

16th ANNUAL REPORT 2008-09

**INDO
AMINES
LIMITED**



Passion for growth



INDO AMINES LIMITED

First Award



**BOARD OF DIRECTORS**

Dr. DEEPAK S. KANEKAR	: CHAIRMAN (INDEPENDENT NON EXECUTIVE ADDITIONAL DIRECTOR (w.e.f. 31 st March, 2009)
Mrs. BHARATI V. PALKAR	: EXECUTIVE DIRECTOR (PROMOTER)
Mr. VIJAY B. PALKAR	: MANAGING DIRECTOR (PROMOTER)
Mr. KIRIT H. SHAH	: WHOLE TIME DIRECTOR (PROMOTER)
Mr. RAHUL V. PALKAR	: EXECUTIVE DIRECTOR (PROMOTER)
Mr. NARAYAN G. MANE	: EXECUTIVE DIRECTOR
Mr. R.RAGHAVENDRA RAVI	: INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. MILIND P. PATIL	: EXECUTIVE DIRECTOR (upto 1 st December, 2008)
Dr. JAYANTILAL H. SHAH	: INDEPENDENT NON EXECUTIVE DIRECTOR (upto 3 rd February, 2009)
Mr. SURESH R. IYER	: INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. DHAWAL J. VORA	: INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. CHANGDEO L. KADAM	: INDEPENDENT EXECUTIVE ADDITIONAL DIRECTOR (w.e.f. 29 th December, 2008)
CA. VISHWAS V. MEHENDALE	: INDEPENDENT NON EXECUTIVE ADDITIONAL DIRECTOR (w.e.f. 09 th February, 2009)
Mrs. ASHWINI R. PALKAR	: CHIEF FINANCIAL OFFICER

AUDITORS

Kulkarni and Khanolkar, Chartered Accountants, Mumbai.

CORPORATE GOVERNANCE REPORT

HS Associates, Company Secretaries, Mumbai.

BANKERS

State Bank of India, Dadar Commercial Branch, Mumbai.

State Bank of India, Alkapuri, Baroda.

REGISTERED OFFICE

W-38/39, Phase-II, MIDC, Dombivli (E), Dist. Thane - 421204.

REGISTRAR & SHARE TRANSFER AGENT**BIGSHARE SERVICES PVT. LTD.**

E/2, Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri (E), Mumbai - 400 072.

Tel. No.: 91-22-28470652/40430200 Fax No. : 91-22-284765207 Email : info@bigshareonline.com / www.bigshareonline.com

MANUFACTURING FACILITIES AT

1. W-37/38/39, Phase II, MIDC, Dombivli (E), Dist. Thane - 421 204.
2. Survey No. 1723, Tundav, Taluka Savli, Baroda, Gujarat.
3. W-265, W-266A, T.T.C., Industrial Area, Rabale MIDC, Navi Mumbai - 400 701.

SHARES LISTED AT:

The Stock Exchanges	-	Mumbai
	-	Ahmedabad
	-	Calcutta

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16th ANNUAL GENERAL MEETING

Date : 30th September, 2009

Day : Wednesday

Time : 11.00 A.M

Place : At C.K.P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivli (E), Dist. Thane - 421 201



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 16TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDO AMINES LIMITED WILL BE HELD ON WEDNESDAY THE 30TH SEPTEMBER, 2009 AT 11.00 A.M AT C.K.P HALL, RAM GANESH GADKARI PATH, NEAR KARWA HOSPITAL, DOMBIVLI (E), DIST. THANE - 421 201 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended 31st March, 2009 along with notes and schedules thereon as on that date and the reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Bharati V. Palkar, Director of the company who retires by rotation & being eligible offers herself for re-appointment.
3. To appoint a Director in place of Mr. Dhawal J. Vora, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Suresh R. Iyer, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
5. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. Changdeo L. Kadam, who was appointed as an Additional Director w.e.f. 29th December, 2008 and who holds office upto the date of the 16th Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."
7. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution**.

"RESOLVED THAT CA Vishwas V. Mehendale, who was appointed as an Additional Director w.e.f. 9th February, 2009 and who holds office upto the date of the 16th Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."
8. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution**.

"RESOLVED THAT Dr. Deepak S. Kanekar, who was appointed as an Additional Director w.e.f. 31st March, 2009 and who holds office upto the date of the 16th Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."
9. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution**.

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Scheduled XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter, referred to as "the said Act") the consent of the Company is hereby accorded to the appointment of Mr. Changdeo L. Kadam as an Executive, Additional Director of the Company for a period of 5 (Five) years with effect from **1st January, 2009** on the terms and conditions including remuneration as set out in the agreement to be entered into between the Company and Mr. Changdeo L. Kadam a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

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

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

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



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

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Scheduled XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter, referred to as "the said Act") the consent of the Company is hereby accorded to the re-appointment of Mr. Narayan G. Mane as an Executive Director of the Company for a period of 5 (Five) years with effect from 1st April, 2010 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. Narayan G. Mane a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

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

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

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

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

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Scheduled XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter, referred to as "the said Act") the consent of the Company is hereby accorded to the appointment of Mrs. Bharati V. Palkar as an Executive Director of the Company for a period of 5 (Five) years with effect from 1st July, 2009 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mrs. Bharati V. Palkar a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

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

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

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

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

“RESOLVED THAT pursuant to provisions of Section 309 (4), and other applicable provisions, if any, of the Companies Act, 1956, and Articles of Association of the Company, consent of the Company be and is hereby accorded to the payment and redistribution of a sum not exceeding 0.5% of the net profits of the Company, calculated in accordance with the provisions of Section 198, 349 and 350 of the Companies Act, 1956 by way of commission to Dr. Deepak S. Kanekar Non Executive Chairman in such amounts or proportion and in such manner as may be determined by the Board of Directors from time to time and in absence of such determination such payment be made out of the profits of the Company of each year during the year of 5 years commencing from 1st July, 2009.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or Remuneration Committee constituted by the Board be and are hereby authorised to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

BY ORDER OF THE BOARD
For INDO AMINES LIMITED

DATE : 31st July, 2009
PLACE : Dombivli.

Sd/-
MR. VIJAY B. PALKAR
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 such proxy need not be a member of the company.
2. The proxies, in order to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Register shall remain closed from **Tuesday the 22nd September, 2009 to Wednesday the 30th September, 2009** (both days inclusive).
4. Explanatory statements under section 173(2) of the Companies Act, 1956 in respect of the Special Business as mentioned above is annexed.
5. As measure of economy, copies of the Annual Reports and Accounts will not be distributed at the meeting. Members are therefore, requested to bring their copies at the meeting.
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts for admission to the meeting hall.
7. Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
8. Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, additional information related to Directors recommended for appointment/re-appointment at the Annual General Meeting appears in the Directors' Report and Accounts.
9. *Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Managing Director at least seven days before the date of the meeting, so that the information required may be made available at the Annual General Meeting.*
10. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective Depositories, viz NSDL & CDSL, will be printed on the dividend warrants. Members are requested to inform the concerned Depository participants of any change in address, dividend mandate, etc.
11. Members holding shares in physical form are requested to notify/send the following to the Company's Registrar and Transfer Agents to facilitate better service.
 - Any change in their address / mandate / Bank details.
 - Particulars of their Bank accounts in case the same have not been sent earlier and
 - Share certificate (s) held in multiple accounts in identical names and/or joint accounts in the same order of names for consolidation of such shareholdings into one account.



EXPLANATORY STATEMENT
As required by section 173(2) of the Companies Act, 1956

ITEM NO. 6:

Mr. Changdeo L. Kadam was appointed as an Additional Director w.e.f. 29th December, 2008 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of Mr. Changdeo L. Kadam for the office of the Director under section 257 of the Companies Act, 1956.

1.	Name of the Director	Mr. Changdeo L. Kadam
2.	Age	40 years
3.	Qualification	B.Sc. Chemistry
4.	Expertise	Production and Quality Control
5.	Number of Directorship in other Indian Public Limited Company	Versatile Chemicals Limited

Mr. Changdeo L. Kadam is not having any Equity Shares in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said resolution except Mr. Changdeo L. Kadam.

ITEM NO. 7:

CA. Vishwas V. Mehendale was appointed as an Additional Director w.e.f. 9th February, 2009 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of CA. Vishwas Mehendale for the office of the Director under section 257 of the Companies Act, 1956.

1.	Name of the Director	CA. Vishwas V. Mehendale
2.	Age	52 years
3.	Qualification	B.com, L.L.B. (GEN), F.C.A.
4.	Expertise	Finance and Corporate Laws
5.	Number of Directorship in other Public Limited Company	Renaissance Jewellery Limited

CA. Vishwas V. Mehendale is holding 1,500 Equity Shares in the share capital of the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said resolution except CA. Vishwas V. Mehendale.

ITEM NO. 8 :

Dr. Deepak S. Kanekar was appointed as an Additional Director w.e.f. 31st March, 2009 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of Dr. Deepak S. Kanekar for the office of the Director under section 257 of the Companies Act, 1956.

1.	Name of the Director	Dr. Deepak S. Kanekar
2.	Age	56 years
3.	Qualification	M.S.C. PHD
4.	Expertise	In the Field of Pharmaceuticals and Speciality Chemicals
5.	Number of Directorship in other Public Limited Company	NIL

Dr. Deepak S. Kanekar is not having any Equity Shares in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said resolution except Dr. Deepak S. Kanekar.



ITEM NO. 9 :

In view of increase in business activities, your Board of Directors appointed Mr. Changdeo L. Kadam as an Executive, Additional Director of the Company for a period of 5 (five) years with effect from 1st January, 2009. The said appointment was approved by the remuneration committee and subject to the approval of shareholders in the forthcoming Annual General Meeting.

Details of Resume of the Director as per the Clause 49 of the listing agreement as above.

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

I) TERMS & CONDITIONS:

- | | | |
|-----------------------------------|---|---|
| 1. Name & Designation of Director | : | Mr. Changdeo L. Kadam - Executive Additional Director |
| 2. Date of Appointment | : | Appointment as an Executive Additional Director w.e.f. 1 st January, 2009. |
| 3. Period | : | 5 (Five) years. |
| 4. Salary (p.m) | : | Rs. 21,000/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act 1956. |
| 5. Minimum Remuneration | : | In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Changdeo L. Kadam by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Changdeo L. Kadam shall be the maximum amount permitted as per Schedule XIII, as amended from time to time. |

II) PERQUISITES:

Mr. Changdeo L. Kadam as an Executive Additional Director will be entitled for following perquisites, which shall not be part of the celling of remuneration :

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) **Gratuity** : as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
 - c) **Children's Education Allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
 - d) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
 - e) **Leave travel concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
 - f) **Other Benefits** : Apart from the aforesaid remuneration, the Executive, Additional Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company.
- III)** Salary and perquisites specified herein shall be payable to the Executive Additional Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- IV)** The Executive Additional Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V)** The Executive Additional Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VI)** The terms and conditions of the said appointment and/or may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the Company, except Mr. Changdeo L. Kadam is considered to be interested or concerned in this resolution.

These terms & conditions of appointment may be treated as abstracts between the Company & Mr. Changdeo L. Kadam, Executive Additional Director pursuant to section 302 of the Companies Act, 1956.

The Copy of the terms and conditions is open for inspection during the office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting.



ITEM NO. 10 :

As recommended by the Remuneration Committee meeting held on 1st January, 2009 and approved by the Board of Directors of the Company, at its meeting held on 31st January, 2009 Mr. Narayan G. Mane was re-appointed as an Executive Director of the Company for a period of 5 year with effect from 1st April, 2010. The remuneration to Mr. Narayan G. Mane, inter alia, includes the payment of salary perquisites and benefits and is subject to the approval of the members.

Mr. Narayan G. Mane serve the company as an Executive Director of the Company and his terms is expiring on 31st March, 2010. Hence, Board re-appointed him for the further period of 5 years w.e.f. 1st April, 2010.

The terms and conditions proposed to be entered into by the Company with Mr. Narayan G. Mane in respect of his re-appointment, inter alia contain the following terms and conditions :-

I) TERMS & CONDITIONS:

1. Name & Designation of Director : Mr. Narayan G. Mane - Executive Director
2. Date of Appointment : Appointment as an Executive Director w.e.f. 1st April, 2010.
3. Period : 5 (Five) years.
4. Salary (p.m) : Rs. 41,000/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act 1956.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Narayan G. Mane by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Narayan G. Mane shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES:

Mr. Narayan G. Mane as a Executive Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration :

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) **Gratuity** : as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
 - c) **Children's Education Allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
 - d) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
 - e) **Leave travel concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
 - f) **Other Benefits** : Apart from the aforesaid remuneration, the Executive Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company.
- III)** Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- IV)** The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V)** The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VI)** The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the Company, except Mr. Narayan G. Mane is considered to be interested or concerned in this resolution. These terms & conditions of appointment may be treated as abstracts between the Company & Mr. Narayan G. Mane, Executive Director pursuant to section 302 of the Companies Act, 1956.

The Copy of the terms and conditions is open for inspection during office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting.



ITEM NO. 11 :

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 30th June, 2009 Mrs. Bharati V. Palkar was appointed as an Executive Director of the Company for a period of 5 (Five) years with effect from 1st July, 2009 the remuneration to Mrs. Bharati V. Palkar inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

The terms & conditions proposed to be entered into by the Company with Mrs. Bharati V. Palkar, in respect of her re-appointment, inter alia, contain the following terms and conditions :

I) TERMS & CONDITIONS:

- | | | |
|-----------------------------------|---|---|
| 1. Name & Designation of Director | : | Mrs. Bharati V. Palkar, Executive Director |
| 2. Date of Appointment | : | Appointment w.e.f. 1 st July, 2009 |
| 3. Period | : | 5 (Five) years |
| 4. Salary (p.m) | : | Rs. 50,000/- p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act 1956 |
| 5. Minimum Remuneration | : | In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mrs. Bharati V. Palkar by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to Mrs. Bharati V. Palkar shall be the maximum amount permitted as per Schedule XIII, as amended from time to time. |

II) PERQUISITES:

Mrs. Bharati V. Palkar as an Executive Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) **Gratuity** : as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
 - c) **Children's Education Allowance** : In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
 - d) **Holiday passage for children studying outside India/family staying abroad** : Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
 - e) **Leave travel concession** : Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
 - f) **Other Benefits** : Apart from the aforesaid remuneration, the Executive Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company.
- III) Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
 - IV) The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committee thereof.
 - V) The Executive Director shall not become interested or otherwise concerned directly or through her husband or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
 - VI) The terms and conditions of the said appointment and/or may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956 or any amendment hereafter in that regard.

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

These terms & conditions of appointment may be treated as abstracts between the Company & Mrs. Bharati V. Palkar, Executive Director pursuant to section 302 of the Companies Act, 1956.

The Copy of the terms and conditions is open for inspection during office hours 10.00 a.m. to 12 noon till the date of Annual General Meeting.



ITEM NO. 12 :

Dr. Deepak S. Kanekar, was appointed as Additional Non Executive Director of the Company w.e.f. 31st March, 2009. Dr. Deepak S. Kanekar is M.S.C. PHD and having a rich experience of more than 25 year in the filed of pharmaceuticals and specialty chemicals.

To avail his expertise the Remuneration Committee has recommended to pay a sum not exceeding 0.5% of the net profit of the Company by way of commission to Dr. Deepak S. Kanekar.

Pursuant to section 309 of the Companies Act, 1956, and Clause 49 I(B) of Listing Agreement previous approval of members of the Company is required to pay remuneration/commission to Non Executive Director of the Company.

None of the Directors are concerned or interested in the said resolution except Dr. Deepak S. Kanekar

BY ORDER OF THE BOARD
For INDO AMINES LIMITED

DATE : 31st July, 2009
PLACE : Dombivli.

Sd/-
MR. VIJAY B. PALKAR
MANAGING DIRECTOR


DIRECTORS' REPORT:

To,
The Members,
INDO AMINES LIMITED

Your Directors have great pleasure in presenting **16th ANNUAL REPORT** along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2009.

1. FINANCIAL RESULTS:

(Rs. in Lacs)

Particulars	Financial Year ended	
	2009	2008
Total Income	10,299.41	9,659.74
Depreciation	248.29	228.81
Profit before tax	533.68	335.18
Provision for taxation	188.37	115.68
Appropriation:		
Profit after tax	345.31	219.50
Balance of profit b/f	241.30	121.80
Amount available for appropriation	586.61	341.30
Transfer to:		
General reserve	-	100.00
Provision for deferred tax Assets/(Liabilities) Goodwill	-	-
Balance carried to Balance sheet	586.61	241.30

2. OPERATIONS:

The turnover of the Company for the Financial year 2008-09 was Rs.10,299.41 (in lacs) compared to last year of Rs.9,659.74 (in lacs) increase of almost 7% in comparison to last year.

Company has made a Profit Before Tax of Rs. 533.68 (in Lacs) almost a jump of 38% compare to last year Rs. 335.18 (in Lacs). This substantial jump in profit is due to increase in sales and also cost control methods. As predicted by the management the improvement in world market scenario, led to the growth in demand for our sales. The cost control efforts started by the management during the last few years have started showing positive yields in the form of improved bottom line. The management was able to show such good performance even under pressure on margins due to rising raw material cost, increasing fuel cost, rupee appreciation and competitive condition.

3. DIVIDEND:

The Board of Directors does not recommend any dividend for the year.

4. SHARE CAPITAL:

During the year under review the Authorised Share Capital was increased from Rs. 8,00,00,000/- to Rs. 10,00,00,000/- and the issued subscribed and paid-up capital of the Company increased from Rs. 7,58,68,900 to Rs. 7,96,18,900/-

The aforesaid increase is due to conversion of 3,75,000. Warrants (issued on 1st October, 2007) which were converted into 3,75,000 Equity Shares of Rs. 10/- each at the premium of Rs.3/- per Equity Shares on 31st May, 2008.

The said shares were duly listed at the concerned Stock Exchange.

The proceeds received from the conversion of this fully convertible warrants in to Equity Shares, were utilised for the purpose mentioned in the Extra Ordinary General Meeting Notice issued to the Shareholders dated 17th August, 2007 and duly certified by the Statutory Auditor of the Company.

5. PREFERENTIAL ISSUE OF FULLY CONVERTIBLE WARRANTS:

As approved by the members in their Extra Ordinary General Meeting held on 26th March, 2009, the Company has issued and allotted 8,50,000/- Fully Convertible Warrants of the Company on 7th April, 2009 to promoters Group Companies on preferential basis @ Rs.12/- per Convertible Warrant.

6. DEPOSITS:

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

7. DIRECTORS:

During the year Mrs. Bharathi V. Palkar, Mr. Dhawal J. Vora, and Mr. Suresh R. Iyer Directors of the company are retiring by rotation & being eligible offers themselves for reappointment. You are requested to re-appoint them.

Mr. Changdeo L. Kadam, Dr. Deepak S. Kanekar and CA Vishwas V. Mehendale were appointed as an Additional Directors w.e.f. 29th December, 2008, 31st March, 2009 and 9th February, 2009 respectively. You are requested to re-appoint them in the forthcoming Annual General Meeting.

Mrs. Bharati V. Palkar was appointed as an Executive Director w.e.f.1st July, 2009 and Mr. Narayan G. Mane was re-appointed as an Executive Director w.e.f.1st April, 2010.

Mr. Milind P. Patil and Dr. Jayantilal H. Shah were resigned from the Board w.e.f. 1st December, 2008 and 3rd February, 2009 respectively.



8. SUBSIDIARIES:

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

9. CORPORATE GOVERNANCE CODE:

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

Mrs. Bharati V. Palkar stepped down as the Chairperson w.e.f. 30th June, 2009 and continued as an Executive Director and Dr. Deepak S. Kanekar Independent Non-Executive Director of the Company has been appointed as Chairman in her place, there is now compliance of the provision of Clause 49 (I) (A) (ii) of the Listing Agreement.

10. STATUTORY AUDITORS:

M/s. Kulkarni & Khanolkar, Chartered Accountants, Mumbai, Statutory Auditors of your Company hold office till the conclusion of the coming Annual General Meeting.

The aforesaid appointment is proposed for your approval at the forthcoming Annual General Meeting of the Company.

11. AUDITORS' REPORT:

As regards Item No.4 (vi) of the Auditors Report we would like to comment that, with effect from 1st April, 2008 the Company has successfully implemented ERP Software (Orion from 3i infotech). The ERP Software provides for valuation of stock on FIFO Basis. The said method of valuation is accepted universally. During the Financial year 2008-09 the Company has changed method of valuation of Raw Material, Packing Material and Fuel to FIFO method from Average Cost method, so as to be in line with ERP method of valuation. The impact of such change on profit during the year is negligible and will get nullified during the Financial year 2009-10.

12. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms;

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

13. PARTICULARS OF EMPLOYEES:

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


14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:
A) CONSERVATION OF ENERGY: 31.03.2009

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

ANNEXURE
FORM-A

Form for disclosure of particulars with respect to conservation of energy.		
A. Power & Fuel consumption:	Current Year 2008-09	Previous year 2007-08
1. Electricity		
a) Purchase Units	24,05,860	21,77,915
Total Amount (in Rs.)	1,22,30,426	1,25,92,070
Rate / Unit (in Rs.)	5.08	5.78
b) Own Generation	NIL	NIL
(i) Through diesel generator		
Units	NIL	NIL
Units per ltr. of diesel oil	NIL	NIL
Cost / Unit	NIL	NIL
(ii) Through steam turbine generator		
Units	NIL	NIL
Units per ltr. of fuel oil/gas	NIL	NIL
Cost / Unit	NIL	NIL
2. Coal / Wood (specify quality and where used)		
Quantity (Tones)	32,33,465	25,35,110
Total Cost	79,75,382	44,27,966
Average Rate	2.46	1.75
3. Furnace Oil (LDO, Diesel, SKO, WO)		
Quantity (k/ltrs)	7,95,011	8,77,693
Total Amount	2,32,58,462	1,92,76,147
Average Rate	29.25	21.96
4. Other / Internal Generation (Please give details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate / unit	NIL	NIL

**B) TECHNOLOGY ABSORPTION:**

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

FORM-B**Form for Disclosure particulars with respect to absorption of technology.****Research and Development (R & D)**

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

Technology Absorption, Adaptation and Innovation.

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

C) FOREIGN EXCHANGE EARNINGS & OUTGO:

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

	2008-2009	2007-2008
a) Foreign Exchange Earnings	Rs. 52,97,32,375	Rs. 44,53,92,394
b) Foreign Exchange Outgo	Rs. 24,05,22,788	Rs. 23,50,64,401

15. ACKNOWLEDGEMENT:

Your Directors wish to thank State Bank of India, Dadar Branch & Alkapuri Branch, Baroda, the bankers of the company, the shareholders and the employees of the Company for the support and co-operation extended by them.

BY ORDER OF THE BOARD
For INDO AMINES LIMITED

DATE : 31st July, 2009
PLACE : Dombivli.

Sd/-
DR. DEEPAK S. KANEKAR
CHAIRMAN

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

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement and subsequently amended w.e.f. 1st January, 2006 has implemented by the Company.

The company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders value. The company has also consistently followed good corporate policy and enhanced its value in the eyes of shareholders, Bankers, Customers and Employees.

The Company has complied with all the regulations required by SEBI through the Listing Agreement. This report, along with the report of Management Discussion and Analysis and additional information for the shareholders in the foregoing paras, constitutes Indo Amines Limited compliances with clause 49 of the Listing Agreement.

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

As on date of report the Board of Directors of the Company comprise of an optimal proportion of Executive and Non-Executive Directors. The Board of Directors of your Company comprises of 11 (Eleven) Directors out of which 1 (One) Managing Director, 1 (One) Whole Time Director, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 6 (Six) Independent Non-Executive Directors.

There are no nominees or Institutional Directors in the Company.

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

Non Executive Directors:

As per revised code of Corporate Governance, the composition of the Board should be as such that the Board of Directors of the Company shall have an optimum combination of executive and non-executive Directors. However where the Non-Executive Chairman is a Promoter of the Company, at least one-half of the Board should comprise of Independent Directors.

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

2.2 Board of Directors and Meetings :

In compliance with the provisions of clause 49 of the Listing Agreement, the board meets at least once every quarter to review the performance and to deliberate and consider other terms on the agenda. During the year there were in total 5 Board Meetings were held on 31st May, 2008, 30th June, 2008, 31st July, 2008, 31st October, 2008 and 31st January, 2009. The time gap between two meetings was not more than 4 months.

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

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



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

Name of the Director	Mrs. Bharati V. Palkar
Age	54 years
Qualification	B.Sc.
Expertise in specific functional areas	in broad spectrum of Business Management.
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Versatile Chemicals Limited
Shareholding	6,90,892
Mode	Retire by Rotation and eligible for re-appointment

Name of the Director	Mr. Dhawal J. Vora
Age	37 years
Qualification	B.Com,ICWA,ACS
Expertise in specific functional areas	Finance and Corporate Laws.
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	125
Mode	Retire by Rotation and eligible for re-appointment

Name of the Director	Mr. Suresh R. Iyer
Age	43 years
Qualification	B.Tech
Expertise in specific functional areas	in Chemical Process and Marketing Expert
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	Nil
Mode	Retire by Rotation and eligible for re-appointment

Name of the Director	Mr. Narayan G. Mane
Age	42 years
Qualification	B.Com, D.B.M
Expertise in specific functional areas	in sales & marketing mainly in Chemical Industries.
Directorship in other Indian Public Companies & the membership of the committees of the Board.	NIL
Shareholding	NIL
Mode	Re-appointment as Director of the Company

Name of the Director	Mr. Changdeo L. Kadam
Age	40 Years
Qualification	B.Sc. - Chemistry
Expertise in specific functional areas	in Production and Quality Control
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Versatile Chemicals Limited
Shareholding	Nil
Mode	Re-appointment as Director of the Company

Name of the Director	CA Vishwas V. Mehendale
Age	52 years
Qualification	B.Com. L.L.B. (GEN), F.C.A.
Expertise in specific functional areas	Finance & Corporate laws.
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Renaissance Jewellery Limited
Shareholding	1500
Mode	Re-appointment as Director of the Company

Name of the Director	Dr. Deepak S. Kanekar
Age	56 years
Qualification	M.Sc - PHD(Bombay University)
Expertise in specific functional areas	in the field of Pharmaceuticals and Specialty Chemicals
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	Nil
Mode	Re-appointment as Director of the Company



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

Particulars of Attendance				No. of other Directorship and common membership/ Chairmanship in Indian Public Company				
Name of Director	Category	Number of Board Meeting		Last AGM held on 22 nd Sept. 2008	Last EGM held on 26 th March 2009	Other Public Directorships	Committee Membership	Common Chairmanship
		Held	Attended					
Mrs. Bharati V Palkar	*NEC	5	5	YES	NO	1	NO	NO
Mr. Vijay B Palkar	*MD	5	5	YES	YES	1	NO	NO
Mr. Rahul V Palkar	ED	5	5	YES	YES	1	NO	NO
Mr. Kirit H Shah	WTD	5	4	YES	YES	NO	NO	NO
Mr. Narayan G. Mane	ED	5	5	YES	NO	NO	NO	NO
Mr. Milind P Patil (upto 1 st December, 2008)	ED	5	4	NO	YES	NO	NO	NO
Mr. Suresh Iyer	INED	5	5	YES	NO	NO	NO	NO
Dr. Jayantilal H. Shah (upto 3 rd February, 2009)	INED	5	0\$	NO	NO	1	NO	NO;
Mr. R. Raghavendra Ravi	INED	5	4	NO	NO	NO	NO	NO
Mr. Dhawal J. Vora	INED	5	5	YES	YES	NO	NO	NO
Mr. Changdeo L. Kadam (w.e.f. 29 th Dec., 2008)	INED	5	N.A.	N.A.	YES	1	NO	NO
CA. Vishwas Mehendale (w.e.f. 9 th February, 2009)	INED	5	N.A	N.A.	N.A.	1	2	NO
Dr. Deepak Kanekar (w.e.f. 31 st March,2009)	INED	5	N.A.	N.A.	N.A.	NO	NO	NO

- ***MD** - Managing Director
 - ***NEC** - Non Executive Chairperson
 - **WTD** - Whole Time Director
 - **ED** - Executive Director
 - **INED** - Independent Non Executive Director
- \$ Leave of Absence was granted.

3) Audit Committee

3.1 Composition:

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 and clause 49 of the Listing Agreement the audit committee shall have minimum three directors as members. Two thirds of the members of audit committee shall be Independent Directors.. The said committee consists of 4 (Four) Members out of which 3 (Three Members are Independent Non-Executive Directors and 1 (One) Executive Promoter Director.

Following is a composition of audit committee as on date of this report

1. CA Vishwas V. Mehendale : Chairman and Independent Non Executive Director
2. Mr. R. Raghavendra Ravi – Member and Independent Non Executive Director.
3. Mr. Suresh R. Iyer - Member and Independent Non Executive Director.
4. Mr. Dhawal J. Vora – Member and Independent Non-Executive Director.
5. Mr. Rahul V. Palkar - Member and Executive Promoter Director.

Dr. Jayantilal H. Shah resigned w.e.f 3rd February, 2009, the Audit Committee was then re-constituted on 30th June, 2009 as mentioned above.

During the year there were in total 4 Audit Committee Meetings were held on 30th June, 2008; 31st July, 2008; 31st October, 2008 and 31st January, 2009. The time gap between the two meetings was not more than 4 months.

THE ATTENDANCE AT THE AUDIT COMMITTEE MEETING WAS AS UNDER:

Name of the Director	Number of Meetings Held	Number of Meetings Attended
Mr. Dhawal J. Vora - Chairman & Independent Non Executive Director	4	4
Mr. Rahul V. Palkar - Executive Director	4	4
Mr. R. Raghavendra Ravi - Independent Non Executive Director	4	4
Dr. Jayantilal H. Shah - Independent Non Executive Director	4	Nil

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

- Approving and implementing the Audit procedures and techniques.
- Reviewing audit reports of both statutory and internal auditors with the management.
- Reviewing financial reporting systems, internal control systems and control procedures.
- Ensuring compliance with regulatory guidelines.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

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

4) Remuneration Committee

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

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

Following is a composition of remuneration committee as on date of this report

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

As Dr. Jayantilal H. Shah resigned w.e.f 3rd February, 2009, the Remuneration Committee was then re-constituted on 30th June, 2009 as mentioned above.

During the year there were in total 2 Remuneration Committee Meetings were held on 30th April, 2008 and 31st January, 2009.

THE ATTENDANCE AT THE REMUNERATION COMMITTEE MEETING WAS AS UNDER

Name of the Director	Number of Meetings Held	Number of Meetings Attended
Mr. Suresh R. Iyer – Chairman and Independent Non Executive Director	2	2
Dr. Jayantilal H. Shah – Member and Independent Non Executive Director	2	0
Mr. R. Raghavendra Ravi – Member and Independent Non Executive Director	2	2

Disclosure on Remuneration of Directors

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

The details of remuneration paid to Directors for the year ended 31st March, 2009.

(Amount in Rupees)

Name	Salary	Commission	Perquisites	Retirement Benefits
Mrs. Bharati V. Palkar	-	5,79,245.00	-	-
Mr. Vijay B. Palkar	11,78,650.00	-	-	-
Mr. Kirit H. Shah	10,62,600.00	-	-	-
Mr. Rahul V. Palkar	8,85,500.00	-	-	-
Mr. Narayan G. Mane	4,94,640.00	-	-	-
Mr. Milind P. Patil (resigned on 1st December, 2008)	2,58,595.00	-	-	-
Mr. Changdeo L. Kadam (appointed on 29th December, 2008)	55,221.00	-	-	-



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

Sr. No.	Name of the Non-Executive Directors	Number of Equity Shares	Sitting fees	Non convertible Instruments
1.	Mrs. Bharati V. Palkar	6,90,892	-	Nil
2.	Mr. R. Raghavendra Ravi	Nil	12,000.00	Nil
3.	Dr. Jayantilal H. Shah (Resigned w.e.f. 03.02.09)	Nil	-	Nil
4.	Mr. Dhawal J. Vora	125	15,000.00	Nil
5.	Mr. Suresh R. Iyer	Nil	15,000.00	Nil
6.	CA. Vishwas V. Mehendale	1500		Nil
7.	Dr. Deepak S. Kanekar	Nil		Nil

During the year the Company paid remuneration of Rs. 45,000/- to Mrs. Ashwini R. Palkar, Chief Financial Officer of the Company for that Shareholders approval was obtained in Annual General Meeting held on 22nd September, 2008.

5) Shareholders/Investors Grievance Committee

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

Following is a composition of Shareholders/Investors Grievance committee as on date of this report

1. CA Vishwas V. Mehendale : Chairman and Independent Non Executive Director
2. Mr. R. Raghavendra Ravi – Member and Independent Non Executive Director.
3. Mr. Suresh R. Iyer - Member and Independent Non Executive Director.
4. Mr. Dhawal J. Vora – Member and Independent Non-Executive Director.
5. Mr. Rahul V. Palkar - Member and Executive Promoter Director.

As Dr. Jayantilal H. Shah resigned w.e.f 3rd February, 2009, the Shareholder/Investor Grievance Committee was then re-constituted as mentioned above.

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

Mr. Vijay B. Palkar – Compliance Officer

Add: W-38/39, M.I.D.C. Phase II, Manpada Road, Dombivli (East), Thane – 421 204

During the year there were in total 4 Shareholders/Investors Grievance Committee Meeting were held on 30th June, 2008, 31st July, 2008, 31st October, 2008 and 31st January, 2009.

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

Director	No. of Committee meetings held	No. of Committee meetings attended
Mr. Rahul V. Palkar – Chairman and Executive Director	4	4
Dr. Jayantilal H. Shah– Member and Independent Non Executive Director.	4	0
Mr. R. Raghavendra Ravi – Member and Independent Non Executive Director	4	4
Mr. Vijay B, Palkar – Compliance Officer.	4	4

During the year 12 complaints were received from Shareholders / Investors and the said complaints have been resolved to the satisfaction of the complainants. None of the investor's complaints were pending unresolved as on 31st March 2009.

6) Preferential Allotment Committee for Issue of Fully Convertible Warrants on Preferential Basis:

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

The Committee met once during the year on 26th February, 2009.

Composition of Preferential Allotment Committee :

Director	No. of Committee meetings held	No. of Committee meetings attended
Mr. Vijay B. Palkar - Chairman	1	1
Mr. Dhawal J. Vora - Member	1	1
Mr. Suresh R. Iyer - Member	1	1

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

- a. To overlook various compliances in relation to issue of warrants on preferential basis and their conversion into Equity Shares of the Company.
- b. To issue Fully Convertible Warrants.
- c. To issue Equity Shares of the Company on conversion of fully convertible warrants as and when required in compliance with applicable laws and guidelines.

**7) General Body Meetings:**

Details of last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2005-06	04/12/2006	11.00 a.m.	C.K.P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali (East), Dist. Thane – 421 201.	Payment of commission to Non-Executive Chairperson.
2006-07	29/09/2007	11.00 a.m.	C.K.P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali (East), Dist. Thane – 421 201.	N.A.
2007-08	22/09/2008	11.00 a.m.	C.K.P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali (East), Dist. Thane – 421 201.	Appointment of Mrs. Ashwini R. Palkar for holding Office or in Place of Profit pursuant to section 314(1)(b)

- At the court convened Extra-Ordinary General Meeting held on 22nd April, 2006 in which a resolution sanctioning the scheme of amalgamation and a special resolution for increase of Authorised Share Capital of the Company as well as amendment to Memorandum of Association were duly passed.
- At the Extra-Ordinary General Meeting held on 18th September, 2007 where the following special resolutions were passed
 - (i) To increase the Authorised Share Capital of the Company;
 - (ii) Subsequent to aforesaid increase in Authorised Share Capital of the Company amendment to Memorandum of Association of the Company;
 - (iii) Amendment in Articles of Association of the Company; and
 - (iv) Issue of Fully Convertible Warrants u/s 81(1A) of the Companies Act, 1956 on preferential basis to promoter of the Company.
- At the Extra-Ordinary General Meeting held on 26th March, 2009 where the following special resolutions were passed
 - (i) To increase the Authorised Share Capital of the Company;
 - (ii) Subsequent to aforesaid increase in Authorised Share Capital of the Company amendment to Memorandum of Association of the Company;
 - (iii) Amendment in Articles of Association of the Company; and
 - (iv) Issue of Fully Convertible Warrants u/s 81(1A) of the Companies Act, 1956 on preferential basis to promoter of the Company.

There was no postal ballot conducted during the last three years.

8) Disclosures:

- 8.1 During the year under review, besides the transactions reported elsewhere, there were no other related party transactions of material nature with the promoters, directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the Company at large.
- 8.2 There were no instances of Non-Compliance on any matter related to the capital market during the past three years and that no penalties or strictures were imposed on the Company by any Stock Exchanges or SEBI.

The Company received a notice from Bombay Stock Exchange Limited dated 5th September, 2008, No.DCS/COMP/SD/524648/274/2008-09_for non-compliance of Clause 49 1A of Listing Agreement that relates to Composition of Board. As on date of this report, The said default is regularized.

8.3 Code of Conduct:

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

8.4 Prohibition of Insider Trading:

The Company has framed its Insider Trading Regulations wherein rules for the preservation of price sensitive information, pre-clearance of trade, monitoring and implementation are framed. This code is applicable to all Directors and such employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company. Transaction for dealing in the prescribed volume of the security of the company during the prescribed time requires prior approval from the Company.



8.5 Managing Director and Chief Financial Officer Certification:

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to Managing Director and Chief Financial Officer certification for the financial year ended 31st March, 2009.

- 8.6 The Company has complied with mandatory provisions of Corporate Governance and is in the process of adopting the non-mandatory provisions of Corporate Governance.
- 8.7 The Board hereby affirms that no personnel has been denied access to the audit committee.

9) Means of Communication:

- The company has 14,530 shareholders as on 31st March, 2009. The main channel of communication to the shareholders is through Annual Report which includes interalia, the Directors Report, the Report on Corporate Governance and audited financial results.
- The quarterly un-audited/audited results are submitted to all the Stock Exchanges immediately after the Board Meeting held for approval of the same. The said results are published within 48 hours after the Board Meeting in any one of the prominent English publication such as Free Press Journal and one of the prominent vernacular publication as Navshakti.
- The aforesaid results and other corporate primary source of information viz. press releases, announcements, shareholding pattern and other corporate information are also displayed at the Company's website www.indoaminesitd.com.
- The Annual General Meeting is the principal forum for face to face communication with shareholders, where the Board responds to the specific queries of the shareholders.
- No presentation was made during the year either Institutional Investors or to the analysts. Management discussion & Analysis Report is attached herewith forming part of the Annual Report.

10) General Shareholders Information:

- i. The **16th Annual General Meeting** is scheduled to be held on Wednesday the 30th September, 2009 at 11.00 A.M AT C.K.P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivli (East), Dist. Thane - 421 201.

The Financial year of the Company is from April to March.

- ii. The Financial calendar is as per following.

First quarter results (30 th June)	End of July 09
Mailing of Annual Reports	1 st week of September, 09
Annual General Meeting	30 th September, 09
Payment of Dividend	N. A.
Second quarter results (30 th September)	End of October, 09
Third quarter results (31 st December)	End of January, 10
Fourth quarter / Annual Results	End of April, 10

- iii. Book Closure dates are from Tuesday the **22nd September, 2009** to Wednesday the **30th September, 2009** (both days inclusive)
- iv. The Board of Directors has not proposed any dividend for the current financial year.
- v. The Company's shares are listed at Bombay Stock Exchange Limited, Ahmedabad Stock Exchange Limited & The Calcutta Stock Exchange Association Limited out of which Mumbai is a Regional Stock Exchange. The Listing Fees for the year 2009-10 for all these Stock Exchanges are paid.

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

The Stock Exchange, Ahmedabad.
Security in Physical Form No. ASE-26051

The Stock Exchange, Calcutta
Security in Physical Form No. CSEA-1946

National Security Depository Ltd.
ISIN: INE760F01010

Central Depository Services (India) Ltd
INE760F01010



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

Months	Price		
	High	Low	Close
April, 2008	16.90	14.45	15.90
May, 2008	17.50	14.00	14.00
June, 2008	16.63	12.61	15.21
July, 2008	16.85	13.00	15.70
August, 2008	18.75	14.65	15.35
September, 2008	17.35	11.60	13.85
October, 2008	14.20	8.06	10.68
November, 2008	12.45	8.50	9.80
December, 2008	13.46	8.38	11.30
January, 2009	12.25	8.00	9.71
February, 2009	10.96	8.30	9.25
March, 2009	9.78	8.56	9.30

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

viii. Registrar and Transfer Agent :
Address of Registrars Transfer Agent.
BIGSHARE SERVICES PVT. LTD.
E-2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (E), Mumbai - 400 072.
Tel No : - 91 22 28470652
Email: - info@bigshareonline.com

ix. Share Transfer System

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

x. Distribution of Shareholding as on 31st March, 2009.

Share holding of (Rs.)	Nominal Value No. (Rs.)	Shareholders Total	Percentage	Share Amount of Total (Rs.)	Percentage
1	5000	13,506	92.95	1,86,90,560	23.48
5001	10000	632	4.35	51,39,600	6.46
10001	20000	185	1.27	28,40,370	3.57
20001	30000	70	0.48	17,99,810	2.26
30001	40000	18	0.12	6,47,630	0.81
40001	50000	35	0.24	16,81,530	2.11
50001	100000	39	0.27	28,45,730	3.57
100001	9999999	45	0.31	4,59,73,670	57.74
Total		14,530		7,96,18,900	



xi. Shareholding Pattern as on 31st March, 2009

Category	No. of Shares Held	Percentage of Shareholding %
A. Promoter's Holding		
1. Promoter	15,27,905	19.16
(i) Indian Promoters	Nil	Nil
(ii) Foreign Promoters	Nil	Nil
(iii) N.R.I(S)/Ocb(S)	Nil	Nil
2. Persons Acting In Concert	21,31,814	26.75
(i) Promoter Company	Nil	Nil
(ii) Relatives	Nil	Nil
B. Non-Promoter's Holding		
1. Institutional Investors		
(i) Mutual Funds and UTI	Nil	Nil
(ii) Bank Financial Institution and Insurance Companies	Nil	Nil
(A) Bank		
(B) Financial Institutions	Nil	Nil
(C) Insurance Companies	Nil	Nil
(D) Government Companies	Nil	Nil
(E) Non-Government Companies	Nil	Nil
(iii) FII	Nil	Nil
2. Others		
(i) Private Corporat Body	2,41,180	3.02
(ii) Indian Public	35,83,941	45.07
(iii) Any Other		
(A) Clearing Member	50	
(B) Ocb's	41,800	0.55
(C) Foreign Nationals	4,35,200	5.45
Total	79,61,890	100.00

xii. Dematerialization of Shares and liquidity.

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

The company's shares were dematerialized w.e.f. from 17th October 2002 vide a Tripartite agreement executed between NSDL and the Company as on 31st March 2009, 36,19,874 equity shares were representing 45.47% were held in demat form in NSDL.

The company's shares were dematerialized w.e.f. from 21st December 2002 vide a Tripartite agreement executed between CDSL and the Company as on 31st March, 2009 26,47,546 Equity Shares representing 33.25% were held in Demat form in CDSL & the balance 16,94,470 Equity Shares representing 21.28% were in physical form.

xiii. Company has issued 8,50,000 Convertible Warrants at the rate of Rs.12/- per warrant with a right of getting the equity one share against each warrant to the below given parties. Share after complying with SEBI guidelines of preferential allotments of securities other than this the Company has not issued ESOP or any GDRs/ADRs instrument.

Name of the Allottees	Category of the Allottees	Number of Warrants Allotted
Versatile Chemicals Limited	Corporate Body	6,37,500
Unigroup Resources Private Limited	Corporate Body	2,12,500
Total		8,50,000

xiv. The Company's Plants are located as under :

- W-37/38/39, Phase II, MIDC, Dombivli (E), Dist. Thane - 421 204.
- Survey No. 1723, Tundav, Taluka Savli, Baroda, Gujarat.
- W/265, W/266A, T.T.C. Indl. Estate, Rabale MIDC, Navi Mumbai - 400 701.

xv. Address for correspondence;

Shareholders of the Company can send correspondence at Company's Share & Transfer Agent's Office or the Registered Office of the Company situated at following address.

W-38/39, Phase II, MIDC,
Dombivli (E), Dist. Thane - 421 204.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A) OVERVIEW OF THE ECONOMY**

The World has witnessed the worst ever recession during the year, perhaps worse than the Great Depression of the 30's. It has been reported that in the past five quarters along 40% of the world's wealth has been eroded. Age old banks and financial institutions could not be saved despite mammoth efforts. The economic deceleration has compelled employers to slash salaries as well as resort to widespread retrenchment across industries, shaking the financial security and soundness of families and thereby their confidence. Fiscal deficit of countries has depended without exception.

Indian economy has been no exception from the adverse effects of the global economic recession. The major fallout of the recession in the developed countries has been its impact on the inflow of capital to emerging nations including India, which started drying up and result in net outflow of capital. Industries and services sectors were denied the required funding for not only growth but even for their day-to-day operations.

Now the conditions have improved to some extent, funds are available to the cash strapped sectors has improved with complimentary decline in interest rates. Installation of stable government at the center and the continuity of reforms are expected to certainly help the country to face the situation of reforms are accepted to certainly help the country to face the situation more effectively. It is widely expected that India is in much better position than many other economics to achieve an early and faster recovery.

B) OUTLOOK ON OPPORTUNITIES & CHALLENGES

Your company is a manufacturer, developer and supplier of Fine Chemicals, Oleo Chemicals, Specialty Chemicals, Performance Chemicals, Perfumery Chemicals and Active Pharmaceutical Ingredients. The products manufactured find inputs to large number of other end user industries and the demand of its products is linked to the performance of the end user products of these industries.

Indian chemical industries continue to face the worst crises in more than ten years. Prices are depressed due to increased competition from China both on the Domestic and Export front. As a result it is a buyers market and the Chemical Manufacturers have no choice but to fall in line as inventory levels are high. Many Chemical producers have cut production by up to 50%, while others are on the point of closing down the operations.

A similar crisis was witnessed earlier also though at that time there were few players in the market and hence the impact was not as severe as it today. The current depression is mainly due to the fact that supply is far in excess of demand with capacities being continuously added resulting in the market place and subdued prices.

The outlook for the Industry is not very encouraging in the near future due to entry global economic conditions. The Company will have to make all efforts develop value added products to cater to the niche market and growing the market for the products to tide over the current recessionary trends in the Market.

C) RISK CONCERNS & THREATS:

The Major risk and concerns facing the Company are competition from organized as well as unorganized sectors, large scale imports, lower realization due to excess capacities in the country and around the world. The fluctuations in the raw material prices have major impact on the Margins.

The fluctuations of rupee will make the export market commercial unviable and make lead to more competition in the Local market eroding the margin on the local sales.

D) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

E) HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Organizational Development is an ongoing process and efforts have been made for developing skills, nurturing and building leadership qualities, attracting and retaining talent. Employee's relations during the year remained cordial and initiatives were taken to improve the productivity of employees.

F) CAUTIONARY STATEMENT

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

BY ORDER OF THE BOARD
For INDO AMINES LIMITED

DATE : 31st July, 2009
PLACE : Dombivli.

Sd/-
DR. DEEPAK S. KANEKAR
CHAIRMAN

**MANAGING DIRECTOR / CHIEF FINANCIAL OFFICER CERTIFICATION**

To,
The Board of Directors,
INDO AMINES LIMITED
W-38/39, Phase II,
M. I. D. C., Dombivli (E.)
Dist. Thane

We hereby certify that for the financial year, ending 31st March, 2009 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. 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.
3. 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 volatile of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that:
 - a. There have been no significant changes in internal control during the year;
 - b. There have been no significant changes in accounting policies during the year.
 - c. There have been no instances of significant fraud of which we are 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.

FOR INDO AMINES LIMITED

Sd/-
MR. VIJAY B. PALKAR
(MANAGING DIRECTOR)

Date : 31st July, 2009
Place : Dombivli

FOR INDO AMINES LIMITED

Sd/-
MRS. ASHWINI R. PALKAR
(Chief Financial Officer)



DECLARATION

I, Mr. Vijay Palkar, Managing Director of the Company hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the code on an annual basis.

FOR INDO AMINES LIMITED

Sd/-
Mr. VIJAY PALKAR
Managing Director

Date : 31st July, 2009.
Place : Dombivli.

A REPORT ON CORPORATE GOVERNANCE BY COMPANY SECRETARY IN PRACTICE.

To,
The Shareholders,
INDO AMINES LIMITED
W-38/39, Phase II,
M. I. D. C., Dombivli (E.)
Dist. Thane

We have reviewed the implementation of Corporate Governance produced by the company during the year ended 31st March, 2009 with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

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

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in the Clause 49 of the Listing Agreement with the Stock Exchanges except Clause 49 I (A).

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

For **HS Associates,**
Company Secretaries

Sd/-
Hemant Shetye
Partner

Mumbai, 31st July, 2009.

FCS – 2827
COP - 1483



Auditor's Report to the Members of INDO AMINES LIMITED

1. We have audited the attached Balance Sheet of Indo Amines Ltd., as at 31st March, 2009, the Profit and Loss account and also the 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 as amended by Companies (Auditor's Report) Amendment Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, 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 above, we report that:
 - (i) 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;
 - (ii) 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.
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - (iv) 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 Companies Act, 1956;
 - (v) 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 in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) ***The Company was hitherto valuing stock of Raw Materials, Packing Materials and Fuel on 'average cost' basis. The company has changed the method of valuation to 'FIFO' basis from current year. The impact of such change on profit during the year is not quantified. (Refer Note No 16)***

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true & 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 the Profit and Loss account, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For Kulkarni & Khanolkar
Chartered Accountants**

Sd/-

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

**Place : Mumbai
Date : 30th June, 2009**

**INDO AMINES LIMITED**

(Referred to in paragraph-3 of our report of even date)

- (i) (a) The records showing full particulars including quantitative details and situations of the Fixed Assets are available in respect of Dombivli and Rabale units from 1st April 2005 & in respect of Baroda Unit from 1st April 2007.
 (b) None of the Fixed Assets have been physically verified by the Management during the year.
 (c) During the year, the company has not disposed off any major part of the Fixed Assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 (c) The record keeping in respect of inventory needs to be improved. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has taken Loans from one Company listed under Register maintained under section 301 of the Companies Act, 1956 whose outstanding as on 31st March, 2009 is Rs. 1,86,00,000/-. The Company has not granted loan to other Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 (b) According to the information and explanations given to us, the Company has entered into transactions for purchases / sales of goods & services with the parties mentioned in register maintained under section 301 of the Companies Act, 1956. However, as similar goods or services have not been sold or purchased to / from the unrelated parties, comparison of amount paid or charged in respect of such transactions with the prevailing market prices can not be made.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
- (vii) The company's Internal Audit was conducted by a firm of Chartered Accountant which needs to be strengthened.
- (viii) The Company is not required to maintain cost records in pursuant to Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 (b) The following disputed dues have not been deposited with the Government :

Sr.No.	Particulars	Amount	Forum Where dispute is pending
1)	CST for F.Y.2005-06	16,07,607.00	Commissioner of Sales Tax, Thane
			(Rectification Application)
2)	Excise duty for F.Y. 2005-06	2,82,341.00	Commissioner of Excise Appeals, Mumbai

- (x) The Company has no accumulated losses as on 31st March, 2009 and it has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
- (xii) We are informed that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a *nidhi* / mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no part of the funds raised on short term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of warrants to companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which warrants have been issued is not prejudicial to the interest of the Company.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued debentures.
- (xx) During the year no money was raised by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTSSd/-
(Mr. P. M. Parulekar)
PARTNER



INDO AMINES LIMITED
Balance Sheet as at 31st March, 2009

Particulars	Sch. No.	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
<u>SOURCES OF FUNDS :</u>			
<u>Shareholders' Funds</u>			
Share Capital	1	79,618,900.00	75,868,900.00
Convertible Warrants	2	2,550,000.00	2,867,500.00
Reserves & Surplus	3	79,786,383.16	44,130,555.87
		161,955,283.16	122,866,955.87
<u>Loan Funds</u>			
Secured Loans	4	172,642,360.59	161,591,604.48
Unsecured Loans	5	34,850,291.14	17,799,062.87
		207,492,651.73	179,390,667.35
TOTAL LIABILITIES		369,447,934.89	302,257,623.22
<u>APPLICATION OF FUNDS :</u>			
<u>Fixed Assets</u>			
Gross Block	6	239,464,482.06	207,388,824.89
Less: Depreciation		140,116,198.13	115,287,359.22
Total Fixed Assets		99,348,283.93	92,101,465.68
<u>Investments (Long Term)</u>			
Indo Amines (Europe) Ltd. (25 A type & 25 B type Equity shares of face value 1GBP each valued at Rs. 84.88 per GBP)		4,244.00	4,244.00
<u>Current Assets, Loans & Advances</u>			
Inventories	7	91,347,223.00	113,431,581.05
Sundry Debtors		161,017,130.70	194,590,781.21
Cash & Bank Balances		29,634,798.79	17,875,438.26
Loans & Advances		117,790,670.06	61,074,057.96
Total Current Assets		399,789,822.55	386,971,858.48
<u>Less : Current Liabilities & Provisions</u>			
Current Liabilities & Provisions	8	131,933,511.59	177,496,299.94
Net Current Assets		267,856,310.96	209,475,558.54
Deferred tax Assets	9	2,239,096.00	676,355.00
TOTAL ASSETS		369,447,934.89	302,257,623.22

Notes to the Accounts
 As per our report attached
For KULKARNI & KHANOLKAR
Chartered Accountants

17

For and on behalf of the Board of Directors

Sd/-
P. M. Parulekar
Partner
 Place : Dombivli.
 Date : 30th June, 2009

Sd/-
V. B. Palkar
Managing Director

Sd/-
K. H. Shah
Whole Time Director



INDO AMINES LIMITED
Profit & Loss A/c for the year ended 31st March, 2009

Particulars	Sch. No.	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
<u>INCOME :</u>			
<u>Sales Turnover</u>	10		
Local Sales		598,464,944.95	615,952,240.64
Export Sales		503,019,824.74	422,214,197.79
Total Turnover		1,101,484,769.69	1,038,166,438.43
Less Excise on Sales		74,459,066.00	93,614,797.00
Total Turnover after Excise		1,027,025,703.69	944,551,641.43
Other Income	11	7,850,740.93	14,773,140.10
Increase/(decrease) in Stock	12	(4,935,570.00)	6,648,951.95
Total Other Income		2,915,170.93	21,422,092.05
Total Income		1,029,940,874.62	965,973,732.53
<u>EXPENDITURE:</u>			
RM/PM/FUEL Consumed	13	622,477,914.00	618,734,073.74
Purchase of Finished Goods (Bhiwandi)		31,207,159.00	0.00
Manufacturing Expenses	14	192,247,729.11	206,721,265.82
Administrative, Selling & Distribution Exps	15	73,954,938.80	64,526,573.90
Interest & Financial Charges	16	31,856,208.49	19,592,250.38
Depreciation		24,828,838.93	22,881,055.35
Total Expenditure		976,572,788.33	932,455,219.23
Profit Before Tax		53,368,086.29	33,518,513.30
Provision for Current Tax		(20,000,000.00)	(11,800,000.00)
Provision for Current Fringe Benefit Tax		(4,00,000.00)	(305,000.00)
Provision deferred tax assets/(Liabilities)		1,562,741.00	399,740.00
Profit After Tax		34,530,827.29	21,813,253.30
Excess provision for Income tax W/back		0.00	136,644.00
Transfer to General Reserve		0.00	(10,000,000.00)
Balance c/fd to Balance Sheet		34,530,827.29	11,949,897.30

Notes to the Accounts

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Earning per Share (in Rupees)

Basic (EPS) (No. of Eq Shares = 79,61,890)

4.34

2.82

Diluted (EPS) (No. of Eq Shares= 88,11,890)

3.92

2.75

As per our report attached

For KULKARNI & KHANOLKAR

For and on behalf of the Board of Directors

Chartered Accountants

Sd/-

P. M. Parulekar

Place : Dombivli.

Date : 30th June, 2009

Sd/-

V. B. Palkar
Managing Director

Sd/-

K. H. Shah
Whole Time Director


INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2009

Particulars	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
<u>Schedule 1 - Share Capital</u>		
<u>Authorised Share Capital</u>		
100,00,000 Equity Shares of Rs. 10/- each	100,000,000.00	80,000,000.00
	100,000,000.00	80,000,000.00
<u>Issued Subscribed & Paid up Capital</u>		
79,61,890 Equity Shares of Rs. 10/- each fully paid-up	79,618,900.00	75,868,900.00
	79,618,900.00	75,868,900.00
<u>Schedule 2 - Convertible Warrants</u>		
8,50,000 Convertible Warrants @ Rs.12/- each and Rs. 3/- per Warrant has been paid. (Refer Note 3 to Schedule 17 Notes to the Account)	2,550,000.00	2,867,500.00
	2,550,000.00	2,867,500.00
<u>Schedule 3 - Reserves & Surplus</u>		
General Reserve (Free Reserve - Opening Balance)	20,000,000.00	10,000,000.00
Add: Addition During the Year	0.00	10,000,000.00
General Reserve (Free Reserve - Closing Balance)	20,000,000.00	20,000,000.00
Opening Balance of Profit & Loss A/c	24,130,555.87	12,180,658.57
Add : Profit for the year Trf from P & L A/c	34,530,827.29	11,949,897.30
Profit & Loss A/c Closing Balance	58,661,383.16	24,130,555.87
Share Premium Account - Opening Balance	0.00	0.00
Add : Premium recd during the year	1,125,000.00	0.00
Share Premium Account - Closing Balance	1,125,000.00	0.00
Total Reserves & Surplus	79,786,383.16	44,130,555.87
<u>Schedule 4 - Secured Loans</u>		
SBI Loan - Term Loan - A/c No. 30347366264	7,397,359.00	11,795,841.00
SBI Loan - Term Loan - A/c No. 30327339619	12,940,169.00	10,162,866.00
SBI Loan - Term Loan - A/c No. 30714459325	5,218,271.00	0.00
SBI-TERM LOAN A/C (FCNRB-1)	0.00	2,104,725.00
(Secured by equitable mortgage of P&M, L & B at Dombivli & Baroda & personal guarantee of directors)		
SBI - Cash Credit (Secured)	140,141,380.96	70,549,935.59
SBI - Export Packing Credit - 30000319910	(619.00)	40,326,410.00
SBI - SLOC A/c - 30002303089	0.00	20,259,318.00
(All credit facilities are secured by hypothecation of Stock & Debtors of Dombivli, Baroda & Rabale and personal guarantee of promoter directors.)		
SBI-Factoring (Secured agst Receivable & Personal Guarantee of Director.)	5,513,972.92	4,985,056.00
HDFC/TATA/Magma Fincorp Bank (Hypothecation of car)	1,431,826.71	1,106,752.89
Indus Ind Bank Ltd. (Hypothecation of Fork Lift)	0.00	300,700.00
	172,642,360.59	161,591,604.48
<u>Schedule 5 - Unsecured Loans</u>		
Unsecured Loans-Alta Leasing & Finance	1,639,462.14	2,745,414.87
Shriram City Union Finance Ltd SIDBI (Computers / ERP)	1,359,978.00	53,648.00
Unsecured Loans (Companies)	25,350,851.00	12,500,000.00
Unsecured Loans (Others)	6,500,000.00	2,500,000.00
	34,850,291.14	17,799,062.87

INDO AMINES LIMITED
SCHEDULE 6 FIXED ASSETS & DEPRECIATION AS ON 31ST MARCH, 2009

Particulars of Assets	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Op. Bal. as on 01/04/2008	Additions	Bal. as on 31/03/2009	As on 31/03/2008	Depreciation during the yr.	As on 31/03/2009	Net Assets as on 31/03/2009	Net Assets as on 31/03/2008
INDO AMINES LIMITED-MUMBAI									
Land and Sheds	0	6,140,019.00	9,319,225.00	15,459,244.00	0	0	0	15,459,244.00	61,40,019.00
Factory Building	10.00%	5,762,686.10	0	5,762,686.10	2,959,695.58	2,80,299.05	3,239,994.63	25,22,691.47	28,02,990.52
Plant & Machinery	28.00%	80,382,578.48	10,949,227.80	91,331,806.28	50,070,415.42	86,30,661.12	5,87,01,076.54	3,26,30,729.74	30,312,163.06
Electrical Equipments	28.00%	1,319,205.00	6,80,258.00	1,999,463.00	9,56,778.97	1,06,530.28	10,63,309.25	9,36,153.75	3,62,426.03
Motor Vehicle	26.00%	2,574,857.00	1,648,942.00	4,223,799.00	9,30,282.26	5,26,812.98	14,57,095.24	27,66,703.76	16,44,574.74
Office Equipments	14.00%	1,292,256.00	1,72,700.00	1,464,956.00	7,16,466.56	92,469.92	8,08,936.48	6,56,019.52	5,75,789.44
Furniture & Fixture	18.00%	1,676,485.00	65,900.00	1,742,385.00	9,02,734.21	1,47,734.13	10,50,468.34	6,91,916.66	7,73,750.79
Cylinders	40.00%	11,425,818.00	0	11,425,818.00	2,343,708.61	36,32,843.76	59,76,552.36	54,49,265.64	90,82,109.39
Computer	40.00%	1,999,336.76	2,612,383.76	4,611,720.52	1,422,930.55	7,43,422.54	21,66,353.10	24,45,367.42	5,76,406.21
TOTAL		112,573,241.34	25,448,636.56	138,021,877.90	60,303,012.16	14,160,773.79	74,463,785.95	6,35,58,091.95	5,22,70,229.18
Previous year figures		93,702,903.24	18,870,339.00	112,573,242.34	46,979,796.04	13,323,215.12	60,303,011.16	5,22,70,230.18	46,723,107.20

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Particulars of Assets	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Op. Bal. as on 01/04/2008	Additions	Bal. as on 31/03/2009	As at 31/03/2008	Depreciation during the yr.	As at 31/03/2009	Net Assets as on 31/03/2009	Net Assets as on 31/03/2008
INDO AMINES LIMITED-BARODA									
Freehold Land	-	2,201,155.00	0	2,201,155.00	0	0	0	2,201,155.00	2,201,155.00
Factory Building	10.00%	11,798,521.00	0	11,798,521.00	6,468,756.51	532,976.45	7,001,732.96	4,796,788.04	5,329,764.49
Plant & Machinery	28.00%	51,452,076.00	236,640.00	51,688,716.00	31,000,202.84	5,718,298.97	36,718,501.81	14,970,213.37	20,451,873.16
Electrical Equipments	28.00%	2,120,177.61	425,000.00	2,545,177.61	1,058,132.84	366,401.85	1,424,534.70	1,120,642.91	1,062,044.77
Furniture & Fixtures	18.00%	705,177.00	135,200.00	840,317.00	394,016.04	73,759.46	467,775.50	372,541.50	311,10.96
Computers	40.00%	602,046.90	56,500.00	658,546.90	442,541.67	74,959.35	517,501.02	141,045.88	159,505.23
Cylinders	40.00%	0	2,340,000.00	2,340,000.00	0	857,786.30	857,786.30	1,482,213.70	0
Motor Vehicle	26.00%	613,937.66	699,956.00	1,313,893.66	395,340.85	86,384.07	481,724.93	832,168.73	218,596.81
Office Equipments	14.00%	579,918.00	0	579,918.00	253,308.79	45,431.34	298,740.13	281,177.87	326,609.21
TOTAL BARODA		70,072,949.17	3,893,296.00	73,966,245.17	40,012,299.54	7,755,997.81	47,768,297.35	26,197,947.00	30,060,649.63
Previous year figures		67,137,446.25	11,189,784.00	70,072,949.49	32,753,943.88	7,258,355.19	40,012,299.07	30,060,650.42	34,383,502.37

INDO AMINES LIMITED
SCHEDULE 6 FIXED ASSETS & DEPRECIATION AS ON 31ST MARCH, 2009

Particulars of Assets	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Op. Bal. as on 1/4/2008	Additions	Bal. as on 31/03/2009	As on 31/03/2008	Depreciation during the year	As on 31/03/2009	Net Assets as on 31/03/2009	Net Assets as on 31/03/2008
INDO AMINES LIMITED - RABALE									
Leasehold Land	0%	396,486.00	0.00	396,486.00	22,052.00	0.00	22,051.78	374,434.22	374,434.22
Factory Building	10%	2,379,282.25	0.00	2,379,282.25	1,488,304.00	89,097.83	1,577,401.81	801,880.44	890,978.27
Machinery	28%	18,180,973.00	2,726,324.00	20,907,297.00	10,434,594.00	2,607,155.67	13,041,749.67	7,865,547.33	7,746,379.00
Furniture & Fixtures	18%	110,112.00	0.00	110,112.00	101,440.00	1,569.63	103,009.63	7,102.37	8,672.00
Electrical Installations	28%	1,079,335.56	0.00	1,079,335.56	696,726.00	106,441.98	803,167.98	276,167.58	382,609.56
Motor Car	26%	1,913,486.00	0.00	1,913,486.00	1,670,124.71	63,006.24	1,733,130.95	180,355.05	243,361.29
Office Equipments	28%	220,667.00	7,400.00	228,067.00	129,741.00	31,505.61	161,505.61	66,820.39	90,926.00
Computers	40%	397,420.00	0.00	397,420.00	364,194.00	13,290.40	377,484.40	19,935.60	33,226.00
Scooter	26%	23,700.00	0.00	23,700.00	23,700.00	0.00	23,700	1.00	1.00
Cylinders	40%	41,172.00	-	41,172.00	41,172.00	-	41,172.00	1.00	1.00
Total		24,742,633.81	2,733,724.00	27,476,357.81	14,972,047.47	2,912,067.36	17,884,114.83	9,592,244.98	9,770,588.34
Previous year figures		21,833,693.71	2,908,940.00	24,742,633.71	12,672,563.49	2,299,484.62	14,972,048.10	9,770,587.61	9,161,130.22

SUMMARY OF SCHEDULE : 6
FIXED ASSETS FOR DOMBIVLI, BARODA AND RABALE LOCATION AS ON 31ST MARCH, 2009

DOMBIVLI		112,573,241.34	25,448,636.56	138,021,877.90	60,303,012.16	14,160,773.79	74,463,785.95	63,558,091.95	52,270,229.18
BARODA		70,072,949.17	3,893,296.00	73,966,245.17	40,012,299.54	7,755,997.81	47,768,297.35	26,197,947.00	30,060,649.63
RABALE		24,742,633.81	2,733,724.00	27,476,357.81	14,972,047.47	2,912,067.36	17,884,114.83	9,592,244.98	9,770,588.34
Total		207,388,824.32	32,075,656.56	239,464,480.88	115,287,359.17	24,828,838.96	140,116,198.13	99,348,283.93	92,101,467.15
Previous year figure		182,674,043.00	24,714,782.00	207,388,824.32	92,406,303.00	22,881,055.00	115,287,359.17	92,101,467.15	90,267,740.00



INDO AMINES LIMITED

Schedules Forming Part of Balance Sheet as at 31st March, 2009

Particulars	LIST	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
Schedule 7 - Current Assets, Loans & Adv			
Inventories:			
Finished Goods		20,839,346.00	18,189,523.00
Packing Material & Fuel		2,522,497.00	1,882,289.00
Raw Materials		26,995,661.00	20,116,641.00
Semi-Finished Goods		37,821,566.00	32,746,475.05
Work-in-Process		0.00	10,037,554.00
Goods in Transit - Port		1,450,992.00	27,836,170.00
Excise Duty on FG (Assets)		1,717,161.00	2,622,929.00
		91,347,223.00	113,431,581.05
Sundry Debtors: (Considered Good)			
Outstanding for more than 6 months		24,212,929.36	5,537,451.05
Other Debts (Considered Good)		137,470,825.34	208,634,651.30
Less: Debtors Factored		0.00	(18,914,697.14)
Less: Provision for Doubtful Debts		(666,624.00)	(666,624.00)
		161,017,130.70	194,590,781.21
Cash and Bank Balances			
Cash on Hand		34,537.22	274,605.81
SBI-Commercial Br. Dadar-CC a/c(Sheiraj)		0.00	11,750.48
T.D/FDR/Margin Money with Banks		13,310,092.00	15,251,057.00
SBI-EEFC A/c (Dollar & Euro)		11,440,079.83	55,537.00
SBI - Ankleshwar		0.00	9,543.61
State Bank of India - Aikapuri (10344687587)		2,263,361.44	1,371,561.81
SBI-Convertible Warrant A/c 30241732265		2,561,162.00	877,650.00
ICICI Bank Current A/c 008805002786		25,566.30	23,732.55
		29,634,798.79	17,875,438.26
Deposits, Loans & Advances:			
Deposit with Govt. agencies and Customers	A	10,835,653.50	14,048,429.14
Loans & Advance to Employees / Mediclaim etc		572,577.00	343,543.00
Excise Modvat Credit - Receivables		16,024,749.00	14,100,661.87
Advances to Suppliers		36,015,728.89	10,040,539.73
VAT Credit receivable		6,359,475.66	2,911,914.66
Service Tax Setoff receivable		6,340,190.98	4,020,820.53
ADV AGST LAND & BLDG W - 44		2,785,033.43	356,583.43
TDS receivable - Previous Years		631,641.60	631,641.60
TDS receivable (A. Y. 09-10)		288,768.00	0.00
Advance Tax - Previous Years		26,305,094.00	13,854,947.00
Advance Tax - (A. Y. 2009-10)		11,000,000.00	0.00
Advance FBT - (A. Y. 2008-09)		306,974.00	0.00
Advance FBT - (A. Y. 2009-10)		300,000.00	0.00
Prepaid Expenses		0.00	716,250.00
Prepaid Insurance		24,784.00	48,727.00
Total Deposits & Loans & Advances		117,790,670.06	61,074,057.96
Schedule 8 - Current Liabilities & Provisions			
Current Liabilities			
Sundry Creditors		73,953,343.07	148,304,641.61
Other Current Liabilities & Provisions	B	57,980,168.52	29,191,658.33
Total Current Liabilities		131,933,511.59	177,496,299.94



INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2009

Particulars	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
SCHEDULE 8 - CURRENT LIABILITIES & PROVISIONS		
<u>PROVISIONS</u>		
Salary / Bonus / Consultancy Payable	0.00	1,241,889.00
VAT & CST Payable	0.00	586,176.61
ESIC PAYABLE	15,815.00	20,464.00
TDS Payable	82,568.00	421,506.02
PROVIDENT FUND PAYABLE A/C	73,902.00	85,696.00
Provision for FBT Previous Year	305,000.00	95,000.00
Provision for FBT (AY 2009-10)	400,000.00	0.00
PROVISION FOR INCOME TAX - Previous Years	27,589,066.00	20,300,000.00
PROVISION FOR INCOME TAX (A.Y. 09-10)	20,000,000.00	0.00
Commission on Profit Payable to Director	579,245.00	172,927.00
Profession Tax Payable	20,130.00	15,495.00
Outstanding Liabilities	2,126,865.00	2,216,438.00
Deposit recd from Employees	143,600.00	44,600.00
Excise Duty Payable on F/G	1,717,161.00	2,822,930.00
Provisions for Derivatives (ICICI Bank)	0.00	697,503.90
Advances Received From Customers	4,926,816.52	471,032.80
	57,980,168.52	29,191,658.33
Schedule 9 - Deferred tax Assets		
<u>Deferred tax Assets</u>		
Depreciation	1,715,990.00	192,806.00
Bonus	296,521.00	256,964.00
Prov for Doubtful Debts	226,585.00	226,585.00
Net Deferred Tax Assets	2,239,096.00	676,355.00
Schedule - 10 - Sales Income		
Sales – Export	503,019,824.74	422,214,197.79
Sales net of Excise/S Tax	479,771,495.12	507,424,252.96
Sales - Bhiwandi	29,653,575.83	29,789,184.68
Sales - Trading	3,379,511.00	0.00
Sales - Processing charges	817,450.00	180,090.00
Total Sales Gross	1,016,641,856.69	959,607,725.43
Less Inter Unit Sales	79,414,092.00	125,395,615.00
	937,227,764.69	834,212,110.43
Add:Excise Collected on Sales	74,459,066.00	93,614,797.00
Sales Tax Collected (VAT+CST)	15,338,873.00	16,724,734.00
Total Sales including Excise/Sales Tax	1,027,025,703.69	944,551,641.43



INDO AMINES LIMITED

Schedules Forming Part of Profit & Loss for the year ended 31st March, 2009

Particulars	LIST	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
Schedules 11 - Other Income			
Interest from bank (Incl. TDS Rs.2,37,616/-)		1,158,945.60	976,881.16
Misc. Receipt /Other Income		907,658.33	442,838.12
Interest recd. from Party		0.00	16,401.00
Discount on purchase		3,161,207.00	297,358.00
Excise Duty on Finished Goods (Op)		2,622,930.00	2,154,541.00
Excess/Short Provision w/off/back		0.00	177.00
Freight/Octroi on sales		0.00	137,769.00
Exchange rate Gain/Loss (Net)		0.00	10,747,174.82
		7,850,740.93	14,773,140.10
Schedule 12 - Increase/(decrease) in Stock			
<u>Closing Stock of:</u>			
- Work-in-Process		0.00	10,037,554.00
- Semi Finished Goods		37,821,566.00	32,746,476.00
- Finished Goods		20,839,346.00	20,812,452.00
	(a)	58,660,912.00	63,596,482.00
<u>Less: Opening Stock of:</u>			
- Work-in-Process		10,037,554.00	5,176,254.00
- Semi Finished Goods		32,746,476.00	36,543,058.05
- Finished Goods		20,812,452.00	15,228,218.00
	(b)	63,596,482.00	56,947,530.05
	(a)+(b)	(4,935,570.00)	6,648,951.95
Increase/(decrease) in Stock			
Schedule - 13 - RM/PM/Fuel Consumed			
Raw Materials Consumed			
Opening Stock of Raw Material		20,116,641.00	39,609,264.00
Add : Purchases during the year		656,452,747.00	652,611,418.62
		676,569,388.00	692,220,682.62
Less : Inter Unit Purchases		79,414,092.00	96,935,203.68
		597,155,296.00	595,285,478.94
Less : Closing Stock of Raw Material		26,995,661.00	20,116,641.00
Raw Material Consumed		570,159,635.00	575,168,837.94
Packing / Fuel Consumed		52,318,279.00	43,565,235.80
Total RM/PM/Fuel consumed		622,477,914.00	618,734,073.74
Schedule 14 - Manufacturing Exps			
Electricity Charges		11,793,497.31	13,160,992.66
Water Charges		826,902.00	1,189,007.00
Wages / salaries / Bonus / Gratuity		19,773,798.80	16,138,879.00
Repairs & Maintenance		8,872,055.82	7,778,254.74
Laboratory Expenses & R & D Exps		2,036,015.60	2,128,036.00
Production /Store Consumption Exps		9,245,969.02	4,024,224.00
Labour Charges/Service Charges		5,796,214.00	3,725,521.53
VAT / CST on Sales		15,338,873.00	16,724,734.00
Excise Duty on Sales		74,459,066.00	93,614,797.00
Custom Duty		10,109,269.17	9,073,858.00
Detention Charges		646,715.00	421,441.00
Warehouse Charges		38,759.00	409,404.00
Misc Pur / Sample / Excise		24,266.00	3,112,364.00
Processing Charges - Material		8,301,925.00	9,609,405.00
Sales tax Assessment Dues/Interest/BTITC		348,231.39	1,068,264.00
Insurance Charges		1,071,146.00	1,241,336.00
Clearing & Forwarding Charges (import)		951,539.00	2,234,548.98
Transport/Toll/Octroi/ Loading / Unloading		15,492,896.00	14,682,921.91
MPCB/CETP & Other testing expenses		77,516.00	554,878.00
Shipping Charges-Import/THC & DO		7,043,075.00	5,828,399.00
Total Manufacturing Expenses		192,247,729.11	206,721,265.82



INDO AMINES LIMITED
Schedules Forming Part of Profit & Loss as at 31st March, 2009

Particulars	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
Schedule 15 - Admin, Selling & Distri Exp:		
Advertisement	353,485.00	340,696.00
AMC/Admin/Service/Office.Exp	637,276.00	1,228,213.00
Audit Fees & Expenses	364,815.00	303,116.00
Business/sales Promotion Expenses	2,522,761.18	1,198,314.41
Consultancy & Professional Fees	3,225,864.00	3,559,437.20
Director Remmuration	3,935,206.00	3,346,000.00
Directors Sitting Fees	42,000.00	0.00
Legal Expenses	156,585.00	304,477.00
Membership & Subscription	396,973.00	80,550.00
Postage & Courier/fax	225,997.00	266,846.22
Printing & Stationery	90,448.50	1,533,842.76
Rent, Rates & Taxes	278,884.00	876,060.00
Stock Exchange Fees & Expenses	673,861.00	176,505.00
Sundry Dr./Cr. Balance W/Off & Exp	1,112,053.09	852,501.56
Telephone/Mobile/Internet Exps.	1,574,323.78	1,586,237.00
Travelling/Foreign Travel Exps	4,611,322.00	3,232,041.58
Commission on Sales/Purchase	18,725,285.73	14,401,184.05
Clearing & Forwarding - Exports	24,797,464.00	20,630,445.86
Vehical exps/Petroi/R&M Exps	944,413.18	505,688.95
Provision for doubtful debts	0.00	666,624.00
Madras Office Expenses	241,830.00	208,802.00
Commission to Director(Mrs.B.V. Palkar)	579,245.00	372,369.00
Excise MOT Charges	37,260.00	25,785.00
Transport Freight Toll & Octroi-SALES	5,490,999.00	6,283,087.00
Export Consignment Exps (ECGC/DGFT)	2,526,264.71	1,982,115.31
Insurance Charges - Exports	410,322.63	565,635.00
Total Admn, Selling & Distribution Exps	73,954,938.80	64,526,573.90
Schedule 16 - Interest & Finance Charges		
Bank Charges CC/EEFC	2,098,316.03	1,783,067.74
Bank Int/LC/EPC/CC/SLOC/BG/Term Loan	16,976,978.61	13,533,164.00
Exchange Gain / Loss (net)	1,895,936.19	0.00
Bill Discounting Charges	803,147.00	377,901.00
Interest on FCNRB Term Loan	0.00	1,242,895.00
Interest on Forward Contract	0.00	697,503.90
Interest on Vehical Loan & Other Loan	138,759.82	220,641.64
Interest Expenses - Other Loans	1,339,781.28	512,703.09
Interest on Factoring	3,559,709.40	253,970.01
Loan Processing Fees (Finance)	5,043,580.16	970,404.00
Total Interest & Finance Charges	31,856,208.49	19,592,250.38

**Schedule 17****Notes forming part of the accounts for the year ended 31st March, 2009.****1. SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Accounting :**

The financial statements are prepared under historical cost convention, in accordance with applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

B. Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the reasons are known/ materialized.

C. Capital Expenditure:

- i) The cost of major civil works required for plant and machinery support is considered as plant and machinery.
- ii) Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

D. Depreciation:

Depreciation on Fixed Assets is provided on Written Down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In case of plant & machinery rate of depreciation charged on the basis of triple shift rate as per Schedule XIV of the Companies Act, 1956.

E. Inventories:

Inventories are stated at lower of cost and net realizable value. The cost of inventories are arrived at as follows :

Raw Materials, Packing	
Material & fuel	: Valued on FIFO basis.
Work-in-process	: At Raw Material Cost.
Finished Cost	: At Raw Material Cost plus estimated overheads.

F. Revenue Recognition :

Sale of products is recognized when the products are shipped from the factory / stock points to the customers. Sales include excise duty & sales tax. Revenue in respect of interest, commission, etc. is recognized only when it is reasonably certain that ultimate collection will be made.

G. Excise Duty on Finished Goods:

Closing stock of finished goods includes excise duty @ 8.24%. Similarly provision is made for Excise Duty payable in respect of finished goods lying in the factory premises as at year-end.

H. Foreign exchange transactions (AS-11):

Foreign exchange transactions are recorded at a predetermined rate. Exchange differences arising on settlement of export sales are accounted for as exchange gain/loss as the case may be. The current assets/liabilities in foreign currency on the date of the balance sheet are translated at the prevailing rate on the Balance Sheet and the exchange gain/loss arising from such translation is recognized in the Profit & Loss account.

I. Employee benefits (AS-15):

- A) Defined Contribution Plan – Contribution to Defined contribution plan namely employer's contribution to Provident fund & Pension Plan is charged to Profit and Loss Account Rs. 7,59,822/-.
- B) Defined Benefit Plan - The employees Gratuity Fund Scheme managed by Life Insurance Corporation of India is defined benefit Plan. The present value of obligation is determined by Life Insurance Corporation of India on actuarial valuation. The contribution of Rs. 5,00,000/- paid to Life Insurance Corporation of India is charged to Profit and Loss Account.
- C) Leave Encashment - Employees are entitled to accumulate unavailed leave for a maximum period of 3 months. Unavailed leave of Rs. 3,80,909/- is encashed & charged to Profit & Loss Account.



J. Accounting for Taxes on Income (AS-22) :

In accordance with Accounting Standard 22 – ‘Accounting for Taxes on Income’, the Company has recognized deferred tax arising out of timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates.

3. Equity Warrants:

In terms of the approval of shareholders of the Company and as per the applicable statutory provisions including Securities and Exchange Board of India (Disclosure & Investor Protection) Guidelines 2000, the Company, on 26th March, 2009 has issued and allotted 8,50,000 warrants on preferential basis to entities in the Promoter Group entitling them to apply for equivalent number of fully paid up equity shares of Rs. 10/- each of the Company, at a price of Rs. 12/- per equity share. The warrant holders have a right to apply for equity shares within 18 months from the date of allotment of warrants. Amounts received against the warrants are shown as Equity Share Warrants in the Balance Sheet, pending exercise thereof.

4. The balances of debtors, creditors, loans & advances are subject to confirmation. Sundry debtors includes debts due from companies under same management [u/s 370 (1B)]

Name of Parties	O/s as on 31 st March, 2009	Max. amt O/s during the year
Versatile Chemicals Ltd	1,60,13,744.60 Cr	4,22,58,908.42 Cr
Indo Amines (Europe) Ltd.	45,82,221.85 Cr	45,82,221.85 Cr



12. <u>Licensed Capacity and Installed Capacity:</u>	<u>2008-2009</u>	<u>2007-2008</u>
a. <u>Licensed Capacity</u>	NIL	NIL
b. <u>Installed Capacity</u>		
Fatty Amines /Quaternary Ammonium Compound	6000 MT	4740 MT
Organic Chemicals	1860 MT	1860 MT
Specialty Chemicals	4000 MT	3000 MT
Bulk Drugs	1200 MT	1200 MT

Note : Licensed and Installed capacity are as certified by Managing Director.

13. Computation of net profits in accordance with section 349 of the Companies act, 1956 and the commission payable to the director:

Particulars	2008-09	2007-08
PROFIT BEFORE TAX	5,33,68,086	3,35,18,513
ADD : DIRECTORS REMUNERATION	39,35,206	3,346,000
DIRECTORS SITTING FEES	42,000	0
ADD Commission on Profit	579,245	372,369
Profit before tax, Director Remuneration & Commission	57,924,537	37,236,882
1% Commssion to B. V. Palkar	579,245	372,369

14. The Company was hitherto valuing stock of Raw Materials, Packing Materials and Fuel on 'average cost ' basis. The company has changed the method of valuation to ' FIFO ' basis from current year. The impact of such change on profit during the year is not quantified.
15. Details of Goods Traded - MAPA

	Op Stock	Purchase	Sales	Closing Stock
Quantity (Kg)	Nil	10240	10240	Nil
Value (Rs.)	Nil	33,79,511/-	33,79,511/-	Nil



INDO AMINES LIMITED

16. Details of Opening Stock, Sales & Closing Stock of Finished Goods as at 31/3/2009.

Sr	Product Name	Opening Stock Qty.	Value as on 1/4/2008	Production Quantity	Quantity Sold	Value of Goods Sold	Closing Stock Qty.	Value as at 31/3/2009
A	Fatty Amines	5,610	657,288	1,166,484	1,136,722	138,980,616	35,372	3,349,321
B	Organic Chemicals,	824	192,804	592,452	565,138	74,969,402	28,138	3,801,085
C	Performance Chemicals	34,440	1,230,909	2,148,838	2,168,196	102,662,208	15,082	1,428,982
D	Quaternary Ammonium Compound	13,405	785,851	168,860	169,055	13,507,984	13,210	1,016,358
E	Short Chain Amine	6,210	1,070,281	287,282	282,288	67,054,368	11,204	1,928,320
F	Speciality Chemicals	24,750	5,411,598	1,811,604	1,804,159	451,944,526	32,195	6,467,841
G	Bulk Drugs	23,700	8,488,521	568,948	579,463	114,594,931	13,185	2,666,247
H	Others(RM Cleared)	0	0	299,236	296,176	20,417,816	3,060	0
		108,939	17,837,253	7,043,704	7,001,197	984,131,851	151,446	20,658,155
	Bhiwandi Sales*	2,935	352,270	401,141	401,876	29,653,576	2,200	181,190
		111,874	18,189,523	7,444,845	7,403,073	1,013,785,427	153,646	20,839,345
	Less : Interbranch Transaction					79,414,092		
	Add: Sales Processing					817,450		
						935,188,785		
	Add: Excise Duty Collected on Sales					74,459,066		
	Add: VAT/CST on Sales					15,338,873		
	Add : Trading Sales					3,379,511		
	Less : Rate / Diff / Rej					1,340,531		
	Add: Excise Duty on F.G.		2,622,929					1,717,161
	As per Books	111,874	20,812,452	7,043,704	7,001,931	1,027,025,704	153,646	22,556,506

17. Raw Material Consumed During the Year 2008-2009

Inventory Details	RMC 2008-2009		RMC 2007-2008	
	RMC (Qty)	RMC (Value)	RMC (Qty)	RMC (Value)
Consumable Gases (H2/NH3)	1,429,515	28,806,348	1,795,366	43,482,479
Fatty Amine/Fatty Acid	325,283	30,274,160	232,330	20,296,792
Organic Chemicals	3,581,892	217,989,248	3,955,464	185,381,663
Speciality Chemicals	5,461,119	372,503,971	5,233,869	406,621,318
	10,797,810	649,573,726	11,217,029	655,782,252
Less: Inter-branch Transaction		79,414,092		125,395,615
Add: Transport/ freight/etc		0		16,321,789
Raw Material Consumption	10,797,810	570,159,634	11,217,029	546,708,426



18. Cash Flow Statement

AUDITORS' REPORT

We have audited the attached cash flow statement of **INDO AMINES LIMITED** derived from the audited financial statements, books and records maintained by the Company for the years ended 31st March, 2009 and found the same in agreement therewith.

Cash flow statement for the year ended 31st March, 2009				
Particulars for the year ended	31 st March, 2009		31 st March, 2008	
	Rs	Rs	Rs	Rs
A. Cash Flow From Operations				
Profit/(loss) before taxation		53,368,086		33,518,513
<u>Adjusted for:</u>				
Depreciation	24,828,839		22,881,055	
Interest & Finance Charges	31,856,208		19,592,250	
Bank Interest Received	(1,158,946)	55,526,102	(976,881)	41,496,425
<u>Operating Profit/(Loss) before Working Capital Changes:</u>		108,894,188		75,014,938
Trade & Other Receivables	33,573,651		(43,765,301)	
Inventories	22,084,358		824,369	
Trade Payables	(45,562,788)		(5,452,803)	
Provision for Taxation	(20,000,000)		(11,800,000)	
Provision for FBT	(4,00,000)		(305,000)	
Income tax excess prov written back			136,644	
Loans & Advances	(56,716,612)	(67,021,392)	(9,102,202)	(69,464,293)
Net Cash from Operations (A)		41,872,796		5,550,645
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets		(32,075,657)		(24,714,781)
Capital Advance for Fixed Asset				0
Purchase of Investment		0		0
Interest Received from Bank		1,158,946		976,881
Net Cash used in investing activity(B)		(30,916,712)		(23,737,900)
C. Cash Flow from Financing Activities:				
Share Capital Increase		3,432,500		2,867,500
Share Premium Received		1,125,000		
Finance Received from Bank		11,050,756		23,555,641
Finance from Unsecured Loans		17,051,228		16,419,780
Interest & Finance Charges		(31,856,208)		(19,592,250)
Cash Flow from Financing Activity (C)		803,276		23,250,670
Net Increase in Cash & Cash Equivalents(A+B+C)		11,759,361		5,063,415
Opening Balance of Cash & Cash Equivalents		17,875,438		12,812,023
Closing Balance of Cash & Cash Equivalents		29,634,799		17,875,438

For INDO AMINES LIMITED

**For KULKARNI & KHANOLKAR
Chartered Accountants**

Sd/-
V. B. Palkar
(Managing Director)
Place : Dombivli
Date : 30th June, 2009

Sd/-
K. H. Shah
(Whole Time Director)

Sd/-
P. M. Parulekar
(Partner)



INDO AMINES LIMITED

19. Related party disclosures under Accounting Standard 18 for the year 2008-09

A) Name of the related parties Nature of relationship

- i) Versatile Chemicals Ltd.
- ii) Oleo Formulations Pvt. Ltd.
- iii) Techno Holdings (I) Pvt. Ltd.
- iv) Techno Securities (I) Pvt. Ltd.
- v) Palkar Finance & Consultancy Services Pvt. Ltd.
- vi) Marvel Indenting Pvt. Ltd.
- vii) Mecham Engineers
- viii) Universal Distributor
- ix) Pure Organics Industries Ltd
- x) Unigroup Resources Pvt Ltd
- xi) Indo Amines (Europe) Ltd.

Associates

Directors & Relatives

Mr. Deepak Kanekar
 Mrs Bharati V Palkar
 Mr Vijay B Palkar
 Mr Kirit H Shah
 Mr Rahul V Palkar
 Mr N G Mane
 Mr Suresh Iyer
 Mr Changdeo L. Kadam
 Mr Raghuvendra Ravi
 Mr Dhaval Vora
 Dr Jayantilal H. Shah
 Mrs Ashwini R Palkar

Chairman & Director
 Executive Director
 Managing Director
 Whole Time Director
 Executive Director
 Executive Director
 Independent Director
 Executive Director
 Independent Director
 Independent Director
 Independent Director
 Chief Financial Officer

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

Nature of Transactions	Associates	Directors
Sales Income	4,05,005	-
Commission on profit before tax	-	5,79,245
Office Rent	137,500	
Purchase	4,33,05,262	
Processing Charges	4,712,509	
Directors Remuneration	-	39,77,206
Directors Sitting Fees	42,000	
Commission on Sales	1,71,332	
Commission on Export Sales	51,26,094	
<u>Outstanding as at year end 31/03/2009</u>		
Net Receivables	1,75,11,413	
Net Payables	60,79,891	


INDO AMINES LIMITED
20. SEGMENT REPORTING - 2008-2009

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

These segments are :

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

(B) SEGMENTWISE DETAILS (PRIMARY)

Particulars	Dombivli	Baroda	Rabale	Consolidated
SEGMENT REVENUE				
Total Revenue	684,036,700	209,596,118	122,191,589	1,015,824,407
Less : Inter Segment Revenue	33,359,071	27,627,538	18,427,483	79,414,092
Total Segment Revenue	650,677,628	181,968,580	103,764,106	936,410,314
SEGMENT RESULT				
Total Segment Results (PBT)	26,549,046	11,640,102	15,178,938	53,368,086
OTHER INFORMATION				
Fixed Asset (Net Block)	63,558,092	26,197,947	9,592,245	99,348,284
Net Current Assets	175,452,565	31,437,974	60,965,771	267,856,311
Depreciation	14,160,774	7,755,998	2,912,067	24,828,839

(C) SEGMENTWISE DETAILS (SECONDARY)

Particulars	Inside India	Outside India	Consolidated
SEGMENT REVENUE			
Total Revenue	513,622,032	503,019,825	1,016,641,857
Total Segment Revenue	513,622,032	503,019,825	1,016,641,857
OTHER INFORMATION			
Fixed Asset (Net Block)	99,348,284	0	99,348,284

21. Previous years figures have been regrouped / rearranged wherever necessary.

For INDO AMINES LIMITED

For KULKARNI & KHANOLKAR
Chartered Accountants

Sd/-
V. B. Palkar
(Managing Director)
Place : Dombivli
Date : 30th June, 2009

Sd/-
K. H. Shah
(Whole Time Director)

Sd/-
P. M. Parulekar
(Partner)



Auditor's Report to the Members of INDO AMINES LIMITED

1. We have audited the attached Consolidated Balance Sheet of Indo Amines Ltd. and its Associate Company "Indo Amines (Europe) Ltd., as at 31st March, 2008, the Profit and Loss account for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the company's management & have been prepared by the Management on the basis of separate Financial Statements & other financial information regarding parent and its Associate. Our responsibility is to express an opinion on these consolidated 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 as amended by Companies (Auditor's Report) Amendment Order, 2004, issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, 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 above, we report that:
 - (i) 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;
 - (ii) 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.
 - (iii) The Balance sheet, Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - (iv) 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 Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

Subject to non availability of the audited accounts of the Associate "M/s Indo Amines (Europe) Ltd." whose accounts are incorporated in the consolidated financial statements, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true & 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 the Profit and Loss account, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash Flows for the year ended on that date.

**For Kulkarni & Khanolkar
Chartered Accountants**

Sd/-
(P. M. Parulekar)
Partner
M No 36362

Place: Mumbai
Date: 20th July, 2009



INDO AMINES LIMITED
Consolidated Balance Sheet as at 31st March, 2009

Particulars	Sch. No.	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
<u>SOURCES OF FUNDS :</u>			
<u>Shareholders' Funds</u>			
Share Capital		79,618,900.00	75,868,900.00
Equity Warrants		2,550,000.00	2,867,500.00
Reserves & Surplus		80,406,433.01	44,604,983.89
		162,575,333.01	123,341,383.89
<u>Loan Funds</u>			
Secured Loans		172,642,360.59	161,591,604.48
Unsecured Loans		34,850,291.14	17,799,062.87
		207,492,651.73	179,390,667.35
Deferred tax Liability		0.00	0.00
TOTAL LIABILITIES		370,067,984.74	302,732,051.24
<u>APPLICATION OF FUNDS :</u>			
<u>Fixed Assets</u>			
Gross Block		239,464,482.06	207,388,824.89
Less: Depreciation		140,116,194.13	115,287,359.22
Net Block		99,348,283.93	92,101,465.68
Add : Capital WIP		0.00	0.00
Total Fixed Assets		99,348,283.93	92,101,465.68
<u>Investments (Long Term)</u>			
Indo Amines (Europe) Ltd. (25 A type & 25 B type Equity shares of face value 1GBP each valued at Rs. 84.88 per GBP)		624,293.85	478,672.02
Share of Profit in Associate			
Total Carrying Cost of Investment		624,293.85	478,672.02
<u>Current Assets, Loans & Advances</u>			
Inventories		91,347,223.00	113,431,581.05
Sundry Debtors		161,017,130.70	194,590,781.21
Cash & Bank Balances		29,634,798.79	17,875,438.26
Loans & Advances		117,799,720.06	61,074,057.96
Total Current Assets		399,798,872.55	386,971,858.48
Less : <u>Current Liabilities & Prov.</u>			
Current Liabilities & Provisions		131,942,561.59	177,496,299.94
Net Current Assets		267,856,310.96	209,475,558.54
<u>Miscellaneous Expenditure</u> (To the extent not written off)			
Deferred tax Assets		2,239,096.00	676,355.00
TOTAL ASSETS		370,067,984.74	302,732,051.24

As per our report attached
For KULKARNI & KHANOLKAR
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
P. M. Parulekar
Partner
 Place : Dombivli.
 Date : 20th July, 2009

Sd/-
V. B. Palkar
Managing Director

Sd/-
K. H. Shah
Whole Time Director



INDO AMINES LIMITED
Consolidated Profit & Loss A/c for the year ended 31st March, 2009

Particulars	Sch. No.	Current Year 2008-2009 (Rs.)	Previous Year 2007-2008 (Rs.)
INCOME :			
Sales Turnover			
Local Sales		524,005,878.95	522,337,443.64
Export Sales		503,019,824.74	422,214,197.79
Total Turnover		1,027,025,703.69	944,551,641.43
Other Income		10,024,138.48	16,987,905.59
Increase/(decrease) in Stock		(4,935,570.00)	6,648,951.00
Other Income		5,088,568.48	23,636,856.59
Total Income		1,032,114,272.17	968,188,498.02
EXPENDITURE:			
RM/PM/FUEL Consumed		622,477,914.00	618,734,073.74
Purchase of Finished Goods (Bhiwandi)		31,207,159.00	0.00
Manufacturing Expenses		192,247,729.11	204,900,864.36
Administrative, Selling & Distribution Exps(**)		75,900,536.44	68,067,413.87
Interest & Financial Charges		31,856,208.49	19,592,250.38
Depreciation		24,828,838.93	22,881,055.35
Total Expenditure		978,518,385.97	934,175,657.70
Profit Before Tax		53,595,886.21	34,012,840.33
Provision for Current Tax		(20,044,408.78)	(11,897,178.12)
Provision for Current Fring Benefit Tax		(400,000.00)	(305,000.00)
Short/Excess Prov of Prev Yr IT		0.00	136,644.00
Provision deferred tax assets/(Liabilities)		1,562,741.00	399,740.00
Profit After Tax		34,714,218.43	22,347,046.21
Transfer to General Reserve		0.00	(10,000,000.00)
Balance c/fd to Balance Sheet		34,714,218.43	12,347,046.21

Earning per Share (in Rupees)

Basic (EPS) (No. of Eq. Shares = 79,61,890)

4.36

2.87

Diluted (EPS) (No. of Eq. Shares = 88,11,890)

3.94

2.81

As per our report attached

For KULKARNI & KHANOLKAR
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
P. M. Parulekar
Partner
Place : Dombivli.
Date : 20th July, 2009

Sd/-
V. B. Palkar
Managing Director

Sd/-
K. H. Shah
Whole Time Director


AUDITORS' REPORT

We have audited the attached consolidated cash flow statement of **INDO AMINES LIMITED** derived from the audited financial statements, books and records maintained by the Company for the year ended 31st March, 2009 and found the same in agreement therewith.

Consolidated Cash flow statement for the year ended 31st March, 2009				
Particulars for the year ended	31 st March, 2009		31 st March, 2008	
	Rs	Rs	Rs	Rs
A. Cash Flow From Operations				
Profit/(loss) before taxation		53,595,886		34,012,840
<u>Adjusted for:</u>				
Depreciation	24,828,839		22,881,055	
Merger Expenses W/off.	0		0	
Goodwill on issue of shares to Amalgamating Companies	0		0	
Interest & Finance Charges	31,856,208		19,592,250	
Bank Interest Received	(1,158,946)	55,526,102	(976,881)	41,496,425
Operating Profit/(Loss) before Working Capital Changes:		109,121,988		75,509,265
Trade & Other Receivables	33,573,651		(43,765,301)	
Inventories	22,084,358		824,369	
Trade Payables	(45,562,788)		(5,452,803)	
Provision for Taxation	(20,000,000)		(11,800,000)	
Provision for FBT	(400,000)		(305,000)	
Income tax excess prov written back			136,644	
Loans & Advances	(56,716,612)	(67,021,392)	(9,102,202)	(69,464,293)
Net Cash from Operations (A)		42,100,596		6,044,972
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets		(32,075,657)		(24,714,781)
Capital Advance for Fixed Asset				0
Purchase of Investment		(227,800)		(494,327)
Interest Received from Bank		1,158,946		976,881
Net Cash used in investing activity (B)		(31,144,512)		(24,232,227)
C. Cash Flow from Financing Activities:				
Share Capital Increase		3,432,500		2,867,500
Share Premium Received		1,125,000		
Finance Received from Bank		11,050,756		23,555,641
Finance from Unsecured Loans		17,051,228		16,419,780
Interest & Finance Charges		(31,856,208)		(19,592,250)
Cash Flow from Financing Activity (C)		803,276		23,250,670
Net Increase in Cash & Cash Equivalents(A+B+C)		11,759,361		5,063,415
Opening Balance of Cash & Cash Equivalents		17,875,438		12,812,023
Closing Balance of Cash & Cash Equivalents		29,634,799		17,875,438
For INDO AMINES LIMITED		For KULKARNI & KHANOLKAR		
		Chartered Accountants		
Sd/- V. B. Palkar (Managing Director) Place : Dombivli Date : 30 th June, 2009	Sd/- K. H. Shah (Whole Time Director)	Sd/- P. M. Parulekar (Partner)		

**Balance sheet abstract and Company's General Business Profile:**

(a) **Registration Details** : Registration Number: 70022
 State Code : 11
 Balance Sheet Date : 31st March 2009.

(b) **Capital raised During the Year:**
 Share Application money Rs. 25,50,500/- towards Convertible warrants.

(c) Position of mobilization & deployment of Funds

Total Liabilities	Rs. 369,447,935	Total Assets	Rs. 369,447,935
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Sources of Funds

Paid up Capital	Rs. 79,618,900	Reserves & Surplus	Rs. 79,786,383
Secured Loans	Rs. 172,642,361	Unsecured Loans	Rs. 34,850,291

Application of Funds

Net Fixed Assets	Rs. 99,348,284	Net Current Assets	Rs. 267,856,311
Deferred Tax Assets	Rs. 2,239,096	Investment	Rs. 4,244
Miscellaneous Expenditure	Rs. NIL		

(d) Performance of the Company

Turnover (Total Income)	Rs. 1029,940,875	Total Expenditure	Rs. 976,572,789
Profit/(Loss) before Tax	Rs. 53,368,086	Profit After Tax	Rs. 34,530,827
Basic EPS (in Rs)	4.34	Dividend Rate (%)	NIL
Diluted EPS (in Rs.)	3.92		

(e) Generic Names of the Three Principal products of the Company

Item Code No.: 292119	Product Descriptions: Fatty Amines & Derivatives
Item Code No.: 340290	Product Descriptions: Organic, Surface Active Agents
Item Code No.: 340490	Product Descriptions: Artificial Waxes



INDO AMINES LIMITED

W-38/39, PHASE II, MIDC, DOMBIVLI (E), DIST. THANE

ATTENDANCE SLIP

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

I hereby record my presence at the 16th Annual General Meeting of the Company at Registered Office of the Company to Wednesday the 30th September, 2009 at C.K.P HALL, RAM GANESH GADKARI PATH, NEAR KARWA HOSPITAL, DOMBIVLI (E), DIST.: THANE - 421 201.

Name of the Shareholder

Signature

Folio No. _____

(Full name of Proxy)

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

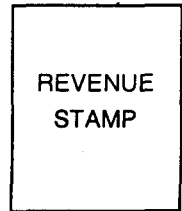
INDO AMINES LIMITED

W-38/39, PHASE II, MIDC, DOMBIVLI (E), DIST. THANE

PROXY FORM

I/We of
..... in the district of being a member/members of the above named
Company hereby appoint of in the district
of, or failing him of
..... In the district of as
my/our proxy to vote for me/us on my/our behalf at the 16th ANNUAL GENERAL MEETING of the Company to be held at
Registered Office of the Company on Wednesday the 30th September, 2009 at C.K.P HALL, RAM GANESH GADKARI PATH,
NEAR KARWA HOSPITAL, DOMBIVLI (E), DIST.: THANE - 421 201. and at any adjournment thereof.

Signed this day of, 2009
Reg. Folio No.
No. of Shares



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



History & Achievements

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

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



**INDO
AMINES
LIMITED**



Registered Office :

W-38/39 M.I.D.C. Phase II, Manpada Road, Dombivli (E),
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Website: www.indoaminesltd.com