

## ANNUAL REPORT 2003-2004

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**Alkyl Amines Chemicals Limited**

**ALKYL ANNUAL REPORT 2002-2003****ALKYL AMINES CHEMICALS LIMITED****FINANCIAL HIGHLIGHTS OF THE LAST DECADE**

YEAR ENDING	Rs. in Lacs									
	31.03.1995	31.03.1996	31.03.1997	31.03.1998	31.03.1999	31.03.2000	31.03.2001	31.03.2002	31.03.2003	31.03.2004
GROSS REVENUE	3401.38	4416.62	4998.04	6247.28	8612.41	8298.00	7969.67	9409.50	10477.38	10515.21
OPERATING PROFIT (PBDT)	590.52	909.61	1221.57	1176.56	2448.39	1707.88	660.30	1651.27	1865.94	1609.09
PROFIT BEFORE TAX	160.04	483.25	648.13	488.98	1639.97	872.84	-842.58	278.46	567.39	402.45
PROFIT AFTER TAX	160.04	483.25	527.93	428.79	1284.88	774.72	-842.69	172.25	331.39	241.31
GROSS FIXED ASSETS	3031.16	4013.65	5075.57	5335.66	5731.03	9292.66	9794.09	10033.48	10217.40	10794.89
NET FIXED ASSETS	2059.20	2914.22	3792.19	3826.84	3952.51	7250.72	7307.95	7092.05	6828.49	6927.22
NET CURRENT ASSETS	1175.28	1439.57	1777.94	2605.39	2991.04	4465.89	3744.62	3682.48	4034.19	3898.01
EQUITY SHARE CAPITAL	265.96	266.22	365.84	730.52**	730.57	730.58	886.49	886.49	886.49	886.49
RESERVES & SURPLUS (Including Deferred Taxation (Net))	880.49	1289.95	2018.64	1986.14	2925.71	3530.70	2967.20	3230.87	3653.08	3900.97
BOOK VALUE (Rs.)	42.92	58.39	64.87	36.35	50.05	58.33	43.47	46.45	51.21	54.00
EARNING PER SHARE (RS.)	5.80	17.95	17.62	9.00*	17.59	10.60	-9.51	1.94	3.74	2.72
EQUITY I	12.00	25.00	25.00	20.00**	40.00	20.00	—	—	12.00	12.00

**ALKYL AMINES CHEMICALS LIMITED****ANNUAL REPORT 2003-2004****MANAGEMENT TEAM**

*Chairman &  
Managing Director*  
**Yogesh M. Kothari**

*Executive Director*  
**Kirat Patel**

*Vice President*  
**G.G. Chendwankar**

*Vice President  
(Technical)*  
**Sameer S. Katdare**

*Vice President  
(Manufacturing)*  
**R. N. Iyer**

*General Manager  
(Finance & IT)*  
**D. A. Pradhan**

*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**  
**Anand S. Bhatt**  
**N. Shankar** (Nominee Director)

**Registered Office :**

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, DBC, Vashi, Navi Mumbai 400 703.  
Ph. 27890632 • Fax : 27890631 • Email : [investorinfo@alkylamines.com](mailto:investorinfo@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, MIDC Kurkumbh Industrial Area,  
Tal. Daund, Dist. Pune - 413802, Maharashtra

**Auditors**

Messrs Bansi S. Mehta & Co.

**Bankers**

State Bank of India  
Bank of Baroda  
State Bank of Mauritius Ltd.  
ICICI Bank Limited

**Registrar & Transfer Agents****Sharex (India) Pvt. Limited**

**Fort Office :** 17/B, Dena Bank Building, 2nd floor, Horniman Circle, Fort,  
Mumbai - 400 001. Ph.: 22702485, 22641376 • Fax : 022 22641349

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

Ph.: 28515606, 28515644 • Fax : 022 2851 2885  
Email : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com) • [www.sharexindia.com](http://www.sharexindia.com)

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ALKYL

## 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 24th Annual General Meeting of **ALKYL AMINES CHEMICALS LIMITED** will be held at Chandragupt Hall, 2<sup>nd</sup> Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 on Friday, the 23rd July, 2004 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, 2004, Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31<sup>st</sup> March, 2004.
3. To appoint a Director in place of Mr. Hemendra M. Kothari, 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 Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, and 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, and subject to any other approval as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Mr. Yogesh M. Kothari as Chairman & Managing Director of the Company for a further period of five years from April 1, 2004 to March 31, 2009, on terms and conditions as set out in the Explanatory Statement annexed hereto, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment as may be agreed between the Board and Mr. Yogesh Kothari."

7. To consider and, if thought fit, to pass with or

without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 16, 94 and other applicable provisions, if any, of The Companies Act, 1956, existing Clause V(a) of the Memorandum of Association of the Company be and is hereby altered by substituting the same with the following new clause :

The Authorised Share Capital of the Company is Rs.30,00,00,000/- (Rupees Thirty Crores only) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rs.10/- each and 15,00,000 (Fifteen Lacs) cumulative redeemable preference shares of Rs.100/- each."

8. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED that pursuant to the provisions of Sections 80, 80A and 81 and other applicable provisions, if any, of The Companies Act, 1956 and subject to such approvals as may be necessary, the consent of the company be and is hereby accorded to the Board of Directors to issue for cash at par not exceeding 12,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each of the aggregate value of Rs.12,00,00,000/- to Financial Institutions/Banks/Promoters/other financing agencies or to such other persons and on such terms and conditions as the Board of Directors may deem fit"

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 20, 2004.

**ALKYL AMINES CHEMICALS LIMITED****ANNUAL REPORT 2003-2004****NOTES**

1. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
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 16th July, 2004 to 23rd July, 2004 (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 30<sup>th</sup> July, 2004 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 15, 2004.
5. Please note that pursuant to Section 205A of the Companies Act, 1956 all unclaimed/unpaid dividends upto the financial year ended March 31, 1996 have been transferred to the Account of Central Government.  
  
Kindly note that in terms of section 205C of the Companies Act, 1956, the unclaimed dividend for the financial year 1996-1997 (which has remained unclaimed for a period of seven years) will become due for transfer to Investor Education and Protection Fund in the month of October 2004.
6. We are pleased to offer 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 15<sup>th</sup> July, 2004. 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 Mumbai Stock Exchange and the company has paid the listing fees to the stock exchange in time and has never made any default in the payment of listing fees in the past.

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 20, 2004.

**ANNUAL REPORT 2003-2004****ALKYL AMINES CHEMICALS LIMITED****ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 AND ALSO UNDER CORPORATE GOVERNANCE

**ITEM 3**

Mr. H.M. Kothari retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. H.M. Kothari has been on our Board since October 18, 1980. Mr. H.M. Kothari is the Chairman of DSP Merrill Lynch Limited, the leading Investment Bankers in India and also Chairman of DSP Merrill Lynch Fund Managers Ltd. He is also on the Board of the following companies.

1. Morarjee Goculdas Spinning & Weaving Co. Ltd.
2. Kirloskar Oil Engines Ltd.
3. Exide Industries Limited
4. Infrastructure Technology and Trade India Ltd.

It will be in the interest of the Company that Mr. H.M. Kothari continues as Director of the Company. Mr. H.M. Kothari is the brother of Mr. Yogesh M. Kothari, Chairman & Managing Director.

**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. Mr. D.G. Piramal is a leading industrialist and Chairman of VIP Industries Limited and Blow Plast Limited. He is also on the Board of the following Public Limited Companies:

1. DGP Hinoday Industries Limited
2. Kemp & Co. Ltd.
3. DGP Securities Limited
4. Kiddy Plast Limited
5. Universal Luggage Manufacturing Co. Ltd.
6. Quality Plastics Limited
7. Organisation of Plastic Processors of India
8. DGP Capital Management Limited
9. RPG Cables Limited
10. Blow Plast Ergonomics Limited

It will be in the interest of the Company that Mr. D.G. Piramal continues as Director of the Company.

**ITEM 6**

At the Annual General Meeting held on July 20, 1999

the shareholders had approved appointment of Mr. Yogesh M. Kothari as Chairman & Managing Director for a period of 5 years from April 1, 1999 to March 31, 2004. The Board of Directors at its meeting held on January 31, 2004 has reappointed Mr. Yogesh Kothari as Chairman & Managing Director for a further period of 5 years from April 1, 2004 to March 31, 2009 on the remuneration determined by the Remuneration Committee of the Board of Directors, subject to the approval of Shareholders by way of a Special Resolution.

The reappointment of Mr. Yogesh M. Kothari as Chairman & Managing Director and the remuneration proposed to be paid or granted to him are in conformity with the provisions and requirements of Schedule XIII to the Companies Act, 1956. Accordingly, no approval of the Central Government is required to be obtained to this reappointment.

The information required to be disclosed to the shareholders as per Schedule XIII to the Companies Act, 1956 is as under:

The Company is engaged in the manufacture of Speciality Chemicals, i.e. Aliphatic Amines and Amines Derivatives. The Company started commercial production in 1982. During the financial year ended 31<sup>st</sup> March, 2004, the gross sales were Rs. 102 crores and the Company made a profit before tax of Rs. 4.30 crores. The Company has achieved an export sales of Rs. 19.26 crores during the Financial Year ended on 31<sup>st</sup> March, 2004.

For more details about the operations of the company, please refer to the Management Discussion and Analysis Report attached to the Directors' Report.

There are no foreign investments or collaborations in the Company, except investment by Non-resident Indians.

Mr. Yogesh M. Kothari, aged about 55 years, is a Chemical Engineer from UDCT, Mumbai (presently UICT). He is also Master of Management Science and Master of Science-Chemical Engineering, from Lowell Technological Institute, University of Massachusetts, U.S.A. He promoted this company in 1979. He has more than 29 years experience in chemical industry.

He is also Chairman of Diamines & Chemicals Limited (a company in which our company holds around 31% of the shareholding) and Alkyl Speciality Chemicals Limited (subsidiary of this company). He is also a Director of DSP Merrill Lynch Limited. He is also an Executive Committee Member of Indian Chemical Manufacturers Association (ICMA) and also represents ICMA in the Management Committee of Indian Merchants Chamber.



**ALKYL AMINES CHEMICALS LIMITED****ANNUAL REPORT 2003-2004**

In 1998 he was awarded the prestigious Lalit Doshi Memorial Award being promoter of the best SICOM assisted company for the year 1996-97 in Chemicals and Plastics set up by a first generation entrepreneur.

For the year 2003-2004, Mr. Yogesh M. Kothari was paid/will be paid remuneration as under :

	Rs. Lacs
Basic Salary:	9.60
HRA	5.76
Contribution to Provident Fund/other funds:	1.85
Reimbursement of medical expenses:	0.24
Other perks	2.37
Commission:	1.52
Total	21.34

Mr. Yogesh M. Kothari, being Chairman & Managing Director, is incharge of overall management of the company.

The material terms of the draft agreement referred to in the resolution at item no.6 of the notice are as under :

1. Salary : Rs.95,000/- per month with an annual increment of Rs.5,000/-.
2. Housing 1 : Expenditure incurred by the company on hiring unfurnished accommodation will be subject to the ceiling namely 60% of the salary.  
  
Housing 2 : In case the accommodation is owned by the company, 10% of the salary shall be deducted by the Company.  
  
Housing 3 : In case no accommodation is provided by the Company, a house rent allowance subject to the ceiling laid down in Housing 1 above shall be paid.
3. The company shall also pay for actual expenses incurred on gas, electricity, water and furnishings and perquisites value of which shall be valued as per Income Tax Rules, 1962.
4. Medical : Reimbursement of actual medical reimbursement expenses incurred for self and family.
5. Leave : Reimbursement of actual expenses  
Travel for self and family once in a year  
Concession to and fro to any place.
6. Club fees : Fees of clubs subject to a maximum of 3 clubs will be allowed.

7. Premium on Personal Accident Insurance, premium on Life Insurance Policy and premium on Mediclaim policy for self and family.

For the purpose of this category 'family' means the spouse and the dependent children.

8. Free use of car and driver.
9. Telephone facilities at residence.
10. Provident Fund : Company's contribution to Provident Fund/Public Provident Fund/Superannuation Fund not exceeding 27% of the salary.
11. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
12. The company shall pay commission on net profits at such percent to the Chairman & Managing Director provided that the total remuneration shall not exceed 5% of the net profits.
13. In the event of loss or inadequacy of profits, he shall be paid the above remuneration, except commission on profits, provided that the total remuneration shall not exceed the ceilings mentioned in Schedule XIII of the Companies Act, 1956.
14. The Chairman & Managing Director shall be entitled, on full pay and allowances, as per rules of the company not more than 36 days leave per annum. The leave accumulated but not availed of can be encashed by him at the end of his tenure.

The remuneration payable to Shri Yogesh M. Kothari is in consonance with the remuneration being paid by the other companies of similar size in the industry to their Chief Executive Officers.

Mr. Yogesh M. Kothari is the Promoter of the Company. As on March 31, 2004 he alongwith his relatives and entities controlled by him hold approx. 56% of the equity shares of the company. As on March 31, 2004, a sum of Rs. 437 lacs is kept with the company by way of inter corporate deposit by the entities controlled by him / his relatives.

The draft agreement to be entered into between the Company and Mr. Yogesh M. Kothari incorporating the above particulars of remuneration, is available for inspection at the Registered Office of the Company on all working days excluding Saturdays and Sundays and other public holidays up to the date of the Annual General Meeting during business hours.

This may please be treated as an abstract of the terms and conditions regarding the re-appointment of Mr. Yogesh Kothari as Chairman & Managing Director pursuant to the provisions of section 302 of The Companies Act, 1956.

**ANNUAL REPORT 2003-2004****ALKYL AMINES CHEMICALS LIMITED**

Mr. Yogesh M. Kothari is interested in this resolution, since it relates to his reappointment. Mr. Hemendra M. Kothari, being relative of Mr. Yogesh Kothari, may be deemed to be interested in the Resolution.

**ITEM NO. 7 and 8**

In view of the increasing business operations of the company, the Board feels that it would be advisable to raise capital by issue of preference shares of the aggregate value of Rs.12 crores. Moreover, the company is exploring ways and means to reduce the interest cost by borrowing fresh funds to replace the existing high interest bearing loans.

This will require amendment to the capital clause of the Memorandum of Association as proposed under Item 7, so that the authorised capital of the company is Rs.30 crores consisting of equity shares of the value of Rs.15 crores and preference shares of the value of Rs.15 crores. At present the authorised capital consists of equity shares of the value of Rs.15 crores and preference shares of the value of Rs.5 crores.

The Company is in discussion with potential investors for private placement of preference shares of the aggregate value of Rs.12 crores. The rate of dividend and tenure of the preference shares would be fixed by the Board of Directors depending upon market conditions prevailing at the time of issue. Approval

of the Shareholders is sought as proposed under Item 8 so as to enable the Board of Directors to make the issue of preference shares.

A copy of the Memorandum & Articles of Association of the Company with the proposed amendment, is available for inspection at the Registered Office of the Company during business hours.

None of the Directors of the company is concerned or interested in the resolution, except to the extent of the number of preference shares that may be allotted to them. The Promoter Group may take up some preference shares and hence, Mr. Yogesh M. Kothari, Managing Director, and Mr. Hemendra M. Kothari, being his relative, may be considered to be 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 20, 2004.

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**ALKYL AMINES CHEMICALS LIMITED****ANNUAL REPORT 2003-2004****DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting their 24<sup>th</sup> Annual Report and the Audited Statement of Accounts of the Company for the financial year ended March 31, 2004.

**1. FINANCIAL HIGHLIGHTS & APPROPRIATION**

	<b>2003-2004</b> <b>(Rs. in lacs)</b>	<b>2002-2003</b> <b>(Rs. in lacs)</b>
Gross Total Income	<b>10515</b>	10477
Profit before interest, depreciation & taxation	<b>1609</b>	1865
Interest & financial expenses	<b>700</b>	836
Depreciation	<b>479</b>	462
Profit before extraordinary item (VRS)	<b>430</b>	567
Extraordinary item (VRS)	<b>28</b>	—
Profit before tax	<b>402</b>	567
Provision for taxation:		
a. Current Income tax/wealth tax	<b>32</b>	45
b. Deferred Income tax	<b>129</b>	191
Profit after Taxation	<b>241</b>	331
(Less)/Add : Adjustments relating to earlier years	<b>(2)</b>	20
Add/(Less) : Balance Profit/(Loss) b/f	<b>90</b>	(25)
Transfer to Debenture Redemption Reserve	<b>0</b>	83
Profits available for appropriation	<b>329</b>	243
Equity Dividends (including Income tax)	<b>120</b>	120
Transfer to General Reserve	<b>10</b>	33
Balance profit carried to Balance Sheet	<b>199</b>	90

**2. DIVIDEND:**

Your Directors are pleased to recommend for your approval Equity Dividend at the rate of Rs.1.20 per Equity Share of Rs.10/- each. The total amount of dividend including Income tax thereon would amount to Rs.1.20 crores.

**3. OPERATIONS:**

Total income (gross) for the year 2003-2004 was Rs.10515 lacs compared to Rs. 10477 lacs for the year 2002-2003. The Profit before tax (after interest and depreciation charges) amounted to Rs.402 lacs compared to Rs. 567 lacs for the year 2002-2003. During the year 2003-2004 we have achieved a profit after tax of Rs.241 lacs compared to Rs.331 lacs of the previous year.

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

**4. EXPORTS/ FOREIGN EXCHANGE:**

During the year 2003-2004, we achieved an export turnover of Rs.1926 lacs (FOB) compared to Rs.2791 lacs (FOB) of the previous year. During the year we have utilised a sum of approx. Rs.1683 lacs in foreign currency mainly to import raw materials, trading material, stores, spares, etc.

**5. ASSOCIATE/SUBSIDIARY COMPANIES****a. Diamines & Chemicals Limited, Baroda:**

As the members are aware, we had acquired around 31% of the shareholding of Diamines and Chemicals Ltd., Baroda, a BIFR company, under revival. For the year 2003-2004 DACL has achieved a total income of Rs. 2436 lacs as against Rs. 2030 lacs of the previous year and a profit before tax of Rs. 658 lacs as against Rs. 278 lacs of the previous year. The outstanding loans of term lenders and Bankers have been paid off. The networth of DACL has become positive during the year 2003-2004 and consequently, it is out of the purview of BIFR. The Board of Directors of DACL has recommended an equity dividend of 20% for the year 2003-2004.

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This is a company which we had set up in 2000 with Goldschmidt AG of Germany (a Degussa Group Company). We were in discussion with Goldschmidt AG, our Partner, to restructure the business operations of this company. Accordingly, Goldschmidt AG had transferred their stake in the company to our company at a nominal price of EURO 1 and Alkyl Speciality Chemicals Ltd. has become a Subsidiary of our company. Goldschmidt have also remitted a sum of EURO 100,000 to discharge the liabilities of the company. *The Business Operations of the company have been restructured since then. This company is now engaged in the marketing of speciality chemicals, which was hitherto carried on by Alkyl Amines Chemicals Limited.* For the year 2003-2004 it has achieved a total income of Rs.101.50 lacs (Previous Year: Rs.29.44 lacs) and a profit before tax of Rs.6.30 lacs (Previous Year: Loss of Rs.20.81 Lacs). In terms of approval granted by the Government of India under section 212(8) of the Companies Act, 1956, copy of the Balance Sheet, Profit & Loss Account, Report of the Board of Directors and the Report of the Auditors of the subsidiary company Alkyl Speciality Chemicals Limited have not been attached with the Balance Sheet of the Company. The Company will make available these documents upon request by any member of the Company interested in obtaining the same. However, pursuant to Accounting Standard AS 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of the subsidiary company.

**c. Alkyl Technology Ventures Limited**

This company had become a defunct company and therefore, had applied to the Registrar of Companies, Maharashtra, for striking its name off the register under the Simplified Exit Scheme framed by the Department of Company Affairs, Government of India.

**6. CONSERVATION OF ENERGY:**

Considering the importance of energy conservation, your Company has taken various measures for conservation of energy. These include de-bottlenecking to enhance plant capacity, planned production at optimum levels, regular monitoring of electricity and fuel consumption and corrective steps wherever required and utilisation of by-product steam. These measures have helped us to reduce energy costs.

Capital investment is being made for setting up a cogeneration project to meet captive power requirement with the use of solid fuel as fuel thereby reducing fuel and power costs. The benefits arising thereof will be reflected in the results of second half of this year and in the future years.

More details are given in Annexure 2 (Form A) annexed to this report.

**7. TECHNOLOGY ABSORPTION/ R & D**

The information required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in Annexure 3 (Form B) attached to this report.

**8. SAFETY, HEALTH AND ENVIRONMENT:**

**a. Safety** – Safety is accorded high priority and concerted efforts are made to ensure safe working conditions for employees. All incidents are analysed in safety committee meetings and corrective actions 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.

**b. Health** – Health of employees is also accorded importance. Periodic check up of all 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 Occupation Health Centres with staff at both manufacturing sites at Patalganga and Kurkumbh.

**c. Environment:** The Company also attaches importance to Environment protection and adherence to pollution control norms.

**a) Air Emissions** – Emissions from various sources are monitored regularly and compliance to statutory requirement is ensured. Projects are undertaken for reduction of emissions.

**b) Liquid waste Treatment** – The Company has integrated Effluent Treatment Plants and outlet standards are maintained within the prescribed limits. Continuous efforts are made to minimise the quantity of effluent generated and feasibility of recycling of treated effluent is being studied. The company has made substantial investment for expanding its effluent treatment capacity to meet long term requirements. Your Company is also a member of the CETP located at Patalganga and Kurkumbh.