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AMINES & PLASTICIZERS LIMITED

AN ISO 9001 : 2000 COMPANY

Annual Report
2008 - 09

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

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AMINES & PLASTICIZERS LIMITED

NOTICE

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

ORDINARY BUSINESS:

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

For **Amines & Plasticizers Ltd.**

By Order of the Board

Place : Mumbai
Date : 30/06/2009

AJAY PURANIK
(Company Secretary)

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

NOTES:

(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

(2) Instrument of proxy in order to be effective must be deposited at the Company's Registered Office at Chenikuthi, Guwahati, Assam or at Head Office at Mumbai not less than 48 hours before the commencement of the Annual General Meeting.

(3) The Dividend on Preference Shares as recommended by the Board of Directors, if declared at the meeting, will be made payable after 30th September, 2009 to those preference shareholders whose names appear in the Register of Members as on 30th September, 2009.

(4) The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2009 to 30th September, 2009 (both days inclusive).

(5) The Company has connectivity with both the Depositories i.e, Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Limited (NSDL) and ISIN No. is INE275D01014. Members are requested to dematerialize their shares for scrip less trading.

(6) Members holding shares in physical form are requested to notify immediately any change of address, if any, to the Company's Registrar & Share Transfer Agent and in case their shares are held in dematerialized form this information should be passed on directly to their respective depository participants and not to the Company/STA, without any delay.

(7) Members desirous of getting any information on the accounts or operations of the Company, are requested to forward their queries to the Company at least seven working days prior to the meeting so that the required information can be made available at the meeting.

For **Amines & Plasticizers Ltd.**

By Order of the Board

Place : Mumbai
Date : 30/06/2009

AJAY PURANIK
(Company Secretary)

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

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

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DIRECTORS' REPORT

To,

The Members,

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

(Rupees in Lacs)

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

DIVIDEND:

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

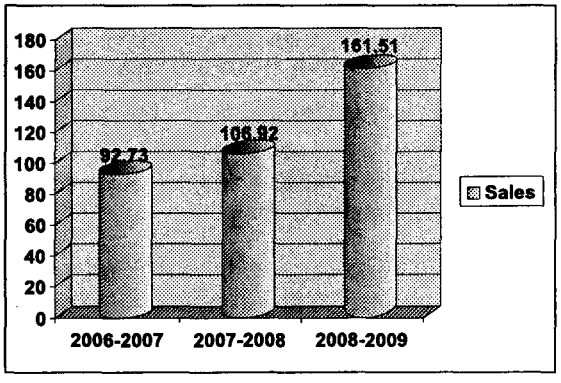
OPERATIONS AND FUTURE PROSPECTS:

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

During the year under review, the Company's products enjoyed a high demand in the domestic and international market, which resulted in increase in sales.

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

SALES PERFORMANCE (RS. IN CRORES)



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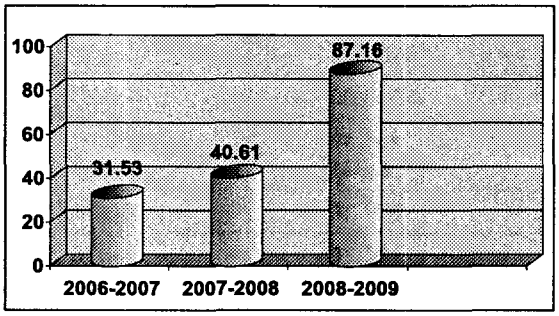
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AMINES & PLASTICIZERS LIMITED

EXPORTS:

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

EXPORT PERFORMANCE (RS. IN CRORES)



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

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

ISO CERTIFICATION:

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

REACH COMPLIANCE:

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

CREDIT RATING:

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

RESEARCH & DEVELOPMENT:

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

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

SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985:

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

DIRECTORS:

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

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AUDITORS:

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

STATUTORY DISCLOSURES

INSURANCE:

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

SUBSIDIARY COMPANIES:

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

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

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

SHARE CAPITAL

During the year under report, Twenty Lakhs Equity Shares of Rs.10/- each were issued to Promoters as per the directives of the Hon'ble AAIFR / BIFR under the Rehabilitation Scheme. The Company has complied with all pre and post allotment formalities prescribed in this regard. Further, the listing formalities of these additional securities were complied with and approval received for listing.

FIXED DEPOSITS:

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

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE:

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

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

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

PARTICULARS OF EMPLOYEES:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures wherever applicable;

2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and

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

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. The Directors have prepared the annual accounts on a going concern basis.

INDUSTRIAL RELATIONS:

The industrial relations remained cordial during the year under review.

CORPORATE GOVERNANCE:

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Company has complied with the mandatory provisions of Corporate Governance. As prescribed under the Listing Agreement of the Stock Exchanges, a separate report on Corporate Governance appears after this report. A certificate from M/s. VKM and Associates, Practicing Company Secretaries with regard to compliance of the Corporate Governance Code by the Company is annexed hereto and forms part of this report. Further, a separate Management Discussion & Analysis Report is also enclosed with this report.

APPRECIATION:

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

For and on behalf of the Board

Place : Mumbai
Date : 30/06/2009

HEMANT KUMAR RUIA
Chairman &
Managing Director

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ANNEXURE 'A'

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

A. Conservation of Energy

a. **Energy Conservation measures taken :**

I. Electrical Energy:

i) Regular upgradation in electrical system is done so as to minimize electrical consumption.

ii) Regular preventive/predictive maintenance of electrical system is carried out to ensure minimal losses.

iii) Replacement of high wattage lamps by energy efficient lamps is being continued

iv) Maintaining higher power factor has resulted in decrease in maximum demand & which in turn has resulted in reduction of energy consumption.

v) Phasing out of Old Motor Control Centers by new efficient Motor Control Centers is being continued thereby reducing electrical losses which occurs due to wear & tear of switchgears.

vi) Induction of new breed of capacitor banks has helped to reduce energy losses.

vii) Replacement of old high rating motors by new motors has helped to reduce energy consumption and process down time

viii) Installation of turbo ventilators with transparent sheet has effectively helped in switching off lights and thereby saving energy.

II. Furnace Oil/LDO Consumption:

i) Better utilization of plant & machinery combined with optimum product mix output has resulted in lower consumption of fuel oil.

Periodic cleaning and usage of cooling water additives is done to reduce scaling thus resulting in better heat transfer.

Insulation on piping and equipments are being changed on a continuous basis to reduce heat losses.

ii) Usage of fuel additives and boiler water additives is being continued to obtain better heat generation efficiency.

Maximum effort is made to operate the new efficient boiler as much as possible to obtain lower Fuel oil consumption.

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

i) Additional balancing equipments are being installed to increase and obtain better plant capacities so that optimum plant utilization can be achieved and thereby reduction in energy consumption.

ii) Possibility of conversion from use of furnace Oil / LDO to PNG is being studied.

iii) It is proposed to commercialize few new value added products which have been developed on the pilot scale, for improved plant utilization.

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

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

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

As per Form 'A' of the Annexure.

B. Technology Absorption:

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

C. Foreign Exchange Earnings and Outgo :

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

For and on behalf of the Board

Place : Mumbai
Date : 30.06.2009

HEMANT KUMAR RUIA
Chairman & Managing Director

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