

ALKYL AMINES CHEMICALS LTD.

Annual Report 2012-13



ALKYL



GROWTH WITH SOCIAL RESPONSIBILITY

FINANCIAL HIGHLIGHTS

₹ in Lakhs

Year Ending	31.03.2009	31.03.2010	31.03.2011	31.03.2012	31.03.2013
Gross Revenue (Including Excise Duty & Sales tax)	22,280.48	23,739.97	26,058.24	31,836.94	40,667.01
Operating Profit	2,690.41	3,646.52	3,309.74	4,473.11	5,890.03
Profit before Tax	822.79	1,589.86	1,360.68	2,368.25	3,592.82
Profit After Tax	402.20	1,003.68	1,040.49	1,716.38	2,393.20
Gross Fixed Assets	17,787.74	18,846.29	20,344.44	21,913.58	23,576.45
Net Fixed Assets	11,005.58	11,202.16	12,120.15	12,798.36	13,503.01
Net Current Assets	10,234.62	8,605.62	7,636.74	8,949.42	12,103.24
Equity Share Capital	1,020.61	1,020.61	1,020.61	1,020.60	1,020.60
Reserve & Surplus	7,122.46	7,662.72	8,199.97	9,535.58	11,492.20
[Including Deferred Taxation (Net)]					
Book Value (₹)	79.85	85.15	90.41	103.51	122.70
Earning per Share - Basic (₹)	3.94	9.84	10.20	16.83	23.47
Equity Dividend (%)	20.00	30.00	30.00	40.00	50.00
Financial Ratios					
Net Sales to Gross Fixed Assets (%)	109.53	113.44	113.96	128.47	152.26
Return on Capital Employed (%)	18.86	25.05	18.29	24.58	29.29
Return on Net worth (%)	4.94	11.56	11.28	16.26	19.13
PAT to Net Sales (%)	2.06	4.69	4.49	6.10	6.67

Note: Financial Highlights are prepared for 2010-11, 2011-12 and 2012-13 based on Revised Schedule VI

MANAGEMENT TEAM

Chairman & Managing Director
Yogesh M. Kothari

Executive Director
Kirat Patel

Executive Director
Suneet Y. Kothari

Vice President (Technical)
Sameer S. Katdare

Vice President (Manufacturing)
R. N. Iyer

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

*General Manager
(Technology Development)*
S. Saimani

General Manager (Marketing)
Girish Naik

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

*General Manager
(Finance & Accounts)*
S. Giridhar

General Manager (Works)
Milind Deshmukh

General Manager (Works)
Sagar Jadhav

General Manager (Commercial)
Sameer Deshpande

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

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

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

Plants :**Patalganga Plant**

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

Kurkumbh Plant :

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

Auditors

Messrs Banshi S. Mehta & Co.

Bankers

State Bank of India
Axis Bank Ltd.
Standard Chartered Bank

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

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

CONTENTS**Page**

Financial Highlights.....	Inside Front Cover
Notice of Annual General Meeting.....	2-4
Directors' Report	5-22
Auditors' Report	23-27
Balance Sheet.....	28
Statement of Profit & Loss.....	29
Cash Flow Statement	30-31
Notes 1 to 41	32-61
Statement under Section 212	62
Consolidated Financial Statements	63-93

**ALKYL AMINES CHEMICALS LIMITED**

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 33rd Annual General Meeting of ALKYL AMINES CHEMICALS LIMITED will be held at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 on Wednesday, August 7, 2013 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, Statement of Profit and Loss for the year ended on that date and the reports of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2013.
3. To appoint a Director in place of Mr. Shyam B. Ghia, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Dilip G. Piramal, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. P. N. Kapadia, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

NOTES

1. The relative explanatory statement pursuant to the provisions of Corporate Governance relating to the reappointment of Directors is enclosed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY

NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.

3. The register of members and Share Transfer Books will remain closed from July 31, 2013 to August 7, 2013 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
4. Dividend, if declared at the meeting, will be paid on or after 14th August, 2013 to those shareholders whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as at the close of their business hours on July 30, 2013.
5. Please note that pursuant to Section 205C of the Companies Act, 1956 all unclaimed/unpaid dividends upto 2004-05 have been transferred to the Account of Central Government.
6. We have been offering the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through Electronic Clearing Service (ECS). This is in addition to the Bank mandate facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS facility or the Bank mandate facility (if not done earlier) are requested to complete and submit the ECS/Bank Mandate Form that is also sent with this Annual Report to the Company's Registrar and Transfer Agents so as to reach them latest by July 30, 2013. Kindly note that shareholders holding shares in dematerialised form would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.

7. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
8. The shareholders holding shares in physical form are once again advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.
9. The members may note that the company's Equity Shares are listed on the Bombay Stock Exchange

and National Stock Exchange and the listing fees to the stock exchanges have been paid.

By order of the Board

K. P. RAJAGOPALAN

General Manager (Secretarial & Legal)

Registered Office :

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

Dated: May 16, 2013

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER CORPORATE GOVERNANCE

ITEM 3

Mr. S.B. Ghia retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. S.B. Ghia, aged 65 years, has been on our Board since October 18, 1980. Mr. Ghia is a member of our Audit Committee, Investors' Grievance Committee and Remuneration Committee of Directors. He is the Chairman & Managing Director of Futura Polyesters Limited, Innovassynth Investments Limited and Chairman of Innovassynth Technologies (India) Limited. He is also on the Board of the following Companies:

1. Sonata Software Ltd.
2. AVT Natural Products Ltd.
3. FPL Property Developers Pvt. Ltd.

In view of his vast experience in the Industry, it will be in the interest of the Company that Mr. Ghia continues as Director of the Company.

Except Mr. Ghia, no other Director is interested in his reappointment.

ITEM 4

Mr. D. G. Piramal retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. D.G. Piramal has been on the Board of the Company since October 18, 1980. He is also a member of our Remuneration Committee of Directors. Mr. D.G. Piramal, aged 63 years, is a leading industrialist and Chairman of VIP Industries Limited. He is also on the Board of the following Companies:

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

With his vast experience in the Industry, it will be in the interest of the Company that Mr. Piramal continues as Director of the Company.

Except Mr. Piramal, no other Director is interested in this resolution.

ITEM 5

Mr. Premal N. Kapadia retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. Kapadia, aged 63 years, has been on the Board of the Company since July 28, 2000. He is a member of our Audit Committee of Directors. He is on the Board of the following Companies:

1. Technimont ICB Pvt. Ltd.
2. Harshadray Pvt. Ltd.
3. Harshadray Investment Pvt. Ltd.
4. Dryden Pvt. Ltd.
5. TUV India Pvt. Ltd.
6. Integrated Industrial Quality Management Consultants Pvt. Ltd.
7. Kaira Can Co. Ltd.

8. Protos Engg.Co. Pvt. Ltd.
9. Silicon Interfaces Pvt. Ltd.
10. Silicon Interfaces America Inc.
11. Providian Global Solutions Pvt. Ltd.
12. De Nora India Limited
13. The West Coast Paper Mills Ltd.
14. ThyssenKrupp Industries India Pvt. Ltd.
15. Nimco Rata Iron Ore & Mineral Exports Pvt. Ltd.
16. Sujata Resources Pvt. Ltd.
17. Virman Real Estate Pvt. Ltd.
18. Virneesh Properties Developers Pvt. Ltd.
19. Suproha Properties Pvt. Ltd.
20. Sujata Commodities International Ltd.

21. Sujata Commodities Services DMCC, Dubai.
22. Lucror Analytics Pte. Ltd., Singapore.

With his vast experience in the Industry, it will be in the interest of the Company that Mr. Kapadia continues as Director of the Company. Except Mr. Kapadia, no other Director is interested in this resolution.

By order of the Board

K. P. RAJAGOPALAN

General Manager (Secretarial & Legal)

Registered Office :

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

Dated: May 16, 2013

DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors take pleasure in presenting the 33rd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2013.

1. FINANCIAL RESULTS:

The financial performance of the Company for the year ended March 31, 2013 is summarised below:

	2012-13 ₹ In Lakhs	2011-12 ₹ In Lakhs
Total Revenue (including Excise & Sales tax)	40667	31837
Total Revenue (net of taxes)	36720	29031
Profit before interest, depreciation & Taxation	5890	4473
Interest & financial expenses	1294	1214
Depreciation	1003	891
Profit before tax	3593	2368
Provision for tax	1200	652
Net Profit after tax	2393	1716
Add: balance profit b/f	3942	2872
Profit available for appropriation	6335	4588
Transfer to General Reserve	239	172
Equity Dividend	510	408
Tax on dividends	86	66
Balance profit carried to balance sheet	5500	3942

2. DIVIDENDS:

We recommend for your approval payment of dividend at ₹ 5/- per Equity Share on Equity Shares of ₹ 10/- each for the year ended March 31, 2013 (Previous Year: ₹ 4/- per share). The total amount of dividend including Income tax thereon would amount to ₹ 596 lacs (Previous Year: ₹ 474 lacs).

3. OPERATIONS:

Total Income (Gross) registered a 27.74% increase from ₹ 31837 lacs to ₹ 40667 lacs. Profit before tax (after interest and depreciation charges) increased to ₹ 3593 lacs compared to ₹ 2368 lacs of the previous year. During the year 2012-2013 we have achieved profit after tax of ₹ 2393 lacs compared to ₹ 1716 lacs of the previous year.

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

4. NEW PROJECTS:

During the year 2012-13, we commissioned a new Boiler at Kurkumbh at a cost of around ₹ 6 crores which will help the company by reducing its utility costs.

We had reported last year commissioning of our new plant to produce Acetonitrile, a chemical, which has applications in pharma and agrochemical sectors. During the year 2012-13, we have added some balancing equipments to the said plant, which have helped us to cater to the demands of some of the specific customers who wanted higher quality of the material and will further boost our sales. During the year 2013-14, we

expect to invest upto ₹ 18 crores approx. to enhance the production capacity of this plant. This investment and other normal capital expenditure of ₹ 13 crores, aggregating ₹ 31 crores, will be financed by borrowings and internal cash generation.

Keeping in view our future expansion plans, we have recently acquired land at the cost of approx. ₹ 12 crores at Dahej, Gujarat.

5. EXPORTS:

During the year 2012-13, we achieved an export turnover of ₹ 7725 lacs (FOB) compared to ₹ 6361 lacs (FOB) of the previous year, i.e. an increase of 21 %.

6. FOREIGN EXCHANGE OUTGO:

During the year 2012-13, we have utilised a sum of approx. ₹ 2316 lacs (compared to ₹ 2555 lacs) in foreign currency mainly to import raw materials etc.

7. ASSOCIATE/SUBSIDIARY COMPANIES:

a. Diamines & Chemicals Limited, Vadodara:

Diamines and Chemicals Ltd., Vadodara, our associate company, has achieved a total income (Gross) of ₹ 6411 lacs as against ₹ 7290 lacs of the previous year and a profit after tax of ₹ 170 lacs as against ₹ 360 lacs of the previous year. The Board of Directors of Diamines & Chemicals Ltd. has recommended a dividend of 5% for the year 2012-13.

b. Alkyl Amines (Europe) SPRL:

In 2009, we had registered a wholly owned subsidiary company in the name of Alkyl Amines (Europe) SPRL in Belgium with an initial share capital of Euro 12400 with a view of expanding and consolidating the company's export business in Europe. As on March 31, 2013 this company has an accumulated loss of Euro 6702.22.

c. Alkyl Speciality Chemicals Limited:

This company is engaged in marketing of our new products.

This company achieved a total income of ₹ 22.82 lacs (Previous Year: ₹ 29.96 lacs) and a profit after tax of ₹ 13.06 lacs as against ₹ 25.52 lacs of the previous year.

Pursuant to Accounting Standard AS21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of Diamines & Chemicals Limited, Alkyl Amines Europe SPRL and Alkyl Speciality Chemicals Limited.

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

8. CONSERVATION OF ENERGY:

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

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

- a) Reduction in consumption of steam, electricity and cooling water by debottlenecking of various plants, improvement in yields and planned increase in throughput.
- b) Improved steam condensate recovery by installing new design of traps and monitoring trap performance.
- c) Utilization of by-product steam.
- d) New Coal fired Boiler is commissioned thereby reducing FO consumption and improved Fuel to Steam ratio.

9. SAFETY, HEALTH AND ENVIRONMENT:

Keeping in line with the core values of being a responsible corporate citizen, an effective Occupational Health Management System (OHMS) has been established by your Company. We are committed to:

- Our employees by continuously improving our safety performances and offering them a healthy and motivating work environment.
- Our customers by continuously improving the production and development of innovative, high quality and sustainable products.
- The environment by continuously improving our production and logistic processes in terms of energy and material efficiency, water usage, air emissions and land preservation.
- The whole society by integrating social, environmental and economic concerns into our operations and strategies well beyond all legal laws and regulations.

(a) Environment: We give utmost importance to Environment protection and adherence to pollution control norms. Environmental Management System at Patalganga has been re-certified to ISO 14001:2004. Kurkumbh unit was certified as ISO 14001:2004 in April 2011. We have completed successfully the surveillance audits.

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

- i) Air Emissions – We monitor regularly emissions from various sources and are very particular about compliance with statutory requirement. Projects are undertaken for reduction of emissions. Our co-gen plant is aiding the global quest for controlling GHG emission by using renewable fuel design of which is also being upgraded to minimise the impact of SPM in air.
 - ii) Liquid waste Treatment – We have integrated Effluent Treatment Plants and we maintain outlet standards within the prescribed limits. Continuous efforts are made to minimize the quantity of effluent generated and feasibility of recycling of treated effluent is being studied. The company has planned substantial investment for expanding as well as upgrading its effluent treatment capacity to meet long term requirements. Our Company is also a member of the CETP located at Pataganga and Kurkumbh. Pilot Plant trials of RO system were conducted to confirm the suitability of RO process for recovering water from treated effluent and recycle it for process use. We plan to implement it after completion of 1st phase up-gradation of ETP.
 - iii) Solid Waste Management – Solid wastes are either incinerated or disposed off to secured landfill. The manufacturing sites at Patalganga and Kurkumbh are members of the Authorized Common Hazardous Waste Transport, Storage & Disposal Facility namely; Mumbai Waste Management Limited, Taloja, and Maharashtra Enviro Power Limited, Ranjangaon respectively. We have successfully implemented further Solid waste reduction in some plants in terms of High Boilers generation by process modification.
 - iv) Green belt – Tree plantation inside and outside the factory premises is given utmost importance. So far we have planted nearly 8320 trees in and around our plant sites.
 - v) Non conventional Renewable Energy and Natural Resource conservation – We use Solar Water heaters at the staff colony. Measures like gravitational water supply, Sewage water gardening, Rain water harvesting, and number of GO GREEN activities are also undertaken at the staff colony.
- (b) Safety :** We encourage a high level of awareness of safety issues among our employees and strive for continuous improvement. All incidents are analysed in safety committee meetings and corrective actions, wherever necessary, are taken immediately. Employees are trained in safe practices to be followed at workplace. Active participation is done in Mutual Aid scheme in the respective industrial areas. We are active and leading member of Local and District Crisis Group and have earned reputation amongst society around and statutory authorities for prompt technical support during Disaster Management events.

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

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

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

The Company has a Disaster Management Plan within the Company and to surrounding industry, either in the form of providing risk information to the community or to respond in case of any emergency, as a part of its social responsibility.

- (c) **Health** : Health of employees is of utmost importance. Periodic check up of employees is done to monitor their health. Regular work area monitoring to check concentration of chemicals, noise level, and quality of ambient air is done. We also have well equipped Occupation Health Centers with appropriate staff and own AMBULANCE Vehicle at both manufacturing sites at Patalganga and Kurkumbh. We have team of employees trained as FIRST AIDERS who contribute their skills while on duty as well as away from duties to serve the society. Occupational Health and Safety issues are continuous focus points for your Company. Both sites are certified to OHSAS 18001:2007.

10. RESPONSIBLE CARE®:

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

11. CORPORATE SOCIAL RESPONSIBILITY:

Your Company recognises the fact that, beyond the day to day conduct of its business, as a responsible corporate citizen it has to discharge its duties towards the larger society in which it operates. The core areas identified by your Company to improve the society are Health Care, Basic Education, Women Empowerment and the Environment.

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

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

Kurkumbh is a drought affected area. To help the local population in such a situation, we have recently provided water tankers to 20 villages.

Over and the above the various initiatives under Responsible Care by the company, during the year 2012-13 we have spent about ₹ 5.00 lacs towards CSR activities.

12. CODE OF CONDUCT:

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

13. FIXED DEPOSITS:

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

14. INSURANCE:

The Properties and Assets of the Company are adequately insured.

15. DIRECTORS:

Mr. S.B. Ghia, Mr. D.G. Piramal and Mr. P.N. Kapadia retire by rotation at the Annual General Meeting and, being eligible, have offered themselves for re-appointment.

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

16. AUDITORS:

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

17. RESPONSIBILITY STATEMENT:

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

- (a) That in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- (b) That such accounting policies as mentioned in Note 1 to the annual accounts have been selected and applied consistently and judgements and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on March 31, 2013 and of the profit of the company for that year;
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and to prevent and detect fraud and other irregularities;
- (d) That the Annual accounts for the year ended 31st March, 2013 have been prepared on a going concern basis.

18. CORPORATE GOVERNANCE:

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

19. ACKNOWLEDGEMENTS:

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

For and on behalf of the Board

Place: Mumbai

Dated: May 16, 2013

YOGESH M. KOTHARI

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE 1

INDUSTRY STRUCTURE AND DEVELOPMENT

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

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

For more details please refer to our web-site www.alkylamines.com.

PERFORMANCE

Total Income (net of taxes) amounted to ₹ 36720 lacs compared to ₹ 29031 lacs of the previous year.

OPPORTUNITIES AND THREATS

Your Company has the advantage of having a product range covering a broad spectrum of applications.

Your Company continues to invest in upgradation and expansion of its manufacturing capacities. The in-house R&D Department has been consistently developing quality products and is also striving for achieving cost efficiencies.

The industries in which our products have application, like pharmaceuticals, agrochemicals, rubber chemicals etc are growing at a reasonable pace and we have a fair chance of improving our position as a reliable supplier of good quality chemicals to these industries. Our Core Competence in chemical handling and manufacturing supported by an able technical team, should provide a lot of opportunities and scope to the company to improve its performance. We enjoy leadership position in some of the products in domestic market, driven by strong in-house technology, diversified product portfolio and customer base. Our R&D Centre is enabling us to add new products to our product portfolio which will add to our contribution.

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

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

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The operating profit before tax amounted to ₹ 3593 lacs compared to ₹ 2368 lacs reported last year.

During the year, our gross domestic sales amounted to ₹ 32114 lacs compared to ₹ 24535 lacs of the previous year. Export sales increased to ₹ 7725 lacs (FOB) compared to ₹ 6361 lacs of the previous year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

RISKS AND CONCERNS

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for all manufacturing sites are analyzed to minimize risk associated with protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company. The Company fulfills its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at all manufacturing sites.

HUMAN RESOURCES

The HR policies and procedures of your Company are geared towards nurturing and development of Human Capital. Your Company has transparent processes for rewarding performance and retaining talent.

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

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

OUTLOOK

For the year 2013-14, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products, launching new products and creating new business in untapped growth market segments in Export market.

Though there is sluggish demand in certain sectors and also increased competition from global and domestic players, we expect the trend shown in 2012-13 to continue in the year 2013-14. With the global growth of chemicals focused more on Asia, it is expected that there will be further growth in chemical industry.

During the year 2013-14, we expect the investments, which we made in our new product Acetonitrile, and also in debottlenecking capacities of other products, add to both our topline and bottomline.

We are continuing with our efforts on improvement in efficiencies, margins and profitability while re-looking at business strategies and models, wherever necessary and barring, unforeseen circumstances, we expect to achieve better results for the year 2013-14.

CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

Place : Mumbai

Dated : May 16, 2013

YOGESH M. KOTHARI

Chairman & Managing Director

ANNEXURE 2

FORM A

(Disclosure of Particulars with respect to Conservation of Energy)

Particulars	1.4.2012 to 31.3.2013	1.4.2011 to 31.3.2012
A. Power and Fuel Consumption:		
1. Electricity		
1. A) Purchased		
Units(Kwh In Lakhs)	176	159
Total Amount(₹ In Lakhs)	1394	1063
Avg.Rate/Unit	7.93	6.69
1. B) Own Generation		
(I) Through Diesel Generator		
Units (Kwh In Lakhs)	0.21	0.77
Units/Ltr Of Diesel Oil(Kwh)	2.25	2.36
Cost/Unit(₹ /Kwh)	20.13	17.54
(II) Through Steam Turbine/Generator		
Units (Kwh In Lakhs)	24.13	26.05
2. Coal		
Qty(MT)	48435	36341
Total Amount(₹ In Lakhs)	2564.84	1807.85
Avg.Rate(₹ /MT)	5295	4975
3. Furnace Oil And LSHS		
Qty(MT)	524	361
Total Amount(₹ In Lakhs)	212.17	137.96
Avg.Rate(₹ /MT)	40516	38214
4. Bagasse		
Qty(Mt)	12429	25152
Total Amount(₹ In Lakhs)	214.22	385.56
Avg.Rate(₹ /MT)	1724	1533
B. Consumption Per Unit Of Production		
Standards If Any	N.A.	N.A.
Production:		
a) Amines And Amines Derivatives(MT)	37320	29761
b) Hydrogen(M3)	2757907	2858451
Electricity Consumption/Unit:		
a) Amines And Amines Derivatives(Kwh/MT)	511	590
b) Hydrogen(Kwh/M3)	0.248	0.264
Coal Consumption / Unit:		
Amines And Amine Derivatives(MT/MT)	1.495	1.404
FO/LSHS Consumption / Unit:		
Amines And Amine Derivatives(MT/MT)	0.014	0.012
Bagasse Consumption / Unit:		
Amines And Amine Derivatives(MT/MT)	0.618	1.655

ANNEXURE 3

FORM B

- Specific area in which R & D carried out by the company:
 - Worked on the improvement of various processes/products already commercialised.
 - Development of processes for the manufacture of various new mixed amine derivatives which find use as Pharma & Agro-Intermediates.
 - Development of processes for the manufacture of various new mixed amine derivatives useful as Speciality Chemicals (using pilot vapour phase reactor).
 - Continued development of processes for manufacture of chemicals based on customer specific requirements.
- Benefits derived as a result of the above R & D:
 - Developed processes for three mixed amine derivatives.
 - Developed a new process for an existing product.
- Future plans of action
 - Development of processes for the manufacture of new Pharma and Agro intermediates.
 - Scale up of the processes for mixed amines to be used in Pharma & Agro-chemical industries.
- Expenditure on R & D
 - Capital : ₹ 3.43 Lakhs
 - Revenue : ₹ 336.06 Lakhs
 - Total : ₹ 339.49 Lakhs
 - Total R & D Expenditure as a percentage of turnover : 0.93 %
- Technology absorption, adaptation and innovation
 - Efforts, in brief, made towards technology absorption, adaptation and innovation.
 - Benefits derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution etc.
 - In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year following information may be furnished
 - Technology imported
 - Year of Import
 - Has technology been fully absorbed.
 - If not fully absorbed, areas where this has not taken place, reasons therefor, and future plans of action.

As stated above.

Not applicable

ANNEXURE 4**CORPORATE GOVERNANCE REPORT**

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

2. BOARD OF DIRECTORS**i) Composition of Board:**

The Board of Directors of the Company consists of 11 members. Three of the Directors, i.e. the Chairman & Managing Director and two Executive Directors, are Executive Directors and rest of the 8 Directors are non-executive Directors, who bring a wide range of skills and experience to the Board. The Board of Directors of the Company as on 31st March, 2013 is as under:

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

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

ii) Attendance record of each Director:

Four Board Meetings were held during the year 2012-13. These meetings were held on 22.05.2012, 07.08.2012, 06.11.2012 and 31.01.2013. The attendance record of all the Directors at the Board Meetings and the last Annual General Meeting between 01.04.2012 to 31.03.2013 is as under:-

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

3. COMMITTEES OF THE BOARD OF DIRECTORS

i) Audit Committee

The Company has an Audit Committee of the Board of Directors since April 2000. The Audit Committee comprises of five Directors, i.e. Mr. K.R.V. Subrahmanian (Chairman), Mr. Shyam B. Ghia, Mr. Premal N. Kapadia and Mr. Shobhan M. Thakore (all being Non-Executive and independent) and also Mr. Kirat Patel. The Committee met 4 times during the year 2012-2013 on 22.05.2012, 07.08.2012, 06.11.2012 and 31.01.2013. The attendance of the Audit Committee Members is as under:-

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

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

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

ii) Remuneration Committee of the Board

- The Company has also set up a Remuneration Committee of Directors, consisting of Mr. S.B. Ghia (Chairman), Mr. S.M. Thakore and Mr. Dilip G. Piramal. The main criteria for fixing remuneration of the Directors are performance and also practice in the industry. The terms of reference of the Remuneration Committee include review and recommendation to the board of directors of the remuneration paid to the directors. The Committee meets as and when required to consider remuneration of Directors. No meetings of the committee were held during the year 2012-2013.

b) Remuneration of Directors:

Remuneration paid/payable to the Directors for the year from 1.4.2012 to 31.3.2013 is given below:

(₹ in Lakhs)

Name	Remuneration (₹)	Sitting Fee (Gross) (₹)	Commission (₹*)	Total (₹)
Mr. Yogesh M. Kothari	107.84	Nil	92.01	199.85
Mr. Hemendra M. Kothari	Nil	0.20	4.99	5.19
Mr. Shyam B. Ghia	Nil	1.10	4.99	6.09
Mr. Shobhan M. Thakore	Nil	1.04	4.99	6.03
Mr. Dilip G. Piramal	Nil	0.80	4.99	5.79
Mr. Premal N. Kapadia	Nil	1.20	4.99	6.19
Mr. K.R.V. Subrahmanian	Nil	1.60	4.99	6.59
Ms. Tarjani Vakil	Nil	0.60	4.99	5.59
Ms. Meena Verma (Payable to Exim Bank)	Nil	0.60	4.99	5.59
Mr. Kirat Patel	42.38	Nil	39.97	82.35
Mr. Suneet Y. Kothari	34.96	Nil	39.97	74.93

*Commission will be paid during the year 2013-2014.

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

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

iii) Share Transfer/Investors' Grievance Committee

- a) The Share Transfer/Investors' Grievance Committee consists of Mr. Shobhan M. Thakore, Mr. Shyam B. Ghia and Mr. Yogesh M. Kothari, whose terms of reference include approval of share transfers and overview of investor grievance handling system. Mr. Shobhan M. Thakore is the Chairman of this Committee.
- b) Total 15 meetings of Shareholders/Investors' Grievances Committee were held during the year 2012-2013 on the following dates:

13.04.2012	27.04.2012	14.05.2012	28.05.2012
18.06.2012	29.06.2012	17.07.2012	31.07.2012
07.08.2012	16.08.2012	14.09.2012	28.09.2012
12.10.2012	19.10.2012	16.01.2013	

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

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

- d) Mr. K.P. Rajagopalan, General Manager (Secretarial & Legal) is the Compliance Officer.
- e) No. of shareholder complaints received during 2012-2013:

Relating to non-receipt of Annual Report	: 3
Relating to loss of shares	: 0
Relating to transmission of shares	: 1
Other	: 4

- f) No. of shareholder complaints not solved to the satisfaction of the shareholders:
 relating to non-receipt of Annual Report : None
 relating to loss of shares : None
 relating to transmission of shares : None
 Other : None
- g) No. of pending share transfers as on 31.3.2013 : None

iv) Finance Committee Meeting :

The Company also has a Finance Committee of Directors to consider finance related decisions consisting of Mr. Y. M. Kothari, Chairman, Mr. Kirat Patel and Mr. Shobhan M. Thakore. During the year 2012-2013 the Finance Committee Meetings were held on 21.05.2012, 23.11.2012 and 25.03.2013.

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

4. GENERAL BODY MEETINGS.

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

No. of AGM	Venue	Date	Time
32nd AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special resolutions were passed for : a) Approval of the terms of re-appointment and remuneration of Mr. Suneet Kothari, Executive Director of the Company b) Approval of the terms of re-appointment and remuneration of Mr. Kirat Patel, Executive Director of the Company c) Approval of the terms of re-appointment and remuneration of Mr. Yogesh M. Kothari, Chairman & Managing Director of the Company d) Approval of payment of commission to all directors (other than the Managing Director and the Executive Directors)	August 7, 2012	2.30 P.M.
31st AGM	Chandragupt Hall 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400703, Maharashtra. No special resolution was passed at the meeting	August 4, 2011	2.30 P.M.
30th AGM	Chandragupt Hall 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400703, Maharashtra. Ordinary resolution was passed for: a) According consent to the Board of Directors to borrow upto a limit of ₹ 250 crores. b) According consent to the Board of Directors to create mortgage, charges, hypothecations etc. upto a limit of ₹ 250 crores.	July 22, 2010	2.30 P.M.

No special resolution by postal ballot was passed during last year and no special resolution is proposed by postal ballot.

5. DISCLOSURES

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

6. MEANS OF COMMUNICATION

- i) Company is publishing the results in National & Regional Newspapers like **Economic Times** and **Maharashtra Times**. Quarterly Results are also put on the Company's web-site, www.alkylamines.com
- ii) Management Discussion & Analysis is part of Annual Report 2012-2013.

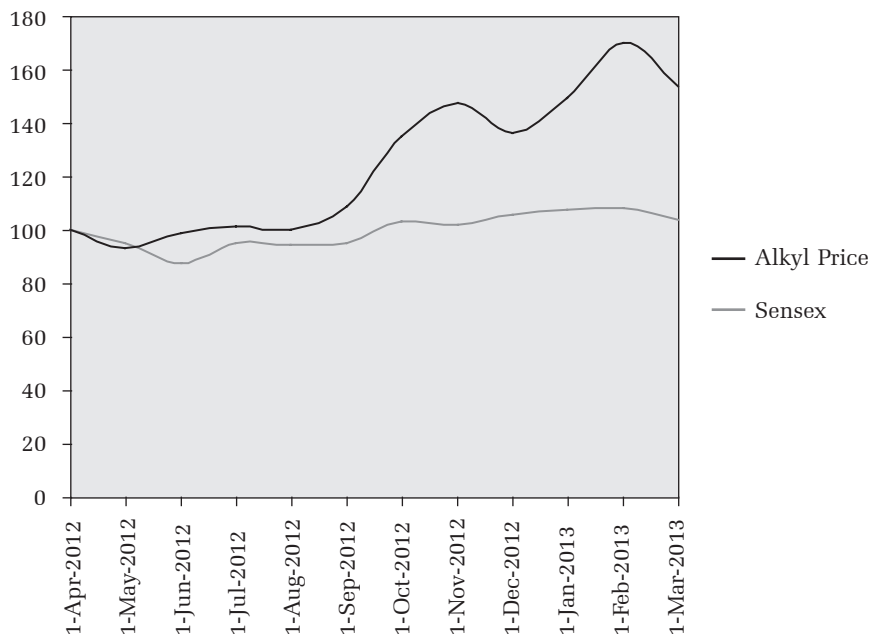
7. GENERAL SHAREHOLDER INFORMATION:

- i) Annual General Meeting
Date : August 7, 2013
Time : 2.30 pm
Venue : Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703.
- ii) Financial Year: April to March
- iii) Dates of Book Closure: From 31.07.2013 to 07.08.2013 (both days inclusive)
- iv) Dividend Payment Date: On and from August 14, 2013
- v) The equity shares of the Company are listed on The Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.
- vi) Stock code (BSE): 506767 (NSE): ALKYLAMINE
- vii) Market Price Data - High & Low at BSE and NSE of the equity shares of the Company during each month for the year 2012-2013 are as under:

	BSE (₹)		NSE (₹)	
	High	Low	High	Low
April '12	97.75	83.10	95.75	79.00
May '12	105.00	90.00	106.15	85.65
June '12	103.85	95.30	101.80	96.00
July '12	107.00	96.00	108.70	85.00
Aug. '12	120.70	87.30	120.00	93.10
Sept. '12	154.35	108.05	160.00	108.00
Oct. '12	167.85	126.30	164.90	131.30
Nov. '12	158.00	124.05	160.00	130.75
Dec. '12	164.85	136.20	160.00	136.25
Jan. '13	210.90	143.60	208.90	144.00
Feb. '13	185.45	135.55	179.00	134.10
Mar. '13	164.95	141.00	161.80	143.45

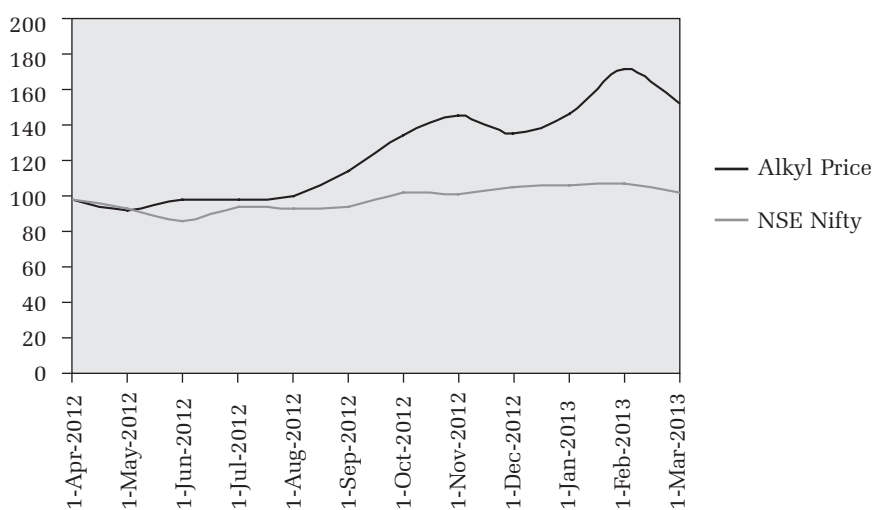
viii) Performance of the Share price of the Company:

Chart A: Company's share performance versus BSE Sensex



Note: Both the BSE Sensex and Alkyl are indexed to 100 as on April 1, 2012

Chart B: Company's share performance versus NSE NIFTY



Note: Both the NSE Nifty and Alkyl are indexed to 100 as on April 1, 2012

ix) Share Transfer System:

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

x) Distribution of Shareholding as on 31st March, 2013:

Shareholding of Nominal Value (₹)	No. of Holders	(%) of Holders	Total Amount (₹)	% of Amt.
UPTO 5000	6443	92.24	7333540	7.19
5001 TO 10000	278	3.98	2031600	1.99
10001 TO 20000	111	1.59	1562930	1.53
20001 TO 30000	28	0.40	691240	0.68
30001 TO 40000	22	0.31	762300	0.75
40001 TO 50000	14	0.20	669910	0.66
50001 TO 100000	41	0.59	2832140	2.78
100001 AND ABOVE	48	0.69	86098300	84.43
TOTAL	6985	100.00	101981960	100.00

xi) Shareholding pattern as on 31st March, 2013:

No.	Category of shareholders	No. of Shares held	% of share holding
01	I) Indian Promoters/Persons acting in concert	7539946	73.934
	II) Non-Resident persons acting in concert	26448	0.26
	Sub-Total (A)	7566394	74.193
02	Mutual Funds	676	0.007
03	Banks / Financial Institutions / Insurance Cos., Central Govt. / State Govt. Institutions / Venture Capital Funds	86	0.000
	Sub-Total (B)	762	0.007
04	Private Corporate Bodies	301448	2.956
05	NRIs/OCBs	30559	0.300
06	Clearing members	1427	0.014
07	Indian Public	2297606	22.530
	Sub-Total (C)	2631040	25.800
	Total Share Capital (A+B+C)	10198196	100

xii) Shareholding of Directors as on 31st March, 2013:

Name	No. of Equity Shares held
Mr. Yogesh M. Kothari	6123311
Mr. Hemendra M. Kothari	106700
Mr. Shyam B. Ghia	-----
Mr. Shobhan M. Thakore	5540
Mr. Dilip G. Piramal	----
Mr. Premal N. Kapadia	-----
Mr. K.R.V. Subrahmanian	-----
Ms. Tarjani Vakil	-----
Ms. Meena Verma	----
Mr. Kirat Patel	26785
Mr. Suneet Y. Kothari	76662

xiii) Dematerialisation of shares and liquidity:

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

Other details are as under:

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

Demat ISIN Number for Equity Shares of the Company in NSDL & CDSL ISIN - INE 150B01013.
 Total No. of Shares as on 31.3.2013 - 10198196 Shares
 Total No. of shares dematerialised upto 31.03.2013 - 9745409 Shares
 Percentage to total paid up capital - 95.560 %

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

xv) Plant locations:

Patalganga Plant :

A-7/A-25, MIDC, Patalganga Industrial Area,
 Village Kaire, Taluka Khalapur, Dist. Raigad.

Kurkumbh Plant :

D-6/1 & D-6/2, MIDC, Kurkumbh Industrial Area, Taluka Daund, Dist. Pune.

xvi) Address for correspondence:

Alkyl Amines Chemicals Ltd.,
 401/407, Nirman Vyapar Kendra,
 Sector 17, Vashi, Navi Mumbai 400703,
 Maharashtra.

xvii) Company's Registrar & Share transfer Agents:

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit No.1, Luthra Industrial Premises,

1st Floor, 44-E, M. Vasanji Marg, Andheri Kurla Road,

Safed Pool, Andheri (East), Mumbai 400 072.

Tel Nos. : 022 28515606, 28515644 Fax No. : 022 2851 2885

Email Address: sharexindia@vsnl.com

Website: www.sharexindia.com

8. CODE OF CONDUCT:

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

For **ALKYL AMINES CHEMICALS LTD.**,

K. P. RAJAGOPALAN

General Manager (Secretarial & Legal)

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

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

We have examined the compliance of conditions of corporate governance by Alkyl Amines Chemicals Limited, for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with The Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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

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

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

PARESH H. CLERK
Partner
Membership No.36148

Place : Mumbai
Dated: May 16, 2013

INDEPENDENT AUDITOR'S REPORT

To the Members of

ALKYL AMINES CHEMICALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Alkyl Amines Chemicals Limited ("the Company") which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- ii. in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:
- a. We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act;
 - e. On the basis of the written representations received from the directors of the Company as on March 31, 2013, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

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

Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK

Partner

Membership No.36148

Place : Mumbai

Dated : May 16, 2013

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of ALKYL AMINES CHEMICALS LIMITED on the financial statements for the year ended March 31, 2013.]

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

- i. a. The Company is maintaining proper records of fixed assets to show full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets of the Company have been physically verified by the management according to a phased programme designed to cover all the fixed assets over a period of three years, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancy was noticed on such verification.
- c. The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern.
- ii. a. Inventories have been physically verified by the management during the year or at the year-end. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as on March 31, 2013.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.
- iii. a. As per the information furnished, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.

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

- b. As per the information furnished, the Company has taken unsecured inter corporate deposits from six companies and unsecured loans from three directors covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was ₹ 2,988.63 lakhs and the year end balance of loan taken from such parties was ₹ 2,817.00 lakhs.

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

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

- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. As informed to us, the Company is not engaged in the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- v. a. According to the information and explanations given to us and the records of the Company examined by us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of the Act have been so entered; and

- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements (including purchase of services) entered into the register in pursuance of Section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time, wherever applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence, the question of complying with the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under, does not arise.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. a. According to the information and explanations given to us and the records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service-Tax, Customs Duty, Excise Duty, Cess and other material Statutory dues applicable to it and there were no arrears of such Statutory dues as on March 31, 2013 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, as may be applicable, given herein below are the details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess which have not been deposited on account of disputes and the forum where the dispute is pending:

Name of the Statute	Forum where dispute is pending	Nature of the Dues	Period to which the amount relates	Amount (₹ in lakhs)
The Income-tax Act, 1961	The Assessing Officer is yet to give effect to the orders of the Income-tax Appellate Tribunal	Disallowance of expenditure/ deductions and interest	Assessment Year 1998-1999 Assessment Year 1999-2000 Assessment Year 2003-2004	83.69*
	The Income-tax Appellate tribunal	Disallowance of expenditure/ deductions and interest	Assessment Year 2004-2005 Assessment Year 2007-2008 Assessment Year 2008-2009 Assessment Year 2009-2010	68.52**
	Commissioner of Income Tax (Appeals)	Non-granting of MAT credit and interest	Assessment Year 2008-2009	71.99
		Disallowance of expenditure/ deductions and interest	Assessment Year 2010-2011	57.44***
The Central Excise Act, 1994	The Commissioner of Central Excise (Appeals)	Dispute relating to Cenvat Credit (interest and penalty)	Financial Year 2006-2007 Financial Year 2007-2008	8.95
The Finance Act, 1994	The Commissioner of Central Excise (Appeals)	Service tax on toll processing (interest and penalty)	Financial Year 2004-2005	32.03

*Amount deposited under protest.

**Amounts deposited under protest is ₹ 41.05 Lakhs.

***Amounts deposited under protest is ₹ 48.63 Lakhs.

- x. There are no accumulated losses of the Company as on March 31, 2013 and the Company has not incurred any cash losses during such financial year and in the immediately preceding financial year.
- xi. According to the information and explanations given to us and records of the Company examined by us, the Company has not defaulted in repayment of dues, if any, to a financial institution, bank or debenture holders as at the balance sheet date.
- xii. According to the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. As the Company is not a chit fund, Nidhi, mutual benefit fund or a society, Clause 4(xiii) of the Order is not applicable.
- xiv. According to the information and explanations given to us, as the Company is not dealing or trading in shares, securities, debentures and other investments, the requirements of Clause 4(xiv) of the Order relating to the maintenance of the proper records of the transactions and contracts and making of timely entries therein are not applicable.
- xv. According to the information and explanations given to us, as the Company has not given any guarantee for loans taken by others from banks or financial institutions, the requirement of Clause 4(xv) of the Order to comment on whether the terms and conditions, whereof are prejudicial to the interest of the Company, is not applicable.
- xvi. According to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised other than amounts temporarily placed pending utilisation of the funds for the intended use.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short term basis have not been utilised for long term investment.
- xviii. According to the information and explanations given to us, as the Company has not made any preferential allotment of shares during the year, Clause 4(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us, as the Company has not issued any debenture, the question of creating security or charges in respect thereof does not arise.
- xx. As the Company has not raised any money by public issues during the year, Clause 4(xx) of the Order is not applicable.
- xxi. Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud (i.e. intentional material misstatements resultant from fraudulent financial reporting and misappropriation of assets) on or by the Company has been noticed or reported during the course of our audit.

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

Chartered Accountants

Firm Registration No. 100991W

PARESH H. CLERK

Partner

Membership No.36148

Place : Mumbai

Dated : May 16, 2013

BALANCE SHEET AS AT MARCH 31, 2013

	Note	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	2	1,020.60		1,020.60
Reserves and Surplus	3	9,664.50	10,685.10	7,867.86
				8,888.46
Non-current Liabilities				
Long-term Borrowings	4	5,996.67		5,197.36
Deferred Tax Liabilities (Net)	5	1,827.70		1,667.72
Long-term Provisions	6	203.98	8,028.35	207.76
				7,072.84
Current Liabilities				
Short-term Borrowings	7	7,347.23		5,829.09
Trade Payables	8	3,793.07		2,537.50
Other Current Liabilities	9	2,554.77		2,424.99
Short-term Provisions	10	775.72		579.35
			14,470.79	11,370.93
TOTAL			33,184.24	27,332.23
ASSETS				
Non-current Assets				
Fixed Assets				
Tangible Assets	11	12,599.59		12,215.71
Intangible Assets		10.66		17.38
Capital Work-in-Progress		732.16		421.36
Intangible Assets under Development		160.60		143.91
		13,503.01		12,798.36
Non-current Investments	12	234.27		234.27
Long-term Loans and Advances	13	1,476.81		805.59
Other Non-current Assets	14	NIL		325.68
			15,214.09	14,163.90
Current Assets				
Inventories	15	7,268.66		4,972.82
Trade Receivables	16	7,596.52		6,035.80
Cash and Bank Balances	17	1,543.70		1,107.36
Short-term Loans and Advances	18	1,531.56		995.13
Other Current Assets	19	29.71		57.22
			17,970.15	13,168.33
TOTAL			33,184.24	27,332.23
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements				
	1 - 41			

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

	Note	₹ in Lakhs	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
Revenue from Operations	20		39,588.02	30,831.57
Less : Excise Duty on Sales			3,002.00	2,051.63
Revenue from Operations (Net)			36,586.02	28,779.94
Other Income	21		133.79	251.18
Total Revenue			36,719.81	29,031.12
Expenses				
Cost of Materials Consumed	22		20,529.39	15,413.96
Changes in Inventories of Finished Goods and Work-in-Progress	23		(501.06)	236.38
Employee Benefits Expense	24		2,087.62	1,604.15
Finance Costs	25		1,293.83	1,213.92
Depreciation and Amortisation Expense			1,003.38	890.94
Other Expenses	26		8,713.83	7,303.52
Total Expenses			33,126.99	26,662.87
Profit before exceptional items and Tax			3,592.82	2,368.25
Exceptional items			NIL	NIL
Profit before Tax			3,592.82	2,368.25
Tax Expense:				
Current Tax		1,040.00		595.00
Deferred Tax		159.98		93.33
Current Tax Adjustments of Earlier Years		(0.36)		(36.46)
			1,199.62	651.87
Profit for the Year			2,393.20	1,716.38
Earnings Per Equity Share:				
Basic and Diluted (₹)			23.47	16.83
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements	1-41			

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai**Dated : May 16, 2013**

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai**Dated : May 16, 2013**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	3,592.82	2,368.25
Adjustments for :		
Loss on Sale/Scrap of Fixed Assets	8.36	NIL
Assets Written Off	82.40	65.55
Depreciation	1,003.38	890.94
Interest Expense	1,188.50	1,102.85
Dividend Income	(29.78)	(89.34)
Interest on Deposits and Others	(36.03)	(73.95)
Unrealised Loss/(Gain) on Foreign Exchange	241.91	213.90
Provision for Bad and Doubtful Debts	38.02	8.21
Operating Profit Before Working Capital Changes	6,089.58	4,486.41
Adjustments for :		
Long-term Loans and Advances and other Non-current Assets	201.99	477.30
Inventories	(2,295.84)	223.38
Trade Receivables and Short-term Loans and Advances	(2,377.08)	(1,605.86)
Other Current Assets	27.51	(31.29)
Long-term Provisions	(3.78)	15.79
Trade Payables, Other Current Liabilities and Short-term Provisions	1,467.53	734.00
Cash Generated From Operations	3,109.91	4,299.73
Income Tax paid	(866.12)	(737.45)
Net Cash From Operating Activities	2,243.79	3,562.28
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2,399.66)	(1,474.80)
Sale of Fixed Assets	3.42	NIL
Dividend Income	29.78	89.34
Interest on Deposits and Others	36.03	73.95
Bank Deposits having Original Maturity of more than 3 months	(411.29)	(598.22)
Net Cash From Investing Activities	(2,741.72)	(1,909.73)

	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Deferred Sales Tax Payment	(32.85)	NIL
Proceeds from Long-term Borrowings	773.81	4.99
Increase/Decrease in Short-term Borrowings	1,518.14	329.40
Interest Paid	(1,266.86)	(1,246.37)
Dividend Paid (Including Dividend Distribution Tax)	(474.11)	(356.76)
Net Cash From Financing Activities	518.13	(1,268.74)
Increase in Cash and Cash Equivalents (A+B+C)	20.20	383.81
Cash and Cash Equivalents at the Beginning Of the Year	496.70	112.89
Cash and Cash Equivalents at the End of the Year	516.90	496.70
Components of Cash and Cash Equivalents :		
Cash on hand	1.70	1.11
Other Bank Balances		
- On Current Accounts	240.83	475.38
- On Unpaid Dividend Accounts	24.37	20.21
- On Deposit Accounts	250.00	NIL
	516.90	496.70

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1 BASIS OF PREPARATION:

The accounts are prepared on the basis of going concern under historical cost convention as also accrual basis and in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, and the relevant provisions of the Companies Act, 1956.

1.2 USE OF ESTIMATES:

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

1.3 FIXED ASSETS:

- i. Land (Freehold) is valued at cost;
- ii. Land (Leasehold) is valued at cost less amortisation;
- iii. Other Fixed Assets are valued at cost less accumulated depreciation. 'Cost' for the aforesaid purposes comprises of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of recoverable duties, if any.

1.4 DEPRECIATION:

Depreciation on assets installed/acquired after April 2, 1987 is provided pro-rata on straight line method at the rates and on the basis specified in Schedule XIV to the Companies Act, 1956, as revised by Notification No.G.S.R.756 (E) dated December 16, 1993 and further revised by Notification No.101 (E) of the Department of Company Affairs on the following basis:

- i. In respect of assets installed/acquired prior to April 1, 1993 at the rates computed by allocating the unamortised value of assets existing as on March 31, 1993 as per the books of account, over the remaining part of the specified period which is recomputed by applying to the original cost, the revised rates prescribed in Schedule XIV to the Companies Act, 1956.
- ii. In respect of assets installed/acquired on/after April 1, 1993 at the rates prescribed in Schedule XIV to the Companies Act, 1956.

Leasehold land is being amortized over the period of lease.

1.5 INVESTMENTS:

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

1.6 INVENTORIES:

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

Cost is determined on a Weighted Average basis.

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

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

Cost is determined on a Weighted Average basis.

1.7 TAXATION:

- i. Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- ii. Deferred Tax: In accordance with the Accounting Standard 22 - "Accounting for Taxes on Income", the deferred tax for the timing differences is measured using the tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets arising from the timing differences are recognised only on the consideration of prudence.

1.8 REVENUE RECOGNITION:

- i. **Sales of Manufactured Goods:**

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

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

- ii. **Recognition of Export Benefits:**

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

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

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

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

1.9 EMPLOYEE BENEFITS:

- i. **Defined Contribution Plan:**

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis.

- ii. **Defined Benefit Plan:**

Gratuity- In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lumpsum

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

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

1.10 RESEARCH AND DEVELOPMENT COSTS:

- i. Revenue expenditure on research, if any, is charged against the Profit of the year in which it is incurred.
- ii. Development Expenditure :
 - a. incurred on development of new processes for products which, as per the Management, are completed and are expected to generate future economic benefits, are shown as intangible assets;
The same is amortised on a straight-line basis over a period of five years from the time of capitalisation as an intangible asset;
 - b. incurred on development of new processes for products which, as per the Management, are yet to be completed, are reflected as capital work in progress;
 - c. other development expenses are charged to the Statement of Profit and Loss in the year in which it is incurred.

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

1.11 FOREIGN CURRENCY TRANSACTIONS:

- i. Transactions in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited/ charged to the Statement of Profit and Loss.
- iii. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed asset have been recognised in the Statement of Profit and Loss. However, on the basis of the option available to the Company, the Company has decided to add or deduct exchange differences arising on Long-term Foreign Currency Monetary items at rates different from those at which they were initially recorded so far as they relate to the acquisition of a depreciable capital asset and adjust to the cost of such assets (Refer Note 28).
- iv. In case of forward contracts, the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract.

- v. As required by the Announcement of the Institute of Chartered Accountants of India on positions of derivatives, keeping in view the principle of prudence as per Accounting Standard 1 on “Disclosure of Accounting Policies”, outstanding forward contracts at the Balance Sheet date are reflected by marking them to market and accordingly, the resulting mark to market losses are provided in the Statement of Profit and Loss.

1.12 LEASE RENTALS:

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

1.13 BORROWING COSTS:

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

1.14 IMPAIRMENT OF ASSETS:

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

1.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
2. Share Capital		
Authorised		
15,000,000 (15,000,000) Equity Shares of ₹ 10 par value	1,500.00	1,500.00
1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value	1,500.00	1,500.00
	3,000.00	3,000.00
Issued, Subscribed And Paid Up		
10,198,196 (10,198,196) Equity Shares of ₹ 10 par value fully paid	1,019.82	1,019.82
Shares forfeited	0.78	0.78
	1,020.60	1,020.60

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

	As At March 31, 2013		As At March 31, 2012	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Equity shares of ₹ 10 par value				
At the beginning	10,198,196	1,019.82	10,198,196	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end	10,198,196	1,019.82	10,198,196	1,019.82

2.2 Rights, preferences and restrictions

- The Company has only one class of shares referred to as equity shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on May 16, 2013, proposed a final dividend of ₹ 5 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended March 31, 2013 amounted to ₹ 596.57 lakhs including corporate dividend tax of ₹ 86.66 lakhs.

During the year ended March 31, 2012, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 4. The Dividend appropriation for the year ended March 31, 2012 amounted to ₹ 474.11 lakhs including corporate dividend tax of ₹ 66.18 lakhs.

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

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

	As At March 31, 2013		As At March 31, 2012	
Name of the Shareholder	No. of shares	% held	No. of shares	% held
Yogesh M. Kothari	61,23,311	60.04	61,23,311	60.04

	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
3. Reserves and Surplus		
Capital Reserve	9.68	9.68
Capital Redemption Reserve	25.00	25.00
Securities Premium	1,290.97	1,290.97
General Reserve		
As per last Balance Sheet	2,599.82	2,427.82
Add : Transfer from Surplus	239.00	172.00
	2,838.82	2,599.82
Surplus		
As per last Balance Sheet	3,942.40	2,872.12
Add: Net Profit after Tax transferred from Statement of Profit and Loss	2,393.20	1,716.38
Less : Appropriations		
General Reserve	239.00	172.00
Proposed Dividend	509.91	407.93
Tax on Dividend	86.66	66.18
	5,500.03	3,942.39
	9,664.50	7,867.86
4. Long-term Borrowings		
Term Loans [Refer Note 4.1 (a)]		
Secured		
From Banks	2,736.69	1,759.83
From other parties - Financial Institutions	533.55	956.59
	3,270.24	2,716.42
Deferred Payment Liability		
Unsecured		
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 4.1 (b)(i)]	902.93	958.44
Loans and advances from related parties		
Unsecured [Refer Note 4.1 (b)(ii)]	830.00	800.00
Deposits - Inter Corporate [Refer Note 4.1 (b)(iii)]		
Unsecured		
From Related Parties (Refer Note 32)	474.50	224.50
From Others	519.00	498.00
	993.50	722.50
	5,996.67	5,197.36

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

	Rate of Interest	As At March 31, 2013 (₹ In Lakhs)	As At March 31, 2012 (₹ In Lakhs)
a. Nature of security			
I. Term Loan from Banks			
i. Term Loans of ₹ 1,125 lakhs repayable in 60 monthly instalments from November 30, 2009 and of ₹ 870 lakhs repayable in 48 monthly instalments from July 4, 2008 are secured by:	Ranging from 13.50% p.a. to 15.25% p.a.	140.63	481.88
a. Mortgage of the Company's immovable properties specified in the relevant loan agreements;			
b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created/or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.			
The mortgage and charges referred to above rank pari-passu inter se.			
ii. Term Loan of ₹ 800 lakhs repayable in 60 monthly instalments from October 31, 2009 to part finance Company's normal capital expenditure at Kurkumbh is secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc.	Ranging from 13.35% p.a. to 15% p.a.	201.20	374.50
iii. Foreign Currency Term Loans of US\$ 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012 and of US\$ 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 to part finance Company's normal capital expenditure are secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc.	LIBOR plus 3% p.a.	3,127.53	1,703.79
iv. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	Ranging from 8.86% to 10.95% p.a.	43.02	52.82
Less : Current Maturities of Long-term Debt (Refer Note 9)		3,512.38	2,612.99
		775.69	853.16
		2,736.69	1,759.83
II. Term Loan from Other Parties - Financial Institutions			
i. Term Loan of ₹ 1,700 lakhs repayable in 16 instalments from July 25, 2011 is secured by:	12.00% p.a.	956.25	1,381.25
a. Mortgage of the Company's immovable properties specified in the relevant loan agreements;			
b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created/or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.			
The mortgage and charges referred to above rank pari-passu inter se.			
ii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments of 36 months	8.70% p.a.	2.64	4.22
Less : Current Maturities of Long-term Debt (Refer Note 9)		958.89	1,385.47
		425.34	428.88
		533.55	956.59

	Terms of Repayment	As At March 31, 2013 (₹ In Lakhs)	As At March 31, 2012 (₹ In Lakhs)
b. Terms of repayment of unsecured borrowings			
Borrowings			
i. Deferred payment liability	Repayable after 10 years from the respective year in which actual tax was collected starting from April 26, 2012.	958.55	991.40
Less : Current Maturities of Long-term Debt (Refer Note 9)		<u>55.62</u> <u>902.93</u>	<u>32.96</u> <u>958.44</u>
ii. Loans and advances from Related Parties	Not repayable before March 31, 2014 and carries interest rate ranging from 10.50% to 12% p.a.	830.00	800.00
iii. Deposits - Inter Corporate	Not repayable before March 31, 2014 and carries interest rate ranging from 10.50% to 12% p.a.	993.50	722.50

	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
5. Deferred Tax Liabilities (Net)		
Items of Timing Difference	Accumulated Deferred Tax (Assets) /Liabilities	Accumulated Deferred Tax (Assets) /Liabilities
Deferred Tax Liabilities		
Related to Fixed Assets	2,012.55	1,822.98
	<u>2,012.55</u>	<u>1,822.98</u>
Deferred Tax Assets		
Provision for doubtful debts and advances	(72.36)	(57.72)
Provision for Gratuity	(71.66)	(67.91)
Provision for Leave Encashment	(35.36)	(27.75)
Disallowance under section 43B	(5.47)	(1.88)
	<u>(184.85)</u>	<u>(155.26)</u>
Net Deferred Tax (Assets) / Liabilities	<u>1,827.70</u>	<u>1,667.72</u>

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
6. Long-term Provisions			
Provision for Employee Benefits (Refer Note 30)			
For Gratuity	130.28		150.28
For Leave Encashment	73.70		57.48
		203.98	207.76
		203.98	207.76
7. Short-term Borrowings			
Loans repayable on demand (Refer Note 7.1)			
Secured			
From Banks			
Cash Credit Facilities	6,353.73		4,798.82
Buyers' Credit	NIL		634.77
		6,353.73	5,433.59
Loans and Advances from Related Parties			
Unsecured		693.00	30.00
Deposits - Inter Corporate			
Unsecured			
From Related Parties (Refer Note 32)	260.50		365.50
From Others	40.00		NIL
		300.50	365.50
		7,347.23	5,829.09

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

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
8. Trade Payables			
Micro, Small and Medium Enterprises (Refer Note 8.1)	34.16		39.99
Others	3,758.91		2,497.51
		3,793.07	2,537.50
		3,793.07	2,537.50

	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
8.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:		
Principal amount remaining unpaid and interest due thereon		
- Principal Amount	33.90	38.74
- Interest	NIL	NIL
Interest paid in term of Section 16	NIL	NIL
Interest due and payable for the period of delay in payment	0.26	1.25
Interest accrued and remaining unpaid	NIL	NIL
Interest due and payable even in succeeding years	NIL	NIL
This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
9. Other Current Liabilities		
Current maturities of Long-term Debt		
Term Loans		
Secured		
From Banks [Refer Note 4.1 (a) (I)]	775.69	853.16
From Other Parties - Financial Institutions [Refer Note 4.1 (a) (II)]	425.34	428.88
	1,201.03	1,282.04
Deferred payment liabilities		
Unsecured		
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 4.1 (b)(i)]	55.62	32.96
Interest accrued and due on borrowings	NIL	7.94
Interest accrued but not due on borrowings	16.37	41.14
Unpaid Dividends	24.37	20.21
Other Payables		
-For Capital Expenses	189.79	106.92
-Others*	1,067.59	933.78
	2,554.77	2,424.99
*Others include Statutory Dues, Advance from Customers and other year end provisions.		
10. Short-term Provisions		
Provision for Employee Benefits (Refer Note 30)		
For Gratuity	80.55	59.02
For Leave Encashment	30.34	28.04
	110.89	87.06
Others		
For Proposed Dividend	509.91	407.93
For Tax on Dividend	86.66	66.18
	596.57	474.11
Provision for taxes	1,581.00	595.00
Less : Taxes paid	1,512.74	576.82
	68.26	18.18
	775.72	579.35

11. Fixed Assets

₹ In Lakhs

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2012	Additions	Other Adjustments	Deduction/ Transfer	As At March 31, 2013	Up to March 31, 2012	For the year	Deduction/ Adjustments	Up to March 31, 2013	As At March 31, 2012
Current Year										
Tangible Assets										
Land										
Freehold Land	1.15	-	-	-	1.15	-	-	-	-	1.15
Leasehold Land (Note 11.2)	303.20	-	-	-	303.20	55.76	3.88	-	59.64	243.56
Buildings	2,818.70	345.02	19.02	-	3,182.74	790.16	87.46	-	877.62	2,305.12
Plant and Equipment (Note 11.3)										
Machinery	16,819.95	835.31	83.09	8.75	17,729.60	7,607.41	812.53	6.07	8,413.87	9,315.73
Electrical Equipments	51.78	-	-	-	51.78	20.21	2.43	-	22.64	29.14
Furniture and Fixtures	150.36	2.16	0.06	-	152.58	113.36	7.06	-	120.42	32.16
Vehicles	180.53	25.84	-	17.41	188.96	49.13	16.84	8.31	57.66	131.30
Office Equipments	279.05	21.27	-	30.78	269.54	187.92	31.00	30.78	188.14	81.40
Others										
Electrical Installations	709.97	58.01	2.54	-	770.52	275.03	35.46	-	310.49	460.03
Total	21,314.69	1,287.61	104.71	56.94	22,650.07	9,098.98	996.66	45.16	10,050.48	12,599.59
Intangible Assets										
Development of R&D Products	33.62	-	-	-	33.62	16.24	6.72	-	22.96	10.66
Total	33.62	-	-	-	33.62	16.24	6.72	-	22.96	10.66
Capital Work in progress										
	421.36	1,645.55	89.30	1,424.05	732.16	-	-	-	-	421.36
Total	421.36	1,645.55	89.30	1,424.05	732.16	-	-	-	-	421.36
Intangible Assets Under Development										
Patents	15.18	13.82	-	-	29.00	-	-	-	-	29.00
REACH Registration	-	57.72	-	-	57.72	-	-	-	-	-
Development of R&D Products	128.73	-	-	54.85	73.88	-	-	-	-	73.88
Total	143.91	71.54	-	54.85	160.60	-	-	-	-	143.91

₹ In Lakhs

11. Fixed Assets (Continued)

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2012	Additions	Other Adjustments	Deduction/ Transfer	As At March 31, 2013	Upto March 31, 2012	For the year	Deduction/ Adjustments	Upto March 31, 2013	As At March 31, 2012
Previous Year										
Tangible Assets										
Land										
Freehold Land	1.15	-	-	-	1.15	-	-	-	-	1.15
Leasehold Land (Note 11.2)	303.20	-	-	-	303.20	51.88	3.88	-	55.76	251.32
Buildings	2,542.21	276.49	-	-	2,818.70	716.66	73.50	-	790.16	1,825.55
Plant and Equipment (Note 11.3)										
Machinery	13,910.77	2,671.73	237.45	-	16,819.95	6,885.30	722.11	-	7,607.41	7,025.47
Electrical Equipments	51.29	0.49	-	-	51.78	17.79	2.42	-	20.21	33.50
Furniture and Fixtures	148.26	2.10	-	-	150.36	105.20	8.16	-	113.36	43.06
Vehicles	173.53	7.00	-	-	180.53	33.44	15.69	-	49.13	140.09
Office Equipments	255.85	23.20	-	-	279.05	158.43	29.49	-	187.92	97.42
Others										
Electrical Installations	605.05	104.92	-	-	709.97	246.07	28.96	-	275.03	358.98
Total	17,991.31	3,005.93	237.45	-	21,314.69	8,214.77	884.21	-	9,098.98	9,776.54
Intangible Assets										
Development of R&D Products	25.05	8.57	-	-	33.62	9.52	6.72	-	16.24	15.53
Total	25.05	8.57	-	-	33.62	9.52	6.72	-	16.24	15.53
Capital Work in progress										
	2,195.53	1,575.66	14.13	3,363.96	421.36	-	-	-	-	2,195.53
Total	2,195.53	1,575.66	14.13	3,363.96	421.36	-	-	-	-	2,195.53
Intangible Assets Under Development										
Patents	10.52	4.66	-	-	15.18	-	-	-	-	10.52
Development of R&D Products	122.04	75.07	-	68.38	128.73	-	-	-	-	122.04
Total	132.56	79.73	-	68.38	143.91	-	-	-	-	132.56

₹ In Lakhs

11.1 Above Assets Include Research and Development Assets as mentioned below

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	During the year				As At March 31, 2013	Upto March 31, 2012	For the year	Deduction/ Adjustments	Upto March 31, 2013	As At March 31, 2013	As At March 31, 2012
	As At April 01, 2012	Additions	Other Adjustments	Deduction/ Transfer							
Tangible Assets											
Plant and Equipment											
Machinery	149.74	2.98	-	-	152.72	72.34	7.43	-	79.77	72.95	77.40
Electrical Equipments	9.50	-	-	-	9.50	3.14	0.45	-	3.59	5.91	6.36
Furniture and Fixtures	52.69	-	-	-	52.69	34.45	3.34	-	37.79	14.90	18.24
Vehicles	12.15	-	-	-	12.15	3.35	1.15	-	4.50	7.65	8.80
Office Equipments	7.50	0.88	-	0.43	7.95	4.51	0.50	0.43	4.58	3.37	2.99
Others											
Electrical Installations	0.37	-	-	-	0.37	0.18	0.02	-	0.20	0.17	0.19
Current year	231.95	3.86	-	0.43	235.38	117.97	12.89	0.43	130.43	104.95	113.98
Previous year	231.07	0.88	-	-	231.95	105.22	12.75	-	117.97	113.98	
Intangible Assets											
Development of R&D Products											
Current year	33.62	-	-	-	33.62	16.24	6.72	-	22.96	10.66	17.38
Previous year	25.05	8.57	-	-	33.62	9.52	6.72	-	16.24	17.38	
Capital Work in progress											
Current year	2.98	0.45	-	3.43	-	-	-	-	-	-	2.98
Previous year	0.88	2.98	-	0.88	2.98	-	-	-	-	2.98	
Intangible Assets Under Development											
Patents	15.18	13.82	-	-	29.00	-	-	-	-	29.00	15.18
Development of R&D Products	128.73	-	-	54.85	73.88	-	-	-	-	73.88	128.73
Current year	143.91	13.82	-	54.85	102.88	-	-	-	-	102.88	143.91
Previous year	132.56	79.73	-	68.38	143.91	-	-	-	-	143.91	

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

11.3 Plant, Machinery and Equipments include ₹ 382.12 Lakhs (Previous Year ₹ 390.87 Lakhs) being value of machinery installed at third party premises of Job Contractor, duly confirmed by them.

11.4 Transfer from Capital Work-in-Progress represents capitalisation to Fixed Assets. It also includes write off of Tangible Capital Work-in-Progress of ₹ 27.55 lakhs (Previous Year ₹ 5.74 Lakhs) and Intangible Capital Work-in-Progress of ₹ 54.85 Lakhs (Previous Year ₹ 59.81 Lakhs).

11.5 Other Adjustments represent Borrowings Costs of ₹ 124.38 lakhs (Previous Year ₹ 143.52 lakhs) and Exchange Differences of ₹ 69.63 lakhs (Previous Year ₹ 108.06 lakhs) capitalised during the year as per Para 46/46A of AS11, Refer Note 28 to the Financial Statements

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
12. Non-current Investments			
Long-term investments - valued at cost less provision for other than temporary diminution			
Other than Trade			
In equity instruments of Subsidiaries			
Unquoted			
Fully paid Equity shares			
Quantity Investee Company			
1,638,266 Alkyl Speciality Chemicals Limited		81.91	81.91
(1,638,266) of ₹ 10 each			
100 Alkyl Amines Europe SPRL		8.25	8.25
(100) of Euro 124 each			
In equity instruments of Associate			
Quoted			
Fully paid Equity shares			
Quantity Investee Company			
2,977,997 Diamines and Chemicals Limited		144.11	144.11
2,977,997 of ₹ 10 each			
		234.27	234.27

	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
	Cost Market Value	Cost Market Value
Aggregate amount of Quoted Investments	144.11 732.59	144.11 1,207.58
Aggregate amount of Unquoted Investments	90.16 Not Applicable	90.16 Not Applicable
Total	234.27 732.59	234.27 1,207.58

13. Long-term Loans and Advances

Unsecured			
Capital Advances			
Considered Good	711.18	35.37	
Considered Doubtful	NIL	0.62	
Less : Provision for Doubtful Advances	NIL	0.62	
	711.18	35.37	
Security Deposits			
Considered Good	90.34	131.52	
Considered Doubtful	4.64	4.64	
Less : Provision for Doubtful Deposits	4.64	4.64	
	90.34	131.52	
Other Loans and Advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	489.73	329.70	
Taxes Paid	1,359.61	1,429.41	
Less : Provision for Taxes	1,174.05	1,120.41	
	185.56	309.00	
	675.29	638.70	
	1,476.81	805.59	

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
14. Other Non-current Assets			
Inventories (Refer Note 14.1)		NIL	153.20
Trade Receivables			
Considered Doubtful			
- Outstanding for a period exceeding six months from the date they are due for payment	157.81		160.13
Less : Provision for Doubtful Debts	157.81		160.13
		NIL	NIL
Cash and Bank Balances			
Other Bank Balances			
- On Fixed Deposit Accounts			
With maturity beyond 12 months from Balance Sheet date (Held as margin money)		NIL	4.85
Other loans and advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good		NIL	167.63
Considered Doubtful	38.73		NIL
Less : Provision for Doubtful Advances	38.73		NIL
		NIL	NIL
Advance to Suppliers			
Considered Doubtful	10.78		12.51
Less : Provision for Doubtful Advances	10.78		12.51
		NIL	NIL
		NIL	325.68
14.1 Catalysts not expected to be used within a period of 12 months from the date of the Balance Sheet are considered Non-Current.			
15. Inventories			
Raw Materials		2,316.42	600.26
(Includes in transit ₹ NIL lakhs, Previous Year ₹ 14.69 lakhs)			
Packing Materials		108.77	104.53
Work in Progress		705.30	928.23
Finished Goods		2,958.14	2,106.81
(Includes in transit ₹ 137.17 lakhs, Previous Year ₹ 28.81 lakhs)			
Stores and Spares		417.98	352.84
Other Utilities, Catalyst, etc.		762.05	880.15
		7,268.66	4,972.82
15.1 Details of Inventories			
a. Work-in-Progress			
Amines and Amines Derivatives		607.10	840.92
Other Speciality Chemicals		98.20	85.59
Industrial Gases		NIL	1.72
		705.30	928.23
b. Finished Goods			
Amines and Amines Derivatives		2,867.37	1,934.48
Other Speciality Chemicals		90.11	172.33
Industrial Gases		0.66	NIL
		2,958.14	2,106.81

	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
16. Trade Receivables		
Unsecured, Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment	31.06	29.81
Others	7,565.46	6,005.99
	7,596.52	6,035.80
	7,596.52	6,035.80
17. Cash and Bank Balances		
Cash and cash equivalents		
Cash on hand	1.70	1.11
Balances with Banks		
- On Current Accounts	240.83	475.38
- On Unpaid Dividend Accounts	24.37	20.21
- On Deposit Accounts with original maturity of less than 3 months	250.00	NIL
	516.90	496.70
Other Bank Balances		
- On Fixed Deposit Accounts		
With maturity within 12 months from Balance Sheet date	1,026.80	610.66
	1,543.70	1,107.36
18. Short-term Loans and Advances		
Unsecured, Considered Good		
Security Deposits	8.93	14.03
Loans and Advances to Related Parties (Refer Note 32)	NIL	8.15
Other Loans and advances		
Advances recoverable in cash or in kind for value to be received	344.64	145.94
Advances to Suppliers	711.67	540.02
Balances with Excise and Service Tax Authorities	466.32	286.99
	1,522.63	972.95
	1,531.56	995.13
19. Other Current Assets		
Interest Receivable on Bank/Security deposits	3.50	37.71
Deferred Premium on Forward Contracts	26.21	19.51
	29.71	57.22

		For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
20. Revenue From Operations			
Sale of Products - Manufactured Goods (Refer Note 26.1)		38,898.58	30,200.35
Other Operating Revenues			
Scrap and Raw Material Sales	119.16		50.95
Tolling Charges	473.81		454.01
Export Incentives	90.32		119.75
Miscellaneous Income	6.15		6.51
		689.44	631.22
		39,588.02	30,831.57
Less : Excise Duty on Sales		3,002.00	2,051.63
		36,586.02	28,779.94
20.1 Details of Sales of Products			
Amines and Amines Derivatives		36,128.10	29,247.27
Other Speciality Chemicals		2,366.49	737.92
Industrial Gases		403.99	215.16
		38,898.58	30,200.35
21. Other Income			
Interest on Deposits (Refer Note 26.1)		36.03	73.95
Dividend on Long-term Investments		29.78	89.34
Insurance Claims		0.22	5.24
Amounts/Excess Provision written back		38.42	53.55
Miscellaneous Income		29.34	29.10
		133.79	251.18
22. Cost of Materials Consumed			
Raw Materials			
Opening Stock	600.26		808.00
Add: Purchases	21,073.10		14,179.93
	21,673.36		14,987.93
Less: Closing Stock	2,316.42		600.26
		19,356.94	14,387.67
Packing Materials			
Opening Stock	104.53		63.22
Add: Purchases	1,176.69		1,067.60
	1,281.22		1,130.82
Less: Closing Stock	108.77		104.53
		1,172.45	1,026.29
		20,529.39	15,413.96

	For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
22.1 Details of Raw Materials Consumed		
Denatured Ethyl Alcohol, Methanol and other Alcohols	13,177.04	10057.34
Industrial Gases	3,208.60	1813.61
Others	2,971.30	2516.72
	<u>19,356.94</u>	<u>14387.67</u>
23. Changes in Inventories of Finished Goods and Work-In-Progress		
Finished Goods		
Closing Stock	2,958.14	2,106.81
Less : Opening Stock	<u>2,106.81</u>	<u>2,067.02</u>
	(851.33)	(39.79)
Excise Duty Provision on Finished Goods		
Closing Stock	323.89	196.54
Less : Opening Stock	<u>196.54</u>	<u>192.82</u>
	127.35	3.72
Work-in-Progress		
Closing Stock	705.31	928.23
Less : Opening Stock	<u>928.23</u>	<u>1,200.68</u>
	222.92	272.45
	<u>(501.06)</u>	<u>236.38</u>
24. Employee Benefits Expenses		
Salaries and wages		
Directors' Remuneration	354.66	249.33
Salaries, Wages and Benefits (Refer Note 26.1)	1,328.05	1,025.09
Contribution to Provident Fund and Other Funds	202.80	164.26
Staff Welfare Expenses (Refer Note 26.1)	202.11	165.47
	<u>2,087.62</u>	<u>1,604.15</u>
25. Finance Costs		
Interest Expense		
On Cash Credit Facilities/Buyers' Credit	437.97	285.08
On Term Loans	275.28	264.99
On Others (Refer Note 26.1)	<u>350.81</u>	<u>451.41</u>
	1,064.06	1,001.48
Other Borrowing Costs		
Processing Charges (Refer Note 26.1)	86.56	64.20
Loss on Foreign Currency transactions and translation	105.33	111.07
Other Finance Charges	37.88	37.17
	<u>1,293.83</u>	<u>1,213.92</u>

		For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
26. Other Expenses			
Stores and Spares Consumed		902.58	705.69
Power and Fuel (Refer Note 26.1)		4,829.56	3,618.77
Rent (Refer Note 26.1)		17.92	13.27
Repairs and Maintenance (Refer Note 26.1):			
Building	14.68		51.08
Plant and Machinery	303.36		250.89
Others	99.35		131.51
		417.39	433.48
Insurance		60.73	53.37
Rates and Taxes (Refer Note 26.1)		19.21	9.81
Auditors' Remuneration			
Audit Fees	6.00		6.00
Tax Audit Fees	2.15		2.40
Taxation Matters	0.60		0.60
Certification Work	2.50		2.62
		11.25	11.62
Foreign Exchange Loss (Net)		78.49	305.02
Processing Charges		677.69	550.71
Export Expenses (Refer Note 26.1)		434.05	375.18
Diminution in Carbon Emission Reduction (Refer Note 26.2)		131.98	288.95
Miscellaneous Expenses (Refer Note 26.1)		1,132.98	937.65
		8,713.83	7,303.52
26.1 Details of (Income)/Expenses for prior period			
Income			
Revenue from Operations (Reflected in Note 20)			
Sale of Products - Manufactured Goods		NIL	(2.58)
Other Income (Reflected in Note 21)			
Interest Income		NIL	0.82
Total		NIL	(1.76)
Expenses			
Employee Benefits Expenses (Reflected in Note 24)			
Salaries, Wages, Benefits and Staff Welfare Expenses		0.96	(0.92)
Finance Cost (Reflected in Note 25)			
Interest Expenses - Others		13.38	NIL
Other Borrowing Cost		NIL	0.06
Other Expenses (Reflected in Note 26)			
Power and Fuel		NIL	(1.39)
Rent		NIL	0.02
Repairs and Maintenance:			
Building, Plant and Machinery and Others		4.18	(0.83)
Rates and Taxes		0.25	NIL
Export Expenses		NIL	2.73
Miscellaneous Expenses		0.46	0.66
Total		19.23	0.33
(Income)/Expenses for prior period		19.23	2.09

26.2 From the financial year 2009-10, the Company decided not to recognise Carbon Credits based on mere generation and recognise only when it is certified. Accordingly, the Carbon Credit which was already recognised upto March 31, 2009, on the basis of credits generated, though not certified, continues to be reflected after giving effect due to its realisable value of ₹ 128.90 lakhs (₹ 264.06 lakhs), included as Non-current asset at ₹ NIL (₹ 128.90 lakhs). Accordingly, the amount of ₹ 131.98 lakhs (₹ 288.95 lakhs) is charged for the year as Diminution in Carbon Emission Reduction.

26.3 No expense is incurred and transferred to Intangible Assets under Development during the year. However, the following expenses incurred during the year ended March 31, 2012 on development of new processes for products were transferred to Intangible Assets under Development.

Nature of expenses	For the year ended March 31, 2012 ₹ in Lakhs
Cost of Materials consumed	
Raw Materials	2.34
Packing Materials	0.07
Employee Benefits Expense	
Salaries, Wages and Benefits	53.14
Other Expenses	
Stores and Spares consumed	4.29
Power and Fuel	6.14
Repairs and Maintenance	
Plant and Machinery	0.74
Others	1.99
Miscellaneous Expenses	6.36
Total	75.07

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

Nature of expenses	For the year ended March 31, 2013		For the year ended March 31, 2012	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Cost of Material Consumed				
Raw Materials		3.86		0.04
Packing Material		0.23		NIL
Employees Benefit Expense (In Note 24)				
Salaries and Wages	174.69		76.01	
Contribution to Provident and Other Funds	18.10		14.55	
Staff Welfare Expenses	8.04		7.69	
		200.83		98.25
Depreciation		19.62		19.48
Other Expenses (In Note 26)				
Stores and Spares Consumed	12.94		0.06	
Rent	12.00		9.60	
Repairs and Maintenance				
Building	NIL		0.07	
Plant & Machinery	1.05		0.53	
Others	2.86		0.59	
Insurance	0.31		0.31	
Miscellaneous Expenses	82.36		79.19	
		111.52		90.35
Total		336.06		208.12

27. Contingent Liabilities and Commitment:

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
27.1	Contingent Liabilities : (to the extent not provided for)		
	Matters under disputes/appeals :		
	i. Claims against the Company by Ex- employees in Labour Court not acknowledged as debts	61.40	53.43
	ii. Income Tax (Amount deposited ₹ 174.59 lakhs) (Previous Year ₹ 124.71 lakhs)	272.37	178.86
	iii. Inter State Sales Tax against "C" Form	462.34	372.97
	iv. Sales Tax	NIL	0.15
	v. Central Excise/Service Tax	48.70	41.41
	vi. By its order dated February 18, 2002, the Hon'ble High Court, Mumbai, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 561.99 lakhs (Previous Year ₹ 471.47 lakhs).		
27.2	Commitments		
	a. Estimated amount of contracts remaining to be executed on capital account	1,347.50	91.71
	Less : Advances	711.18	35.98
	Net Estimated Amount	636.32	55.73
	b. Other Commitments	NIL	NIL

28. Fixed Assets:

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 69.63 lakhs (Previous Year ₹ 108.06 lakhs) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Fixed Assets, to its machinery and machinery under installation, i.e. Capital Work-in-Progress. As legally advised, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

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

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

Particulars	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year ended March 31, 2013	For the Year ended March 31, 2012
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ in Lakhs		₹ in Lakhs	
Obligation at period beginning	343.53	280.82	85.52	71.81
Current service cost	18.91	22.66	12.77	13.83
Interest cost	29.20	23.17	7.27	5.92
Actuarial (gain)/loss	48.95	29.51	8.71	3.95
Benefits paid	(7.16)	(12.63)	(10.23)	(9.99)
Obligations at the year end	433.43	343.53	104.04	85.52
- Funded	342.97	263.05	NIL	NIL
- Unfunded	90.46	80.48	104.04	85.52
Change in plan assets				
Plan assets at period beginning, at fair value	134.24	92.07	N.A.	N.A.
Expected return on plan assets	11.54	7.36	N.A.	N.A.
Actuarial gain/(loss)	3.98	2.44	N.A.	N.A.
Contributions	80.00	45.00	N.A.	N.A.
Benefits paid	(7.16)	(12.63)	N.A.	N.A.
Plan assets at the year end, at fair value	222.60	134.24	N.A.	N.A.
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the year	222.60	134.24	NIL	NIL
Present value of the defined benefit obligations at the end of the year	433.43	343.53	104.04	85.52
Liability/(Asset) recognised in the Balance Sheet	210.83	209.29	104.04	85.52
-Funded	120.37	128.81	NIL	NIL
-Unfunded	90.46	80.48	104.04	85.52
Cost for the year				
Current Service cost	18.91	22.66	12.77	13.83
Interest cost	29.20	23.17	7.27	5.92
Expected return on plan assets	(11.54)	(7.36)	NIL	NIL
Actuarial (gain)/loss	44.97	27.08	8.71	3.95
Net Cost recognised in the Profit and Loss Account	81.54	65.54	28.75	23.70
Of the above, Gratuity of ₹ 9.98 lakhs (Previous Year ₹ 6.92 lakhs) is included in Directors' Remuneration and ₹ 71.54 lakhs (Previous Year ₹ 58.62 lakhs) is included in Contribution to Provident Fund and Other Funds in Note 24 on 'Employee Benefits Expense'.				
Category of assets				
Insurer Managed Funds	222.60	134.24	N.A.	N.A.

Assumptions used to determine the benefit obligations:				
Interest rate	8.50%	8.50%	8.50%	8.50%
Estimated rate of return on plan assets	8.60%	8.60%	N.A.	N.A.
Expected rate of increase in salary	5.00%	5.00%	5.00%	5.00%
Actual return on plan assets (₹ In Lakhs)	15.52	9.80	N.A.	N.A.

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

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

Particulars	2012-13 ₹ In Lakhs	2011-12 ₹ In Lakhs	2010-11 ₹ In Lakhs	2009-10 ₹ In Lakhs	2008-09 ₹ In Lakhs
Experience adjustment					
On plan liability (gain)/ loss (*)	39.07	34.78	15.13	84.13	---
On plan assets gain/ (loss) (*)	3.97	2.44	1.20	0.79	---
Present value of benefit obligation	433.43	343.53	280.82	247.12	159.82
Fair value of plan assets	222.60	134.24	92.07	88.50	75.31
Excess of obligation over plan assets (net)	210.83	209.29	188.75	158.62	84.51

(*) To the extent information available from reports of Actuary.

31. Disclosure as per Accounting Standard 17 on “Segment Reporting”:

31.1.Primary Segment:

In accordance with Accounting Standard 17, the Company has identified “Specialty Chemicals” as the only primary reportable business segment.

31.2.Secondary Segment (by Geographical Segment)

	Within India		Outside India		Total	
Particulars	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Segment Revenue	28,532.78	22,157.40	8,053.24	6,622.54	36,586.02	28,779.94
Carrying amount of Segment Assets	31,754.56	25,912.17	1,429.68	1,420.06	33,184.24	27,332.23
Capital Expenditure	13,371.26	12,798.36	57.72	NIL	13,428.98	12,798.36

Note:

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

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

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

32.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 32.2 below:

(₹ In Lakhs)

Particulars	Subsidiary Companies	Associate Company	Key Managerial Personnel and their relative	Entities on which Key Managerial Personnel has control	Entities on which relative of Key Managerial Personnel has Control
			[with 32.2 (III) and 32.2 (IV) below]	[with 32.2 (V) below]	[with 32.2 (VI) below]
Sales of Products		38.11 (1.86)			
Purchases		4.36 (1.00)			
Other Income		1.85 (NIL)			
Miscellaneous Income (Rent)	0.68 (0.68) [From 32.2 (I) (i)]				
Miscellaneous Expenses (Professional Fees)	14.15 (12.48) [To 32.2 (I) (ii)]				
Miscellaneous Expenses (Commission)	22.85 (29.64) [To 32.2 (I) (i)]				
Transactions on our behalf :					
Cenvat Credit Paid by		NIL (4.71)			
Cenvat Credit Availed by		NIL (11.95)			
Miscellaneous Expenses recovered from	NIL (1.14) [From 32.2 (I) (i)]	0.09 (0.18)			
Miscellaneous Expenses reimbursed to	0.18 (NIL) [To 32.2 (I) (i)]	0.11 (0.77)			
Transactions on their behalf :					
Self Assessment tax paid	1.47 (NIL) [32.2 (I) (i)]				
Service Tax Paid	0.18 (NIL) [32.2 (I) (i)]				
Refund of Advances given :	NIL (5.22) [From 32.2 (I) (ii)]	8.10 (NIL) [From 32.2 (II)]			

Particulars	Subsidiary Companies	Associate Company	Key Managerial Personnel and their relative	Entities on which Key Managerial Personnel has control	Entities on which relative of Key Managerial Personnel has Control
			[with 32.2 (III) and 32.2 (IV) below]	[with 32.2 (V) below]	[with 32.2 (VI) below]
Loans and Advances - Unsecured :					
Loan from Directors - Received					
Yogesh Kothari			850.00 (1,375.00)		
Others			123.00 (139.00)		
Loan from Directors - Repaid					
Yogesh Kothari			250.00 (1,965.00)		
Others			30.00 (213.00)		
Deposit - Inter Corporate – Received				145.00 (NIL) [From 32.2 (V) (i to iv)]	
Deposit - Inter Corporate – Repaid				NIL (NIL) [From 32.2 (V) (i to iv)]	
Interest Expenses :					
On Loans from Directors					
Yogesh Kothari			167.82 (276.02)		
Others			6.46 (7.54)		
On Deposit - Inter Corporate					
YMK Trading & Consultancy Private Limited				26.12 (20.18)	
Others				13.64 (7.01)	
Kamiko Investment & Trading Private Limited					10.18 (9.75)
DSP HMK Holdings Private Limited					15.00 (14.73)
ADIKO Investment Private Limited					15.00 (14.73)
Dividend Income		29.78 (89.34)			

Particulars	Subsidiary Companies	Associate Company	Key Managerial Personnel and their relative	Entities on which Key Managerial Personnel has control	Entities on which relative of Key Managerial Personnel has Control
			[with 32.2 (III) and 32.2 (IV) below]	[with 32.2 (V) below]	[with 32.2 (VI) below]
Directors' Remuneration:					
Yogesh Kothari			199.85 (133.12)		
Kirat Patel			82.35 (63.95)		
Suneet Kothari			74.93 (56.50)		
Hemendra Kothari					
Sitting Fees			0.20 (0.60)		
Commission			4.99 (3.33)		
Outstanding Balance As At March 31, 2013					
Loans From Directors					
Yogesh Kothari			1,400.00 (807.94)		
Others			123.00 (30.00)		
Deposit - Inter Corporate					
YMK Trading & Consultancy Private Limited				245.00 (175.00)	
Others				155.00 (55.00)	
Kamiko Investment & Trading Private Limited					85.00 (85.00)
DSP HMK Holdings Private Limited					125.00 (125.00)
ADIKO Investment Private Limited					125.00 (125.00)
Non Current Investments :		144.11 (144.11)			
Alkyl Speciality Chemicals Limited	81.91 (81.91)				
Alkyl Amines Europe SPRL, Belgium	8.24 (8.24)				
Loans and Advances given		NIL (8.15)			
Trade Payables and Other Current Liabilities	85.35 (59.49) [From 32.2 (I) (i)]	0.05 (NIL) [From 32.2 (II)]			

32.2 Relationships:

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

33. Disclosure as per Accounting Standard 19 on "Leases":

33.1 Where the Company is a Lessee:

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

Particulars	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
Within 1 year	13.20	3.20
After 1 year but before 5 years	44.00	NIL
After 5 years	NIL	NIL

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

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

Particulars	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
Numerator for Basic and diluted earnings per Share		
Net Profit/ (Loss) after tax for the year before Preference Dividend	2,393.20	1,716.38
Less :Preference Dividend and Tax thereon	NIL	NIL
Net Profit/ (Loss) after tax for the year (a)	2,393.20	1,716.38
Denominator for Basic and Diluted Earnings per Share		
Weighted average number of Shares (b)	1,01,98,196	1,01,98,196
Basic and Diluted Earnings per Share [(a) / (b)]	₹ 23.47	₹ 16.83
Face value per Share	₹ 10	₹ 10

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

Particulars	As At April 1, 2012 ₹ in Lakhs	Additions during the year ₹ in Lakhs	Amount paid/reversed during the year ₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs
Leave Encashment	85.52 (71.81)	28.75 (23.70)	10.23 (9.99)	104.04 (85.52)
Gratuity	209.30 (188.75)	81.53 (65.55)	80.00 (45.00)	210.83 (209.30)
Proposed Dividend	407.93 (305.95)	509.91 (407.93)	407.93 (305.95)	509.91 (407.93)
Tax on Proposed Dividend	66.18 (50.81)	86.66 (66.18)	66.18 (50.81)	86.66 (66.18)

36. Consumption of Imported / Indigenous Materials:

Particulars	For the Year ended March 31, 2013		For the Year ended March 31, 2012	
	Percentage	Value ₹ in Lakhs	Percentage	Value ₹ in Lakhs
Raw Materials				
Imported	11.08%	2,144.59	17.34%	2,495.00
Indigenous	88.92%	17,212.35	82.66%	11,892.01
TOTAL		19,356.94		14,387.01
Stores and Spares				
Imported	31.67%	285.88	20.64%	163.25
Indigenous	68.33%	616.70	79.36%	627.57
TOTAL		902.58		790.82

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

Particulars	For the Year ended March 31, 2013 (₹ in Lakhs)	For the Year ended March 31, 2012 (₹ in Lakhs)
Raw Materials	1,984.69	2,110.72
Stores and Spares	19.85	134.52
TOTAL	2,004.54	2,245.24

38. Expenditure in Foreign Currency:

Particulars		For the Year ended March 31, 2013 ₹ in Lakhs		For the Year ended March 31, 2012 ₹ in Lakhs
a. Interest				
Term Loan	61.99		38.32	
Less: Capitalised	5.41		4.51	
		56.58		33.81
Cash Credit Facilities/Buyer's Credit		183.16		164.77
b. Bank Charges	27.87		51.07	
Less: Capitalised	22.76		17.78	
		5.11		33.29
c. Other Expenses				
Commission on Sales		24.57		54.85
Professional Charges	87.75		15.45	
Less: Transferred to Capital Work in progress	57.72		NIL	
		30.03		15.45
Export Expenses		NIL		1.81
Freight Inward		0.17		4.55
Miscellaneous Expenses		11.38		1.04
TOTAL		311.00		309.57

39. Earnings in Foreign Currency:

Particulars	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
Export of Goods at F.O.B. value	7,725.10	6,361.32
Other Income	NIL	14.76
TOTAL	7,725.10	6,376.08

40. Financial and Other Derivative Instruments:

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

Particulars		Balance As At March 31, 2013		Balance As At March 31, 2012	
Forward Contracts for		In Foreign Currency	₹ in Lakhs	In Foreign Currency	₹ in Lakhs
Export Trade Receivables	US \$	NIL	NIL	15,72,000	799.05
	Euro	NIL	NIL	1,35,000	91.29
Import Trade Payables	US \$	8,18,690	450.69	8,97,000	463.12
	Euro	2,51,100	176.75	NIL	NIL
FCNR (B) Loan	US \$	29,50,000	1,623.98	29,50,000	1,523.09
Buyer's Credits	US\$	NIL	NIL	12,13,998.39	626.79

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

Particulars		Balance As At March 31, 2013		Balance As At March 31, 2012	
		In Foreign Currency	₹ in Lakhs	In Foreign Currency	₹ in Lakhs
Export Trade Receivables	US \$	23,31,303.21	1254.94	2,63,598.09	133.99
	Euro	2,91,558.69	200.39	6,28,122.88	424.74
Import Trade Payables	US\$	49,181.99	27.07	NIL	NIL
	Euro	4,538.73	3.19	NIL	NIL
Interest on FCNR(B) Loan Payable	US \$	14,068.79	7.74	21,584.00	11.14
ECB Loans	US \$	56,81,250	3,127.53	33,00,000	1,703.79
Interest on ECB payable	US \$	5,877.49	3.24	623.00	0.32
Buyers' Credits	US \$	NIL	NIL	15,469.91	7.99

All outstanding derivatives are marked to market on the balance sheet date and accordingly, mark to market loss of ₹ 49.76 lakhs (Previous Year profit of ₹ 16.52 lakhs) has been recognised.

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013

CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL HIGHLIGHTS - YEAR 2012-2013

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

(₹ in Lakhs)

PARTICULARS	Alkyl Amines Chemicals Ltd.	Alkyl Speciality Chemicals Ltd.	Alkyl Amines Europe Sprl	Diamines and Chemicals Ltd.
Status of Investee	-	Subsidiary	Subsidiary	Associate
		Company	Company	Company
% of Holding of AACL (Approx.)	-	99.99%	100%	30.44%
Share Capital	1020.60	163.83	8.25	978.32
Reserves & Surplus	11492.20	45.57	(4.33)	2822.19
(Including Deferred Taxation (Net))				
Balance of Profit & Loss A/c.	5500.03	(96.67)	2.54	1640.99
Total Assets	33184.24	118.58	7.19	6589.59
Total Liabilities	33184.24	118.58	7.19	6589.59
Investments	234.27	-	-	14.67
Gross Turnover / Other Income	40667.01	22.82	14.14	6411.37
Operating Profit (PBIDT)	5890.03	13.06	6.67	834.84
Profit before Tax	3592.82	13.06	6.67	215.02
Provisoin for Taxation	1199.62	-	-	44.97
Profit after Tax	2393.20	13.06	6.67	170.05
Proposed Dividend	50%	-	-	5%

Exchange rate - EURO= ₹ 68.73

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors of Alkyl Amines Chemicals Limited
Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Alkyl Amines Chemicals Limited ("the Company") and its subsidiary (collectively referred to as "the group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including accounting standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

- i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- ii. in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- iii. in the case of the Consolidated Cash Flow Statement, of the Cash Flow of the Group for the year ended on that date.

Other Matters

The financial statements of an associate, in which the share of profit of the Company is ₹ 8.34 lakhs, have been audited by us.

We did not audit the financial statements of a subsidiary whose financial statements reflect total assets (net) of ₹ 3.92 lakhs as at March 31, 2013, total revenue (net) of ₹ 14.14 lakhs and net cash outflow amounting to ₹ 1.62 lakhs for the year ended on that date. These financial statements have been audited by another auditor whose report has been furnished to us and our opinion, is based solely on the report of the other auditor.

Our opinion is not qualified in respect of other matters.

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

PARESH H. CLERK
Partner
Membership No. 36148

Place : Mumbai
Dated : May 16, 2013

BALANCE SHEET AS AT MARCH 31, 2013

	Note No.	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	3	1,020.60		1,020.60
Reserves and Surplus	4	10,602.79	11,623.39	8,784.15
				9,804.75
Non-current Liabilities				
Long-term Borrowings	5	5,996.67		5,197.36
Deferred Tax Liabilities (Net)	6	1,827.70		1,667.72
Other Long-term Liabilities	7	NIL		0.27
Long-term Provisions	8	203.98	8,028.35	207.76
				7,073.11
Current Liabilities				
Short-term Borrowings	9	7,347.23		5,829.09
Trade Payables	10	3,793.30		2,537.72
Other Current Liabilities	11	2,483.17		2,371.95
Short-term Provisions	12	775.72		579.35
			14,399.42	11,318.11
TOTAL			34,051.16	28,195.97
ASSETS				
Non-current Assets				
Fixed Assets				
Tangible Assets	13	12,599.59		12,215.71
Intangible Assets		10.66		17.38
Capital Work-in-Progress		732.16		421.36
Intangible Assets under Development		160.60		143.91
		13,503.01		12,798.36
Non-current Investments	14	1,050.32		1,045.03
Long-term Loans and Advances	15	1,478.09		812.31
Other Non-current Assets	16	13.69	16,045.11	333.55
				14,989.25
Current Assets				
Inventories	17	7,268.66		4,972.82
Trade Receivables	18	7,596.52		6,035.80
Cash and Bank Balances	19	1,546.91		1,116.49
Short-term Loans and Advances	20	1,564.25		1,024.39
Other Current Assets	21	29.71		57.22
			18,006.05	13,206.72
TOTAL			34,051.16	28,195.97
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements				
	1-44			

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

		For the Year ended March 31, 2013	For the Year ended March 31, 2012
	Note No.	₹ in Lakhs	₹ in Lakhs
Revenue from Operations	22	39,588.02	30,831.57
Less : Excise Duty on Sales		3,002.00	2,051.63
Revenue from Operations (Net)		36,586.02	28,779.94
Other Income	23	136.83	253.67
Total Revenue		36,722.85	29,033.61
Expenses			
Cost of Materials Consumed	24	20,529.39	15,413.96
Changes in Inventories of Finished Goods and Work-in-Progress	25	(501.06)	236.38
Employee Benefits Expense	26	2,089.96	1,606.36
Finance Costs	27	1,293.83	1,213.92
Depreciation and Amortisation Expense		1,003.38	890.94
Other Expenses	28	8,694.80	7,273.75
Total Expenses		33,110.30	26,635.31
Profit before exceptional items and Tax		3,612.55	2,398.30
Exceptional items		NIL	NIL
Profit Before Tax		3,612.55	2,398.30
Tax Expense:			
Current Tax		1,040.00	595.00
Deferred Tax		159.98	93.33
Current Tax (MAT)		2.38	1.58
Less : MAT Credit Entitlement		(2.38)	(1.58)
Current Tax Adjustments of Earlier Years		(0.36)	(36.46)
		1,199.62	651.87
Profit for the Year		2,412.93	1,746.43
Share of Profit of Associate Company		8.34	13.07
Profit for the Year		2,421.27	1,759.50
Earnings Per Equity Share:		23.74	17.25
Basic and Diluted (₹)			
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements	1-44		

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	3,612.55	2,398.30
Adjustments for :		
Loss on Sale/Scrap of Fixed Assets	8.36	NIL
Assets Written Off	82.40	65.55
Depreciation	1,003.38	890.94
Interest Expense	1,188.50	1,102.85
Dividend Income	(29.78)	(89.34)
Interest on Deposits and Others	(39.13)	(77.04)
Unrealised Loss/(Gain) on Foreign Exchange	241.91	213.90
Provision for Bad and Doubtful Debts	38.02	8.21
Operating Profit Before Working Capital Changes	6,106.21	4,513.37
Adjustments for :		
Long-term Loans and Advances and other Non-current Assets	207.42	477.27
Inventories	(2,295.84)	223.38
Trade Receivables and Short-term Loans and Advances	(2,379.35)	(1,611.91)
Other Current Assets	27.51	(31.29)
Other Long-term Liabilities and Long-term Provisions	(4.05)	15.79
Trade Payables, Other Current Liabilities and Short-term Provisions	1,449.03	712.10
Cash Generated From Operations	3,110.93	4,298.71
Income Tax paid	(872.82)	(740.71)
Net Cash From Operating Activities	2,238.11	3,558.00
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,399.66)	(1,474.80)
Sale of Fixed Assets	3.42	NIL
Dividend Income	29.78	89.34
Interest on Deposits and Others	39.13	77.04
Effect of Exchange Fluctuation on Foreign Currency	(3.06)	(2.41)
Bank Deposits having Original Maturity of more than 3 months	(411.57)	(598.46)
Net Cash From Investing Activities	(2,741.96)	(1,909.29)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Deferred Sales Tax Payment	(32.85)	NIL
Proceeds from Long-term Borrowings	773.81	4.99
Increase/Decrease in Short-term Borrowings	1,518.14	329.40
Interest Paid	(1,266.86)	(1,246.37)
Dividend Paid (Including Dividend Distribution Tax)	(474.11)	(356.76)
Net Cash From Financing Activities	518.13	(1,268.74)
Increase in Cash and Cash Equivalents (A+B+C)	14.28	379.97
Cash and Cash Equivalents at the Beginning of the Year	505.83	125.86
Cash and Cash Equivalents at the End of the Year	520.11	505.83
Components of Cash and Cash Equivalents :		
Cash on hand	1.70	1.11
Other Bank Balances		
- On Current Accounts	244.04	484.51
- On Unpaid Dividend Accounts	24.37	20.21
- On Deposit Accounts	250.00	NIL
	520.11	505.83

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013

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

The Consolidated Financial Statements (CFS) are prepared in accordance with Accounting Standard - 21 (AS-21) – “Consolidated Financial Statements” and Accounting Standard - 23 (AS-23) – “Accounting for Investments in Associates in Consolidated Financial Statements” as referred to in Section 211 (3C) of the Companies Act, 1956, which have been notified by the Companies (Accounting Standards) Rules, 2006.

1.2 Principles of Consolidation:

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

The consolidated statements are prepared on the following basis:

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

1.3 Companies included in Consolidation:

The following companies are considered for the CFS:

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

2. SIGNIFICANT ACCOUNTING POLICIES:
2.1 ACCOUNTING CONVENTION:

The accounts are prepared on the basis of going concern under historical cost convention as also accrual basis and in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, which have been notified by the Companies (Accounting Standards) Rules, 2006, and in accordance with the requirements of the Companies Act, 1956.

2.2 USE OF ESTIMATES:

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

2.3 OTHER SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL INFORMATION:

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

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
3. Share Capital			
Authorised:			
15,000,000(15,000,000) Equity Shares of ₹ 10 par value		1,500.00	1,500.00
1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value		1,500.00	1,500.00
		3,000.00	3,000.00
Issued, Subscribed And Paid Up			
10,198,196 (10,198,196) Equity Shares of ₹ 10 par value fully paid		1,019.82	1,019.82
Shares forfeited		0.78	0.78
		1,020.60	1,020.60
		1,020.60	1,020.60

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

	As At March 31, 2013		As At March 31, 2012	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Equity shares of ₹ 10 par value				
At the beginning	10,198,196	1,019.82	10,198,196	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end	10,198,196	1,019.82	10,198,196	1,019.82

3.2 Rights, preferences and restrictions

- i. The Company has only one class of shares referred to as equity shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
- ii. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on May 16, 2013, proposed a final dividend of ₹ 5 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended March 31, 2013 amounted to ₹ 596.57 lakhs including corporate dividend tax of ₹ 86.66 lakhs.

During the year ended March 31, 2012, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 4. The Dividend appropriation for the year ended March 31, 2012 amounted to ₹ 474.11 lakhs including corporate dividend tax of ₹ 66.18 lakhs.

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

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

Name of the Shareholder	As At March 31, 2013		As At March 31, 2012	
	No. of shares	% held	No. of shares	% held
Yogesh M. Kothari	6,123,311	60.04	6,123,311	60.04

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
4. Reserves and Surplus			
Revaluation Reserve (Of the Associate Company)			
Transferred from General reserve	96.18		99.18
Less: Transferred to Statement of Profit and Loss	3.00		3.00
		93.18	96.18
Capital Reserve			
As per last Balance Sheet	142.70		142.70
Capital Redemption Reserve	25.00		25.00
Securities Premium	1,290.97		1,290.97
General Reserve			
As per last Balance Sheet	2,599.82		2,427.82
Add : Transfer from Surplus	239.00		172.00
		2,838.82	2,599.82
Foreign Currency Translation Reserve (Refer Note 32)		(6.87)	(3.81)
Surplus			
As per last Balance Sheet	4,633.29		3,519.90
Add : Net Profit after Tax transferred from Statement of Profit and Loss	2,421.27		1,759.50
Less : Appropriations			
General Reserve	239.00		172.00
Proposed Dividend	509.91		407.93
Tax on Dividend	86.66		66.18
		6,218.99	4,633.29
		10,602.79	8,784.15
5. Long-term Borrowings			
Term Loans [Refer Note 5.1 (a) below]			
-Secured			
From Banks	2,736.69		1,759.83
From Other Parties - Financial Institutions	533.55		956.59
		3,270.24	2,716.42
Deferred Payment Liability			
-Unsecured			
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 5.1 (b)(i) below]		902.93	958.44
Loans and advances from Related Parties			
-Unsecured [Refer Note 5.1 (b)(ii) below]		830.00	800.00
Deposits - Inter Corporate [Refer Note 5.1 (b)(iii) below]			
-Unsecured			
From Related Parties (Refer Note 38)	474.50		224.50
From Others	519.00		498.00
		993.50	722.50
		5,996.67	5,197.36

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

	Rate of Interest	As At March 31, 2013 (₹ In Lakhs)	As At March 31, 2012 (₹ In Lakhs)
a. Nature of security			
I. Term Loan from Banks			
i. Term Loans of ₹ 1,125 lakhs repayable in 60 monthly instalments from November 30, 2009 and of ₹ 870 lakhs repayable in 48 monthly instalments from July 4, 2008 are secured by: a. Mortgage of the Company's immovable properties specified in the relevant loan agreements; b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created/or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements. The mortgage and charges referred to above rank pari-passu inter se.	Ranging from 13.50% p.a. to 15.25% p.a.	140.63	481.88
ii. Term Loan of ₹ 800 lakhs repayable in 60 monthly instalments from October 31, 2009 to part finance Company's normal capital expenditure at Kurumbh is secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc.	Ranging from 13.35% p.a. to 15% p.a.	201.20	374.50
iii. Foreign Currency Term Loans of US\$ 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012 and of US\$ 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 to part finance Company's normal capital expenditure are secured by creation of charges on properties listed at item i.a. above and also a second charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc.	LIBOR plus 3% p.a.	3,127.53	1,703.79
iv. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	Ranging from 8.86% to 10.95% p.a.	43.02	52.82
		3,512.38	2,612.99
Less : Current Maturities of Long-term Debt (Refer Note 11)		775.69	853.16
		2,736.69	1,759.83
II. Term Loan from Other Parties - Financial Institutions			
i. Term Loan of ₹ 1,700 lakhs repayable in 16 instalments from July 25, 2011 is secured by: a. Mortgage of the Company's immovable properties specified in the relevant loan agreements; b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created/or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements. The mortgage and charges referred to above rank pari-passu inter se.	12.00% p.a.	956.25	1,381.25
ii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments of 36 months	8.70% p.a.	2.64	4.22
Less : Current Maturities of Long-term Debt (Refer Note 11)		958.89	1,385.47
		425.34	428.88
		533.55	956.59
b. Terms of repayment of unsecured borrowings			
Borrowings			
i. Deferred payment liability	Terms of Repayment Repayable after 10 years from the respective year in which actual tax was collected starting from April 26, 2012.	958.55	991.40
Less : Current Maturities of Long-term Debt (Refer Note 11)		55.62	32.96
		902.93	958.44

	Terms of Repayment	As At March 31, 2013 (₹ In Lakhs)	As At March 31, 2012 (₹ In Lakhs)
ii. Loans and advances from Related Parties	Not repayable before March 31, 2014 and carries interest rate ranging from 10.50% to 12% p.a.	830.00	800.00
iii. Deposits - Inter Corporate	Not repayable before March 31, 2014 and carries interest rate ranging from 10.50% to 12% p.a.	993.50	722.50

6. Deferred Tax Liabilities (Net)	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
Items of Timing Difference	Accumulated Deferred Tax (Assets)/Liabilities	Accumulated Deferred Tax (Assets)/Liabilities
Deferred Tax Liabilities		
Related to Fixed Assets	2,012.55	1,822.98
	<u>2,012.55</u>	<u>1,822.98</u>
Deferred Tax Assets		
Provision for doubtful debts and advances	(72.36)	(57.72)
Provision for Gratuity	(71.66)	(67.91)
Provision for Leave Encashment	(35.36)	(27.75)
Disallowance under section 43B	(5.47)	(1.88)
	<u>(184.85)</u>	<u>(155.26)</u>
Net Deferred Tax (Assets) / Liabilities	<u>1,827.70</u>	<u>1,667.72</u>

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
7. Other Long-term Liabilities			
Others		NIL	0.27
		<u>NIL</u>	<u>0.27</u>
8. Long-term Provisions			
Provision for Employee Benefits			
For Gratuity	130.28		150.28
For Leave Encashment	<u>73.70</u>		<u>57.48</u>
		<u>203.98</u>	<u>207.76</u>
		<u>203.98</u>	<u>207.76</u>

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
9. Short-Term Borrowings			
Loans repayable on demand (Refer Note 9.1)			
Secured			
From Banks			
Cash Credit Facilities	6,353.73		4,798.82
Buyers' Credit	NIL		634.77
		6,353.73	5,433.59
Loans and Advances from Related Parties.			
Unsecured		693.00	30.00
Deposits - Inter Corporate			
Unsecured			
From Related Parties (Refer Note 38)	260.50		365.50
From Others	40.00		NIL
		300.50	365.50
		7,347.23	5,829.09

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

10. Trade Payables

Micro, Small and Medium Enterprises (Refer Note 10.1)	34.16		39.99
Others	3,759.14		2,497.73
		3,793.30	2,537.72
		3,793.30	2,537.72
10.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006			
Principal amount remaining unpaid and interest due thereon			
- Principal Amount		33.90	38.74
- Interest		NIL	NIL
Interest paid in term of Section 16		NIL	NIL
Interest due and payable for the period of delay in payment		0.26	1.25
Interest accrued and remaining unpaid		NIL	NIL
Interest due and payable even in succeeding years		NIL	NIL

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

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
11. Other Current Liabilities			
Current maturities of Long-term Debt			
Term Loans			
Secured			
From Banks [Refer Note 5.1(a)(I)]	775.69		853.16
From Other Parties - Financial Institutions [Refer Note 5.1(a)(II)]	425.34		428.88
		1,201.03	1,282.04
Deferred payment liabilities			
Unsecured			
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 5.1 (b)(i)]		55.62	32.96
Interest accrued and due on Borrowings		NIL	7.94
Interest accrued but not due on Borrowings		16.37	41.14
Unpaid Dividends		24.37	20.21
Other Payables			
-For Capital Expenses		189.79	106.92
-Others*		995.99	880.74
		2,483.17	2,371.95
* Others include Statutory Dues, Advance from Customers and other year end provisions.			
12. Short-term Provisions			
Provision for Employee Benefits			
For Gratuity	80.55		59.02
For Leave Encashment	30.34		28.04
		110.89	87.06
Others			
For Proposed Dividend	509.91		407.93
For Tax on Dividend	86.66		66.18
		596.57	474.11
Provision for Taxes	1,581.00		595.00
Less : Taxes paid	1,512.74		576.82
		68.26	18.18
		775.72	579.35

13. Fixed Assets

₹ in Lakhs

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2012	Additions	Other Adjustments	Deduction/ Transfer	As At March 31, 2013	Up to March 31, 2012	For the year	Deduction / Adjustments	Up to March 31, 2013	As At March 31, 2012
Current Year										
Tangible Assets										
Land	-	-	-	-	-	-	-	-	-	-
Freehold Land	1.15	-	-	-	1.15	-	-	-	1.15	1.15
Leasehold Land (Note 13.2)	303.20	-	-	-	303.20	55.76	3.88	-	59.64	247.44
Buildings	2,818.70	345.02	19.02	-	3,182.74	790.16	87.46	-	877.62	2,028.54
Plant and Equipment (Note 13.3)										
Machinery	16,819.95	835.31	83.09	8.75	17,729.60	7,607.41	812.53	6.07	8,413.87	9,212.54
Electrical Equipments	51.78	-	-	-	51.78	20.21	2.43	-	22.64	31.57
Furniture and Fixtures	150.36	2.16	0.06	-	152.58	113.36	7.06	-	120.42	37.00
Vehicles	180.53	25.84	-	17.41	188.96	49.13	16.84	8.31	57.66	131.40
Office Equipments	279.05	21.27	-	30.78	269.54	187.92	31.00	30.78	188.14	91.13
Others										
Electrical Installations	709.97	58.01	2.54	-	770.52	275.03	35.46	-	310.49	434.94
Total	21,314.69	1,287.61	104.71	56.94	22,650.07	9,098.98	996.86	45.16	10,050.48	12,215.71
Intangible Assets										
Development of R&D Products	33.62	-	-	-	33.62	16.24	6.72	-	22.96	17.38
Total	33.62	-	-	-	33.62	16.24	6.72	-	22.96	17.38
Capital Work in progress										
	421.36	1,645.55	89.30	1,424.05	732.16	-	-	-	-	421.36
Total	421.36	1,645.55	89.30	1,424.05	732.16	-	-	-	-	421.36
Intangible Assets Under Development										
Patents	15.18	13.82	-	-	29.00	-	-	-	-	15.18
REACH Registration	-	57.72	-	-	57.72	-	-	-	-	-
Development of R&D Products	128.73	-	-	54.85	73.88	-	-	-	-	128.73
Total	143.91	71.54	-	54.85	160.60	-	-	-	-	143.91

13. Fixed Assets (Continued)

₹ in Lakhs

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As At April 01, 2012	Additions	Other Adjustments	Deduction/ Transfer	As At March 31, 2013	Upto March 31, 2012	For the year	Deduction / Adjustments	Upto March 31, 2013	As At March 31, 2013	As At March 31, 2012
Previous Year											
Tangible Assets											
Land	-	-	-	-	-	-	-	-	-	-	-
Freehold Land	1.15	-	-	-	1.15	-	-	-	-	1.15	1.15
Leasehold Land (Note 13.2)	303.20	-	-	-	303.20	51.88	3.88	-	55.76	247.44	251.32
Buildings	2,542.21	276.49	-	-	2,818.70	716.66	73.50	-	790.16	2,028.54	1,825.55
Plant and Equipment (Note 13.3)											
Machinery	13,910.77	2,671.73	237.45	-	16,819.95	6,885.30	722.11	-	7,607.41	9,212.54	7,025.47
Electrical Equipments	51.29	0.49	-	-	51.78	17.79	2.42	-	20.21	31.57	33.50
Furniture and Fixtures	148.26	2.10	-	-	150.36	105.20	8.16	-	113.36	37.00	43.06
Vehicles	173.53	7.00	-	-	180.53	33.44	15.69	-	49.13	131.40	140.09
Office Equipments	255.85	23.20	-	-	279.05	158.43	29.49	-	187.92	91.13	97.42
Others											
Electrical Installations	605.05	104.92	-	-	709.97	246.07	28.96	-	275.03	434.94	358.98
Total	17,991.31	3,085.93	237.45	-	21,314.69	8,214.77	884.21	-	9,098.98	12,215.71	9,776.54
Intangible Assets											
Development of R&D Products	25.05	8.57	-	-	33.62	9.52	6.72	-	16.24	17.38	15.53
Total	25.05	8.57	-	-	33.62	9.52	6.72	-	16.24	17.38	15.53
Capital Work in progress	2,195.53	1,575.66	14.13	3,363.96	421.36	-	-	-	-	421.36	2,195.53
Total	2,195.53	1,575.66	14.13	3,363.96	421.36	-	-	-	-	421.36	2,195.53
Intangible Assets Under Development											
Patents	10.52	4.66	-	-	15.18	-	-	-	-	15.18	10.52
Development of R&D Products	122.04	75.07	-	68.38	128.73	-	-	-	-	128.73	122.04
Total	132.56	79.73	-	68.38	143.91	-	-	-	-	143.91	132.56

13.1 Above assets include Research and Development assets as mentioned below

₹ in Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2012	Additions	Other Adjustments	Deduction/ Transfer	As At March 31, 2013	Upto March 31, 2012	For the year	Deduction / Adjustments	Upto March 31, 2013
Tangible Assets									
Plant and Equipment									
Machinery	149.74	2.98	-	-	152.72	72.34	7.43	-	79.77
Electrical Equipments	9.50	-	-	-	9.50	3.14	0.45	-	3.59
Furniture and Fixtures	52.69	-	-	-	52.69	34.45	3.34	-	37.79
Vehicles	12.15	-	-	-	12.15	3.35	1.15	-	4.50
Office Equipments	7.50	0.88	-	0.43	7.95	4.51	0.50	0.43	4.58
Others									
Electrical Installations	0.37	-	-	-	0.37	0.18	0.02	-	0.20
Current year	231.95	3.86	-	0.43	235.38	117.97	12.89	0.43	130.43
Previous year	231.07	0.88	-	-	231.95	105.22	12.75	-	117.97
Intangible Assets									
Development of R&D Products									
Current year	33.62	-	-	-	33.62	16.24	6.72	-	22.96
Previous year	33.62	-	-	-	33.62	16.24	6.72	-	22.96
Capital Work in progress									
Current year	2.98	0.45	-	3.43	-	-	-	-	-
Previous year	2.98	0.45	-	3.43	-	-	-	-	-
Intangible Assets Under Development									
Patents	15.18	13.82	-	-	29.00	-	-	-	-
Development of R&D Products	128.73	-	-	54.85	73.88	-	-	-	-
Current year	143.91	13.82	-	54.85	102.88	-	-	-	-
Previous year	132.56	79.73	-	68.38	143.91	-	-	-	-

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

13.3 Plant, Machinery and Equipments include ₹ 382.12 Lakhs (Previous Year ₹ 390.87 Lakhs) being value of machinery installed at third party premises of Job Contractor, duly confirmed by them.

13.4 Transfer from Capital Work-in-Progress represents capitalisation to Fixed Assets. It also includes write off of Tangible Capital Work-in-Progress of ₹ 27.55 lakhs (Previous Year ₹ 5.74 Lakhs) and Intangible Capital Work-In-Progress of ₹ 54.85 Lakhs (Previous Year ₹ 59.81 Lakhs).

13.5 Other Adjustments represent Borrowings Costs of ₹ 124.38 lakhs (Previous Year ₹ 143.52 lakhs) and Exchange Differences of ₹ 69.63 lakhs (Previous Year ₹ 108.06 lakhs) capitalised during the year as per Para 46/46A of AS11. Refer Note 28 to the Financial Statements

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
14. Non-current Investments			
Long-term investments - valued at cost less provision for other than temporary diminution			
Other than Trade			
In equity instruments of Associate			
Quoted			
Fully paid Equity shares			
Quantity Investee Company			
2,977,997 Diamines and Chemicals Limited		144.11	144.11
(2,977,997) of ₹ 10 each			
Add : Share of post acquisition profits		906.21	900.92
		1,050.32	1,045.03

	As At March 31, 2013 ₹ in Lakhs		As At March 31, 2012 ₹ in Lakhs	
	Cost	Market Value	Cost	Market Value
Aggregate amount of Quoted Investments	144.11	732.59	144.11	1,207.58

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
15. Long-term Loans and Advances			
Unsecured			
Capital Advances			
Considered Good	711.18		35.37
Considered Doubtful	NIL		0.62
Less : Provision for Doubtful Advances	NIL		0.62
		711.18	35.37
Security Deposits			
Considered Good	90.34		131.52
Considered Doubtful	4.64		4.64
Less : Provision for Doubtful Deposits	4.64		4.64
		90.34	131.52
Other Loans and advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	490.05		335.46
Taxes Paid	1,365.32		1,430.37
Less : Provision for Taxes	1,178.80		1,120.41
	186.52		309.96
		676.57	645.42
		1,478.09	812.31

	₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
16. Other Non-current Assets			
Inventories (Refer Note 16.1)		NIL	153.20
Trade Receivables			
Considered Doubtful			
- Outstanding for a period exceeding six months from the date they are due for payment	157.81		175.71
Less : Provision for Doubtful Debts	157.81		175.71
Cash and Bank Balances		NIL	NIL
Other Bank Balances			
- On Fixed Deposit Accounts			
With maturity beyond 12 months from Balance Sheet date (Held as margin money)		4.67	9.24
Other loans and advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	NIL		167.63
Considered Doubtful	38.73		NIL
Less : Provision for Doubtful Advances	38.73		NIL
		NIL	167.63
Advance to Suppliers			
Considered Doubtful	10.78		12.51
Less : Provision for Doubtful Advances	10.78		12.51
		NIL	NIL
MAT Credit Entitlement		9.02	3.48
		13.69	333.55

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

17. Inventories

Raw Materials	2,316.42	600.26
(Includes in transit ₹ 14.69 lakhs, previous year ₹ NIL)		
Packing Materials	108.77	104.53
Work in Progress	705.30	928.23
Finished Goods	2,958.14	2,106.81
(Includes in transit ₹ 28.81 lakhs, previous year ₹ 53.64 lakhs)		
Stores and Spares	417.98	352.84
Other Utilities, Catalyst, etc.	762.05	880.15
	7,268.66	4,972.82

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
17.1 Details of Inventories			
a. Work-in-Progress			
Amines and Amines Derivatives		607.10	840.92
Other Speciality Chemicals		98.20	85.59
Industrial Gases		NIL	1.72
		705.30	928.23
b. Finished Goods			
Amines and Amines Derivatives		2,867.37	1,934.48
Other Speciality Chemicals		90.11	172.33
Industrial Gases		0.66	NIL
		2,958.14	2,106.81
18. Trade Receivables			
Unsecured, Considered Good			
Outstanding for a period exceeding six months from the date they are due for payment	31.06		29.81
Others	7,565.46		6,005.99
		7,596.52	6,035.80
		7,596.52	6,035.80
19. Cash and Bank Balances			
Cash and cash equivalents			
Cash on hand	1.70		1.11
Balances with Banks			
- On Current Accounts	244.04		484.51
- On Unpaid Dividend Accounts	24.37		20.21
- On Deposit Accounts			
With original maturity of less than 3 months	250.00		NIL
		520.11	505.83
Other Bank Balances			
- On Fixed Deposit Accounts			
With maturity within 12 months from Balance Sheet date		1,026.80	610.66
		1,546.91	1,116.49

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
20. Short-term Loans and Advances			
Unsecured, Considered Good			
Security Deposits		8.93	14.03
Loans and Advances to Related Parties (Refer Note 38)		23.00	31.15
Other Loans and Advances			
Advances recoverable in cash or in kind for value to be received	351.48		150.51
Advances to Suppliers	711.67		540.02
Balances with Excise and Service Tax Authorities	466.32		286.99
		1,529.47	977.52
Taxes Paid	5.23		3.27
Less : Provision for Taxes	2.38		1.58
		2.85	1.69
		1,564.25	1,024.39
21. Other Current Assets			
Interest Receivable on Bank/Security Deposits		3.50	37.71
Deferred Premium on Forward Contracts		26.21	19.51
		29.71	57.22

		For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
22. Revenue From Operations			
Sale of Products - Manufactured Goods (Refer Note 28.1)		38,898.58	30,200.35
Other Operating Revenues			
Scrap and Raw Material Sales	119.16		50.95
Tolling Charges	473.81		454.01
Export Incentives	90.32		119.75
Miscellaneous Income	6.15		6.51
		689.44	631.22
		39,588.02	30,831.57
Less : Excise Duty on Sales		3,002.00	2,051.63
		36,586.02	28,779.94
22.1 Details of Sale of Products			
Amines and Amines Derivatives		36,128.10	29,247.27
Speciality Chemicals		2,366.49	737.92
Industrial Gases		403.99	215.16
		38,898.58	30,200.35
23. Other Income			
Interest on Deposits (Refer Note 28.1)		39.13	77.04
Dividend on Long-term Investments		29.78	89.34
Insurance Claims		0.22	5.24
Amounts/Excess Provision written back		38.42	53.55
Miscellaneous Income		29.28	28.50
		136.83	253.67
24. Cost of Materials Consumed			
Raw Materials			
Opening Stock	600.26		808.00
Add: Purchases	21,073.10		14,179.93
	21,673.36		14,987.93
Less: Closing Stock	2,316.42		600.26
		19,356.94	14,387.67
Packing Materials			
Opening Stock	104.53		63.22
Add: Purchases	1,176.69		1,067.60
	1,281.22		1,130.82
Less: Closing Stock	108.77		104.53
		1,172.45	1,026.29
		20,529.39	15,413.96

		For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
24.1 Details of Raw Materials Consumed			
Alcohols		13,177.04	10,057.34
Industrial Gases		3,208.60	1,813.61
Others		2,971.30	2,516.72
		19,356.94	14,387.67
25. Changes in Inventories of Finished Goods and Work-In-Progress			
Finished Goods			
Closing Stock	2,958.14		2,106.81
Less : Opening Stock	2,106.81		2,067.02
		(851.33)	(39.79)
Excise Duty Provision on Finished Goods			
Closing Stock	323.89		196.54
Less : Opening Stock	196.54		192.82
		127.35	3.72
Work-in-Progress			
Closing Stock	705.31		928.23
Less : Opening Stock	928.23		1,200.68
		222.92	272.45
		(501.06)	236.38
26. Employee Benefits Expenses			
Salaries and wages			
Directors' Remuneration		354.66	249.33
Salaries, Wages and Benefits (Refer Note 28.1)		1,330.37	1,027.29
Contribution to Provident Fund and Other Funds		202.80	164.26
Staff Welfare Expenses (Refer Note 28.1)		202.13	165.48
		2,089.96	1,606.36

		For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
27. Finance Costs			
Interest Expense			
On Cash Credit Facilities/Buyers' Credit	437.97		285.08
On Term Loans	275.28		264.99
On Others (Refer Note 28.1)	350.81		451.41
		1,064.06	1,001.48
Other Borrowing Costs			
Processing Charges (Refer Note 28.1)		86.56	64.20
Loss on Foreign Currency transactions and translation		105.33	111.07
Other Finance Charges		37.88	37.17
		1,293.83	1,213.92
28. Other Expenses			
Stores and Spares Consumed		902.58	705.69
Power and Fuel (Refer Note 28.1)		4,829.56	3,618.77
Rent (Refer Note 28.1)		22.09	17.21
Repairs and Maintenance (Refer Note 28.1):			
Building	14.68		51.08
Plant and Machinery	303.36		250.89
Others	99.35		131.51
		417.39	433.48
Insurance		60.73	53.37
Rates and Taxes (Refer Note 28.1)		19.24	9.84
Auditors' Remuneration			
Audit Fees	8.83		10.10
Tax Audit Fees	2.15		2.40
Taxation Matters	0.60		0.60
Certification Work	2.50		2.62
		14.08	15.72
Foreign Exchange Loss (Net)		78.49	305.02
Processing Charges		677.69	550.71
Export Expenses (Refer Note 28.1)		434.05	375.18
Dimunition in Carbon Emission Reduction (Refer Note 28.2)		131.98	288.95
Miscellaneous Expenses (Refer Note 28.1)		1,106.92	899.81
		8,694.80	7,273.75

	For the year ended March 31, 2013 ₹ in Lakhs	For the year ended March 31, 2012 ₹ in Lakhs
28.1 Details of (Income)/Expenses for prior period		
Income		
Revenue from Operations (Reflected in Note 22)		
Sale of Products - Manufactured Goods	NIL	(2.58)
Other Income (Reflected in Note 23)		
Interest Income	NIL	0.82
Total	NIL	(1.76)
Expenses		
Employee Benefits Expenses (Reflected in Note 26)		
Salaries, Wages, Benefits and Staff Welfare Expenses	0.96	(0.92)
Finance Cost (Reflected in Note 27)		
Interest Expense - Others	13.38	NIL
Other Borrowing Costs	NIL	0.06
Other Expenses (Reflected in Note 28)		
Power and Fuel	NIL	(1.39)
Rent	NIL	0.02
Repairs and Maintenance:		
Building, Plant and Machinery and Others	4.18	(0.83)
Rates and Taxes	0.25	NIL
Export Expenses	NIL	2.73
Miscellaneous Expenses	0.46	0.66
Total	19.23	0.33
(Income)/Expenses for prior period (Net)	19.23	2.09

28.2 From the financial year 2009-10, the Company decided not to recognise Carbon Credits based on mere generation and recognise only when it is certified. Accordingly, the Carbon Credit which was already recognised upto March 31, 2009, on the basis of credits generated, though not certified, continues to be reflected after giving effect due to its realisable value of ₹ 128.90 lakhs (₹ 264.06 lakhs), included as Non-current asset at NIL (₹ 128.90 lakhs). Accordingly, the amount of ₹ 131.98 lakhs (₹ 288.95 lakhs) is charged for the year as Diminution in Carbon Emission Reduction.

28.3 No expense is incurred and transferred to Intangible Assets under Development during the year. However, the following expenses incurred during the year ended March 31, 2012 on development of new processes for products were transferred to Intangible Assets under Development.

For the year ended
March 31, 2012
₹ in Lakhs

Nature of expenses

Cost of Materials consumed	
Raw Materials	2.34
Packing Materials	0.07
Employee Benefits Expense	
Salaries, Wages and Benefits	53.14
Other Expenses	
Stores and Spares consumed	4.29
Power and Fuel	6.14
Repairs and Maintenance :	
Plant and Machinery	0.74
Others	1.99
Miscellaneous Expenses	6.36
Total	75.07

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

Nature of expenses	For the year ended March 31, 2013		For the year ended March 31, 2012	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Cost of Material Consumed (In Note 24)				
Raw Material		3.86		0.04
Packing Material		0.23		NIL
Employee Benefits Expense (In Note 26)				
Salaries and Wages	174.69		76.01	
Contribution to Provident and Other Funds	18.10		14.55	
Staff Welfare Expenses	8.04		7.69	
		200.83		98.25
Depreciation		19.62		19.48
Other Expenses (In Note 28)				
Stores and Spares Consumed	12.94		0.06	
Rent	12.00		9.60	
Repairs and Maintenance				
Building	NIL		0.07	
Plant and Machinery	1.05		0.53	
Others	2.86		0.59	
Insurance	0.31		0.31	
Miscellaneous Expenses	82.36		79.19	
		111.52		90.35
Total		336.06		208.12

29. Contingent Liabilities and Commitments:

		As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
29.1	Contingent Liabilities : (to the extent not provided for)		
	Matters under disputes/appeals :		
	i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts	61.40	53.43
	ii. Income Tax(Amount deposited ₹ 174.59 lakhs) (Previous Year ₹ 124.71 lakhs)	272.37	178.86
	iii. Inter State Sales Tax against "C" Form	462.34	372.97
	iv. Sales Tax	6.39	0.15
	v. Central Excise/Service Tax	48.70	41.41
	vi. By its order dated February 18, 2002, the Hon'ble High Court, Mumbai, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 561.99 lakhs (Previous Year ₹ 471.47 lakhs).		
29.2	Commitments :		
	a. Estimated amount of contracts remaining to be executed on capital account	1,347.50	91.71
	Less : Advances	711.18	35.98
	Net Estimated Amount	636.32	55.73
	b. Other Commitments	NIL	NIL

30. Fixed Assets:

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 69.63 lakhs (Previous Year ₹ 108.06 lakhs) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Fixed Assets, to its machinery and machinery under installation, i.e. Capital Work-in-Progress. As legally advised, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

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

In terms of the Guidance Note on Treatment of Reserve created on Revaluation of Fixed Assets issued by The Institute of Chartered Accountants of India, accumulated losses and depreciation (including arrears of depreciation) cannot be set off against the Revaluation Reserve. Therefore, to be in-line with the Guidance Note, the Associate Company has decided to restore its Revaluation Reserve (as set off in earlier years) and

accordingly as from April 01, 2010 after considering the effect of additional depreciation (had the same been adjusted against Revaluation Reserve) as also the amount that should not have been in the Revaluation Reserve in respect of the retirement or disposal of assets, the net amount of ₹ 336.47 lakhs is restored as Revaluation Reserve by correspondingly transferring the equivalent amount from the General Reserve. To the extent of the share of the Company in the said Revaluation Reserve of the Associate is accordingly shown under Note 4.

32. Foreign Currency Translation Reserve is created in respect of non-integral subsidiary of the Company.
33. The Company has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.
34. The shares of the associate were acquired on March 14, 2001. The value of investment in the associate is valued at ₹ 1,050.32 lakhs (₹ 1,045.03 lakhs) as per AS – 23.
35. Capital Reserves include grant received by the subsidiary company from the erstwhile Co- promoter as per agreement dated June 17, 2003 to meet its obligations.
36. The Group has adopted Accounting Standard 15 (AS-15) on “Employee Benefits”. These CFS include the obligations as per the requirement of the Standard. Since subsidiary companies do not have any employee, disclosures as per AS-15 for the Group is the same as that of the Company.
37. **Disclosure as per Accounting Standard 17 on “Segment Reporting”:**

37.1 Primary Segment:

In accordance with Accounting Standard 17, the Company has identified “Specialty Chemicals” as the only primary reportable business segment.

37.2 Secondary Segment (Geographical Segment) :

Particulars	Within India		Outside India		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Segment Revenue	28,532.78	22,157.40	8,053.24	6,622.54	36,586.02	28,779.94
Carrying amount of Segment Assets	32,621.41	26,770.96	1436.87	1426.59	34,058.28	28,197.55
Capital Expenditure	13,371.26	12,798.36	57.72	NIL	13,428.98	12,798.36

Note:

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

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

38. Disclosure on Related Party transactions as per Accounting Standard 18 on “Related Party Disclosures”:

38.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 38.2 below:

(₹ In Lakhs)

Particulars	Key Managerial Personnel and their relative [with 38.2 (I and II) below]	Entities on which Key Managerial Personnel has control [with 38.2 (III) below]	Entities on which relative of Key Managerial Personnel has Control [with 38.2 (IV) below]
Unsecured Loans :			
Loan from Directors - Received			
Yogesh Kothari	850.00 (1,375.00)		
Others	123.00 (139.00)		
Loan from Directors – Repaid			
Yogesh Kothari	250.00 (1,965.00)		
Others	30.00 (213.00)		
Inter Corporate Deposit - Received		145.00 (NIL)	
Inter Corporate Deposits – Repaid		NIL (NIL)	
Interest – Paid			
YMK Trading & Consultancy Private Limited		26.12 (20.18)	
Others		13.64 (7.01)	
Kamiko Investment & Trading Private Limited			10.18 (9.75)
DSP HMK Holdings Private Limited			15.00 (14.73)
ADIKO Investment Private Limited			15.00 (14.73)
Yogesh Kothari	167.82 (276.02)		
Others	6.46 (7.54)		
Directors' Remuneration:			
Yogesh Kothari	199.85 (133.12)		
Kirat Patel	82.35 (63.95)		
Suneet Kothari	74.93 (56.50)		
Hemendra Kothari			
Sitting Fees	0.20 (0.60)		
Commission	4.99 (3.33)		

Particulars	Key Managerial Personnel and their relative [with 38.2 (I and II) below]	Entities on which Key Managerial Personnel has control [with 38.2 (III) below]	Entities on which relative of Key Managerial Personnel has Control [with 38.2 (IV) below]
Outstanding Balance As At March 31, 2013			
Loans From Directors			
Yogesh Kothari	1,400.00 (807.94)		
Others	123.00 (30.00)		
Deposit – Inter Corporate			
YMK Trading & Consultancy Private Limited		245.00 (175.00)	
Others		155.00 (55.00)	
Kamiko Investment & Trading Private Limited			85.00 (85.00)
DSP HMK Holdings Private Limited			125.00 (125.00)
ADIKO Investment Private Limited			125.00 (125.00)

38.2 Relationships:
I. Key Managerial Personnel:

- i. Yogesh M. Kothari
- ii. Kirat Patel
- iii. Suneet Y. Kothari

II. Relative of Key Managerial Personnel:

Hemendra M. Kothari

III. Entities on which Key Managerial Personnel has Control:

- i. Niyoko Trading & Consultancy Private Limited
- ii. YMK Trading & Consultancy Private Limited
- iii. Anjyko Investments Private Limited
- iv. SYK Trading & Consultancy Private Limited

IV. Entities on which relatives of Key Managerial Personnel has control:

- i. Kamiko Investment & Trading Private Limited
- ii. DSP HMK Holdings Private Limited
- iii. ADIKO Investment Private Limited

39. Disclosure on Leases as per Accounting Standard - 19 on “Leases”:**39.1 Where the Company is a Lessee:**

- i. The Company has taken residential, office and godown premises under operating lease or leave and licence agreements. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent payments are recognised in the Statement of Profit and Loss under ‘Rent’ in Note 28.
- iii. Future minimum lease rental payable is as under:

Particulars	As At March 31, 2013 ₹ in Lakhs	As At March 31, 2012 ₹ in Lakhs
Within 1 year	13.20	3.20
After 1 year but before 5 years	44.00	NIL
After 5 years	NIL	NIL

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

40. “Earnings per Share” as per Accounting Standard 20:

Particulars	For the Year ended March 31, 2013 ₹ in Lakhs	For the Year ended March 31, 2012 ₹ in Lakhs
Numerator for Basic and Diluted earnings per Share		
Net Profit/ (Loss) after tax for the year before Preference Dividend	2,421.27	1,759.50
Less :Preference Dividend and Tax thereon	NIL	NIL
Net Profit/ (Loss) after tax for the year (a)	2,421.27	1,759.50
Denominator for Basic and Diluted Earnings per Share		
Weighted average number of Shares (b)	1,01,98,196	1,01,98,196
Basic and Diluted Earnings per Share [(a) / (b)]	₹ 23.74	₹ 17.25
Face value per Share	₹ 10	₹ 10

41. Disclosure on Contingent Liabilities and Assets in accordance with Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	As At April 1, 2012 ₹ in Lakhs	Additions during the year ₹ in Lakhs	Amount paid/reversed during the year ₹ in Lakhs	As At March 31, 2013 ₹ in Lakhs
Leave Encashment	85.52 (71.81)	28.75 (23.70)	10.23 (9.99)	104.04 (85.52)
Gratuity	209.30 (188.75)	81.53 (65.55)	80.00 (45.00)	210.83 (209.30)
Proposed Dividend	407.93 (305.95)	509.91 (407.93)	407.93 (305.95)	509.91 (407.93)
Tax on Proposed Dividend	66.18 (50.81)	86.66 (66.18)	66.18 (50.81)	86.66 (66.18)

42. Consumption of Imported / Indigenous Materials:

Particulars	For the Year ended March 31, 2013		For the Year ended March 31, 2012	
	Percentage	Value ₹ in Lakhs	Percentage	Value ₹ in Lakhs
Raw Materials				
Imported	11.09%	2,144.59	17.34%	2,495.00
Indigenous	88.91%	17,212.35	82.66%	11,892.01
TOTAL		19,356.94		14,387.01
Stores and Spares				
Imported	31.67%	285.88	20.64%	163.25
Indigenous	68.33%	616.70	79.36%	627.57
TOTAL		902.58		790.82

43. Financial and Other Derivative Instruments:

43.1 Derivative contracts entered into by the Company are for hedging foreign currency risks; the following contracts have remained outstanding:

Particulars		Balance As At March 31, 2013		Balance As At March 31, 2012	
		In Foreign Currency	₹ in Lakhs	In Foreign Currency	₹ in Lakhs
Forward Contracts for					
Export Trade Receivables	US \$	NIL	NIL	15,72,000	799.05
	Euro	NIL	NIL	1,35,000	91.29
Import Trade Payables	US \$	8,18,690	450.69	8,97,000	463.12
	Euro	2,51,100	176.75	NIL	NIL
FCNR (B) Loan	US \$	29,50,000	1,623.98	29,50,000	1,523.09
Buyers' Credits	US\$	NIL	NIL	12,13,998.39	626.79

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

Particulars		Balance As At March 31, 2013		Balance As At March 31, 2012	
		In Foreign Currency	₹ in Lakhs	In Foreign Currency	₹ in Lakhs
Export Trade Receivables	US \$	23,31,303.21	1254.94	2,63,598.09	133.99
	Euro	2,91,558.69	200.39	6,28,122.88	424.74
Import Trade Payables	US\$	49,181.99	27.07	NIL	NIL
	Euro	4,538.73	3.19	NIL	NIL
Interest on FCNR(B) Loan Payable	US \$	14,068.79	7.74	21,584.00	11.14
ECB Loans	US \$	56,81,250	3,127.53	33,00,000	1,703.79
Interest on ECB payable	US \$	5,877.49	3.24	623.00	0.32
Buyers' Credits	US \$	NIL	NIL	15,469.91	7.99

All outstanding derivatives are marked to market on the balance sheet date and accordingly, mark to market loss of ₹ 49.76 Lakhs (Previous Year profit of ₹ 16.52 Lakhs) has been recognised.

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

As per our report of even date attached

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

Chartered Accountants

Firm Registration No.100991W

PARESH H. CLERK

Partner, Membership No. 36148

Place : Mumbai

Dated : May 16, 2013

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

K. P. RAJAGOPALAN

General Manager (Secretarial and Legal)

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : May 16, 2013



ALKYL AMINES CHEMICALS LIMITED

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

May 16, 2013

Dear Shareholder,

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

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has issued Circulars on April 21, 2011 and April 29, 2011 allowing companies to send official documents to their Shareholders electronically.

Clause 32 of the Listing Agreement requires a company to send soft copies of the Annual Reports containing its Balance Sheet, Statement of Profit and Loss and Directors’ Report to all those Shareholder(s) who have registered their e-mail address(es) for the purpose.

Keeping in view the objective underlying the Circular issued by MCA, the Company proposes treating the e-mail addresses available in the records of the Company as the registered e-mail id for the purposes of Clause 32 of the Listing Agreement and accordingly the Company proposes to send as was done last year, the notice calling the Annual General Meeting and Annual Reports containing its Balance Sheet, Statement of Profit and Loss and Directors’ Report etc. for the year ended March 31, 2013 and other communication, in electronic form, to the e-mail addresses of those members which are available in the records of the Company. In case however, you desire to receive the documents in physical form, you are requested to send an e-mail to legal@alkylamines.com or sharexindia@vsnl.com

As and when there is a change in your e-mail address, you are requested to update the same with your Depository Participant/ Sharex Dynamic (India) Pvt. Ltd., Registrar and Transfer Agents of the company, as the case may be.

Please note that you will continue to be entitled to be furnished, free of cost, with a copy of the Annual Report of the Company and all other communication that may be sent to you electronically, upon receipt of a requisition from you, as a Member of the Company.

The Shareholders, who had opted to receive the Annual Report in physical form, are earnestly requested to reconsider their decision and join us in this noble initiative.

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

For **ALKYL AMINES CHEMICALS LIMITED**

K.P. RAJAGOPALAN

General Manager (Secretarial and Legal)

To,

Sharex Dynamic (India) Pvt. Limited

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

FORM FOR ECS MANDATE / BANK MANDATE

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

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

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

(* Strike out whichever is not applicable)

Folio No.....

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

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

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

[illegible]

[illegible]

[illegible]

ATTENDANCE SLIP**ALKYL AMINES CHEMICALS LIMITED**

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

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL

I/we hereby record my/our presence at the 33rd Annual General Meeting held at Chandragupta Hall, 2nd Floor, Abbott Hotel, Sector 2, Vashi, Navi Mumbai - 400 703, at 2.30 p.m. on Wednesday, the 7th August, 2013.

DP ID No. * :	L. F. No. :
Client ID No.* :	No. of shares held :

Name and address of the Shareholder(s)**If Shareholder(s), Please sign here****If Proxy, Please sign here****FORM OF PROXY****ALKYL AMINES CHEMICALS LIMITED**

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

DP ID No. * :	L. F. No. :
Client ID No.* :	No. of shares held :

I/We of
being a Member / Members of the above named Company hereby appoint
of or failing him/her
of as my/our proxy/proxies to vote for me/us on my/our
behalf at the 33rd Annual General Meeting of the Company to be held on Wednesday, the 7th August, 2013 at
2.30 p.m. and at any adjournment thereof.

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

Signature.....

Affix a
1 rupee
Revenue
Stamp

Notes :

- The form should be signed across the stamp as per specimen signature (s) registered with the Company.
 - The Proxy Form must be deposited at the Registered office of the company not less than 48 (Forty-Eight) hours before the time fixed for holding the Meeting.
 - A proxy need not be a Member.
- * Applicable for Investors holding shares in electronic form.

Blank

Blank

BOOK - POST

GP Offset Pvt. Ltd. (sales@gpoffset.com)



If undelivered please return to:

ALKYL AMINES CHEMICALS LTD.

401-407, Nirman Vyapar Kendra, Sector 17, Vashi, Navi Mumbai 400 703.

Tel.: +91 22 6794 6618

Website : www.alkylamines.com