
5 Cash generated from Operations(Total 1 to 4)	387.57	348.59
6 LESS :		
I) Interest	69.20	4.39
II) Direct Taxes	0.00	0.00
7 Cash flow from-Extra-Ordinary Items(3 +5+6)	273.98	374.62
8 Extra-Ordinary Items	0.00	0.00
9 Net Cash From Operating Activities(7 +8)	273.98	374.62
B CASH FLOW FROM INVESTING ACTIVITIES		
10 Purchase of Fixed Assets / Investments	(59.98)	(21.01)
11 Sale of Fixed Assets	0.00	0.00
12 Sales (Net) of investment	0.00	0.00
13 Miscellaneous Expenditure	0.00	0.00
14 Net Cash Used in Investing activities	(59.98)	(21.01)
C CASH FLOW FROM FINANCIAL ACTIVITIES		
15 Capital Subsidy received	0.00	0.00
16 Proceeds from borrowings		
Long Term		
Short Term	70.66	7.52
17 Repayment of Term Liabilities	155.00	0.00
18 Dividend Paid	0.00	
19 Net Cash from financial activities	225.66	7.52
20 NET (DECREASE / INCREASE) IN CASH AND CASH EQUIVALENTS[A+B+C]	439.66	361.13
21 CASH AND CASH EQUIVALENTS AS AT 1ST APRIL 2008(OPENING BALANCE)	10.94	13.85
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH 2009(CLOSING BALANCE)	32.11	10.94
	439.66	361.13

Note : Previous years' figures have been regrouped or reclassified wherever necessary.
As per our certificate annexed

For R. A. Kuvadla & Co.
Chartered Accountants

R. A. Kuvadla
Proprietor
Membership No. 40087
Place : Mumbai
Date : 30TH June, 2009

For and on behalf of the Board

Anil M. Kadakia
Chairman & Managing Director

Pankaj M. Kadakia
Vice Chairman

AUDITOR'S CERTIFICATE

We have verified the Cash Flow Statement of Ashok Alco-chem Limited for the year ended on 31st March, 2009 with reference to the audited statement of account of the Company. The Cash Flow Statement is found to be in accordance with the requirements of Clause 32 of the Listing agreement with Stock Exchanges.

For R. A. Kuvadla & Co.
Chartered Accountants

Place : Mumbai
Date : 30TH June, 2009

R. A. Kuvadla
Proprietor
Membership No. 40087

ASHOK ALCO-CHEM LIMITED

Ashok Alco-Chem Limited

Registered Office : 404, Sharda Chambers, 33 New Marine Lines, Mumbai - 400 020

ATTENDANCE SLIP

Please complete this Attendance Slip and hand over at the entrance Meeting Hall

L.F No.(_____) No. of Share held _____

Name Address of the Member :

I hereby record presence at the 17th ANNUAL GENERAL MEETING held on 25.09.2009 at 10.30 a.m. at 404, Sharda Chambers, New Marine Lines, Mumbai - 400 020

SIGNATURE SHAREHOLDER/PROXY

NOTES:

- 1. Members/Proxy holder are requested to bring their copies of the Annual Report with the Meeting.
- 2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided at the entrance of the Meeting Hall.

Ashok Alco-Chem Limited

Registered Office : 404, Sharda Chambers, 33 New Marine Lines, Mumbai - 400 020

PROXY

L.F No.(s) _____ No Share held _____

I/WE _____

_____ being member/member ASHOK ALCO-CHEM LIMITED hereby

appoint _____ of _____ failing him/her

_____ of _____ and failing him/her _____

_____ of _____ as my/our Proxy to vote

for me/us and or my/our behalf the 17th ANNUAL GENERAL MEETING held on Friday, the 25th September, 2009 at

10.30 a.m. at 404, Sharda Chambers, New Marine Lines, Mumbai - 400 020 and any adjournment thereof.

Signed this _____ day of September, 2009

Affix
Revenue
Stamp
Re.1.00

BOOK-POST

TO,

If undelivered, please return to :

ASHOK ALCO-CHEM LIMITED

404, Sharda Chambers,

33, New Marine Lines, Mumbai - 400 020