AMINES & PLASTICIZERS LIMITED

AN ISO 9001 : 2008 COMPANY

Annual Report
2012-13

	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	*Sr. Vice President* (Corporate Affairs) & *Company Secretary*
BANKER	STATE BANK OF INDIA	
AUDITOR	M/s BHANDRI DASTUR GUPTA & ASSOCIATES	
REGISTERED OFFICE	POAL & ENCLAVE, 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 (West), Mumbai - 400 072	

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NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **AMINES & PLASTICIZERS LIMITED** will be held on Friday, 27th September, 2013 at 3.00 P.M. at RND Banquet Hall, Hotel Gateway, G.S. Road, Christian Basti, Guwahati, Assam 781 005, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013, the Profit and Loss Account and Cash Flow Statement for the year ended on that date and Report of the Directors and Report of the Auditors thereon.
2. To declare dividend on Equity shares.
3. To appoint a Director in place of Dr. Mithilesh Kumar Sinha, who retires by rotation and is eligible, for re-appointment.
4. To appoint a Director in place of Dr. P.H. Vaidya who retires by rotation and is eligible, for re-appointment.
5. To appoint Statutory Auditors to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 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 in terms of article 83 of the Articles of Association of the Company and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII as amended and all other applicable provisions, if any, and subject to such approvals and sanctions as may necessary, consent of the Members of the Company be and is hereby accorded to the re-appointment of Shri Hemant Kumar Ruia as Chairman and Managing Director of the Company for a period of three years with effect from 1st April, 2013 on such terms and conditions, including expressly the remuneration payable to him as set out in the draft produced at this meeting.

   Designation : Chairman and Managing Director

1. Period :

The appointment will be effective from 1st April, 2013 for a period of Three years i.e. up to 31st March, 2016.

2. Overall Remuneration :

The remuneration payable to him shall be as follows:

i) Salary : ₹ 1,50,000/- per month with annual increment of such amount as may be decided by the Board within the overall ceiling as may be permitted under the Act.

ii) Perquisites : Perquisites are classified into Three categories A,B,C as follows :

CATEGORY 'A'

i) House Rent Allowance

Housing I:

House Rent Allowances to the extent 50% of the basic salary in case Mumbai, Kolkata, New Delhi and Chennai.

Housing II :

In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the Company.

Housing III :

In case the Company provides no accommodation, he shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

ii) Gas & Electricity expenses at actuals, subject to an overall ceiling of 10% of Annual Salary.

iii) Bonus @ 20% of the Annual Salary per year

iv) Medical Reimbursement – Expenses incurred for self and family subject to a ceiling of one

and half month's salary in a year or four and half months' salary over a period of three years.

v) Leave Travel Concession – For self and family once in a year according to the rules of the Company.

vi) Club fees - Fees of clubs, subject to a maximum of two clubs but this will not include admission and life membership fees.

vii) Personal Accident Insurance – Premium not to exceed ₹ 5,000/- in a year.

Explanation-Family means the spouse and the dependent children of the Chairman and Managing Director.

CATEGORY 'B'

The Chairman and Managing Director shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling for the purpose of remuneration or minimum remuneration.

a) Contribution to Provident Fund, Super-annuation Fund or Annuity Fund to the extent these either singly or taken together are not taxable under the Income Tax Act, 1961.

b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

c) Encashment of Leave at the end of the tenure.

CATEGORY 'C'

Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites.

Earned Leave: On full pay and allowance as per the rules of the Company. In case of loss or inadequacy of profits in any financial year, the Chairman and Managing Director will be entitled to a minimum remuneration by way of salary and perquisites as specified above subject to the limits specified in that regard in Schedule XIII to The Companies Act, 1956 or as amended from time to time.

Shri Hemant Kumar Ruia will not be entitled to any sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall not be liable to retire by rotation. The Company shall reimburse to the Chairman and Managing Director, entertainment, traveling and all other expenses incurred by him for the business of the Company. He is also entitled to any loyalty benefit program as may be decided by the Board from time to time. Subject to the superintendence and control of the Board of Directors, he shall be responsible for the day-to-day management of the affairs of the Company.

The said reappointment can be terminated by either party giving to the other party three-month notice in writing.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, things and matters as may be necessary, expedient and desirable to give effect to this resolution."

By Order of Board of Directors

For **AMINES & PLASTICIZERS LIMITED**

Place : Mumbai
Date : 12.08.2013

AJAY PURANIK
Sr. Vice President
(Corporate Affairs)
& 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 duly completed and signed 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 Equity Shares as recommended by the Board of Directors,

if declared at the meeting, will be made payable after 27th September, 2013 to those Shareholders whose names appear in the Register of Members as on 27th September, 2013.

(4) The Register of Members and Share Transfer Books of the Company will remain closed from 23th September, 2013 to 27th September, 2013 (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 (STA) 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. Members are also requested to intimate their email id to the Company/STA for fast communication.

(7) Details under clause 49 of the listing Agreement with the Stock Exchanges in respect of Directors seeking reappointment at the Annual General Meeting, is separately annexed hereto.

(8) Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the amounts of dividends remaining unclaimed for a period of seven (7) years are to be transferred to the Investor Education and Protection Fund set up by the Central Government. It may be noted that once the unclaimed dividend is transferred to the Government, as above no claim shall lie in respect of such amount against the Company/Fund.

Details of dividend declared for the previous year are given below :

Date of Declaration	Dividend per share (₹)	Due Date of the proposed transfer to the Investor Education and Protection Fund
20.09.2010	₹ 1	19.09.2017
28.09.2012	₹ 0.50	27.09.2019

Members who have not encashed the Dividend Warrants for the above years are requested to return the time barred dividend warrants or forward their claims to the Company.

(9) Members desirous of getting any information on the accounts and 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.

(10) The Annual Accounts of the Subsidiary Companies are kept for inspection by any members in the Head Office of the Company and of the Subsidiary Companies concerned. The Company shall furnish a hard copy of the accounts of subsidiaries to any shareholder on demand.

By Order of Board of Directors

For **AMINES & PLASTICIZERS LIMITED**

Place : Mumbai
Date : 12.08.2013

AJAY PURANIK
Sr. Vice President
(Corporate Affairs)
& Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

The following explanatory statement set out all the material facts relating to Special Business mentioned at Item No. 6 of the accompanying notice convening the 38th Annual General Meeting of the Company.

Item No. 6:

The Board of Directors at their meeting held on 13th February, 2013 on the recommendation of the Remuneration Committee, re-appointed Shri Hemant Kumar Ruia as Chairman & Managing Director w.e.f. 1st April, 2013 for a period of 3 years.

Shri Hemant Kumar Ruia is a graduate in Commerce and Law from Bombay University, having a varied and rich experience in various fields. He has been associated for the past 31 years and is looking after all major policy decisions as well as day-to-day affairs of the Company. During this tenure, he has taken many initiatives to diversify Company's operations into various areas mainly technology and engineering. Under his leadership, the Company has grown from a domestic level Company to a Company of International repute.

Considering his long association, vast experience in the activities of the Company and the exceptional contribution made by him in the Company's growth, the Board feels that it is in the interest of the Company to re-appoint Shri Hemant Kumar Ruia as Chairman & Managing Director for a further term of three years w.e.f. 1st April, 2013 and hence, recommends the passing of the resolution mentioned at the Item No. 6.

Except Shri. Hemant Kumar Ruia, None of the Directors of the Company is in any way interested in the said resolution.

The terms and conditions detailed in the resolution proposed to be passed at Item No.6 of the Notice be also considered as an abstract of the re-appointment of Shri. Hemant Kumar Ruia and a memorandum as to the nature of concern or interest in the said reappointment, as required under Section 302 of the Companies Act, 1956.

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

Name of the Director	**Dr. Mithilesh Kumar Sinha**	**Dr. Pandurang Hari Vaidya**
Date of Birth	02.09.1935	25.09.1939
Date of Re-appointment	20.09.2010	29.09.2011
Expertise in specific functional area	Wide experience in Banking Industry	Wide experience in HRD, Finance and General Administration
Qualifications	M.A., Phd.	M.Com., Phd.
Number of outside Directorships held in Public Limited Companies as on 31.03.2013	2	1
Other Directorships/ Committee Membership held as on 31.03.2013	APL Infotech Limited Bang Overseas Limited.	Ariva Industries (India) Limited.
Chairman / Member of the Committee of the Board of Public Companies on which he is a Director as on 31.03.2013	NIL	NIL
Shareholding	NIL	NIL

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 38th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

(₹ in Lakhs)

FINANCIAL RESULTS	For the year ended 31.03.2013	For the year ended 31.03.2012
Income	**19250.06**	18968.71
Profit before Interest, Depreciation and Taxes	**1458.55**	1356.77
Less : Interest	**877.72**	805.36
Depreciation	**149.61**	122.40
Profit before Tax	**431.22**	429.01
Provision for taxation	**120.52**	122.17
Profit after Tax	**310.70**	306.84
Balance of profit brought forward from the previous year	**1832.29**	1557.42
Proposed Dividend on :-		
Equity Shares	**27.51**	27.51
Corporate Dividend Tax	**4.46**	4.46
Balance of Profit carried to Balance Sheet	**2111.02**	1832.29

DIVIDEND:

Your directors are pleased to recommend a Dividend of 50 paise per Equity Share (i.e. 5%) on 55,02,000 Equity Shares of ₹ 10/- each, subject to approvals.

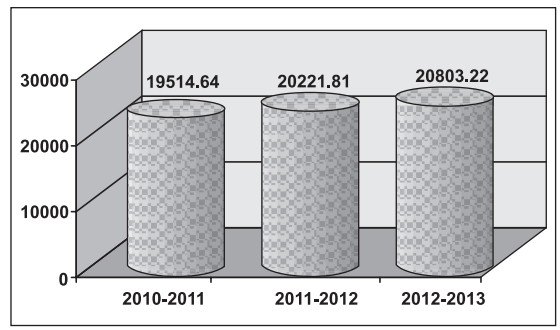
OPERATIONS AND FUTURE PROSPECTS:

During the year under review, the Company had achieved a Gross turnover of ₹ 20,803.22 Lacs as against ₹ 20,221.81 Lacs in the previous year. The profit after tax was ₹ 310.70/- Lacs as compared to last year of ₹ 306.84 Lacs, which had marginally grown at the rate of approximately 1.26%.

The Company's profitability sustained due to the expansions carried out in the previous year and upgradation of various Plant Facilities. The Company has concentrated more on manufacturing activities and revenue generated from trading activities were minimal. With the increase in production range and expansion in capacities there was an overall improvement in the revenue from its manufacturing activities.

During the year under review, inspite of the market pressure, stiff competition and other operational challenges, there was greater demand for the Company's products. However, steep increase in the prices of raw materials and high interest cost had put a lot of pressure on the margins and profitability of the Company.

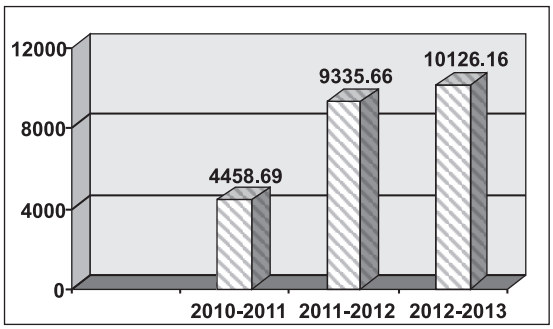
The chart depicts the Gross Turnover of the Company over last 3 years.



EXPORTS:

The Export turnover for the current year was ₹ 10,126.16 Lacs which was higher than the last year i.e. ₹ 9335.66 Lacs. The Company could achieve such a remarkable performance due to its concerted effort in tapping overseas clients and its aggressive venture in the international market.

The chart depicts Export Turnover of the Company over last 3 years.



ISO CERTIFICATION:

The Company has an ISO 9001: 2008 certification and recertification audit has been conducted by Det Norske Veritas (DNV) and is valid up to 13th January, 2016. QMS (Quality Management System) is focusing on continual improvement by implementing the strategic tools for business to gain competitive advantage through product and service that are safe, reliable and trustworthy.

Besides QMS (Quality Management System), APL has IMS (Integrated Management System) for ISO 14001:2004 and OHSAS 18001:2007 certifications recently underwent for the recertification audit by DNV and is valid upto 9th April, 2016.

ISO 14001:2004(Environmental Management System) certifications relates to conservation of natural resources resulting in maintaining of the clean environment, safe work place, safe operations, commitment to compliance and healthy atmosphere. Therefore, it is committed to ensure minimum impact to environment through its operations.

OHSAS 18001:2007 (Occupational Health and Safety Assessment Series) certification relates to Safety and Health of working people. Various measures have been taken by the Company in order to ensure compliance in its true spirit.

CREDIT RATING:

As required under BASEL II Norms stipulated by RBI for Credit facilities availed by the Company, the Company had obtained Credit ratings for its Credit facilities. The outlook on the long term rating is Stable.

REACH COMPLIANCE:

The Company has done Pre- Registration of most of the products having export potential to Europe.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Dr. Mithilesh Kumar Sinha and Dr. P.H. Vaidya, Directors, retire by rotation and are eligible for re-appointment. The Board recommends their reappointment.

Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas and names of public limited companies in which they hold directorships and memberships / chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges will be provided in the Notice forming part of the Annual Report.

The Board of Directors has re-appointed Mr. Hemant Kumar Ruia as Chairman & Managing Director, subject to the approval of the members for a term of three years w.e.f. 01/04/2013 to 31/03/2016.

AUDITORS:

M/s Bhandari Dastur Gupta & Associates, Chartered Accountants (Firm Registration No. 119739W), Mumbai, Auditors of the Company, hold office until conclusion of the ensuring Annual General Meeting and are eligible for re-appointemnt. The Company has received letter from them to the effect that their appointment, if made would be within the prescribed limit under section 224 (1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended the re-appointment of M/s Bhandari Dastur Gupta & Associates as Auditors of the Company for a further term.

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:

The Management is pleased to report that the APL Infotech Ltd's Pipe leak detection software has been customized and work on the first order is in Progress. The Company has renewed its arrangement with a major Software Company for marketing this software package and is making steady progress with various prospective customers.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the financial statements of subsidiary companies are not being attached with Annual Accounts of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report. In addition, the Annual Accounts of subsidiary companies have been kept at the Registered/Head Office of the Company and can be inspected and obtained by members during office hours till the date of Annual General Meeting of the Company. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies.

Proposed Amalgamation of APL Engineering Service Private Limited with Amines & Plasticizers Limited

On 13th February, 2013, the Board of Directors of the Company at its meeting proposed amalgamation of its wholly owned subsidiary APL Engineering Services Private Limited with the Company. Both the Transferor and the Transferee Companies are group Companies and one of the business activities of Amines & Plasticizers Limited is to erect pilot plants, fabrication work and other Engineering works for its customers whereas APL Engineering Services Private Limited is engaged in providing services for integrated design, engineering, procurement, construction, installation and project management for all types of engineering projects, including taking up heavy fabrication jobs from external as well as Parent Company. The proposed Scheme of Amalgamation would result in business synergy and consolidation of business activities of these companies. The Company has been taking all necessary steps in this regard.

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.

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) Amendment Rules, 2011, 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 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 means the system of rules, practices and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of the many stakeholders in a company - these include its shareholders, customers, suppliers, financiers, government and the community. Since corporate governance also provides the framework for attaining company's objectives, it encompasses practically every sphere of management from action plans and internal controls to performance measurement and corporate disclosure.

Corporate Governance is based on two principles i.e. Transparency and Accountability. Corporate governance is a reflection of our culture, policies, our relationship with stakeholders and our commitment to values. 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.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements, your Directors provide the Audited Consolidated Financial Statements in the Annual Report. Though only a part of your Company's business is conducted through its subsidiaries, your Directors believe that the consolidated accounts provide a more accurate representation of the performance of your Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

APPRECIATION:

Your Directors express their gratitude for the consistent support and co-operation received from all its Customers, Collaborators, Government Agencies, Financial Institutions, Bankers, Suppliers, Shareholders, Employees and other Associates who have reposed their continued trust and confidence in the Company.

For and on behalf of the Board

HEMANT KUMAR RUIA
Chairman &
Managing Director

Place : Mumbai
Date : 30.05.2013