



Amal Ltd

Annual Report 2012-13

Contents

2012-13 in Retrospect	01
Purpose and Values	02
Letter to the Shareholders	04
Directors' Report	05
Management Discussion & Analysis	07
Report on Corporate Governance	08
Notice	21
Financial Statements	30

Forward looking statements

In this Annual Report, we have shared information and made forward looking statements to enable investors to know our product portfolio, business logic and direction and thereby comprehend our prospects. Such and other statements - written and oral - that we may periodically make are based on our assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'believe', 'estimate', 'intend', 'plan', 'project' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised although we believe we have been prudent in our assumptions. The actual results may be affected because of uncertainties, risks and even inaccurate assumptions. If uncertainties or known or unknown risks materialise or if underlying assumptions prove inaccurate, actual results can vary materially from those anticipated, believed, estimated, intended, planned or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

2012-13 in Retrospect



Initiatives taken to improve performance

- Supplying excess steam to a neighbouring plant in Ankleshwar
- Maximise sale of Sulphur Dioxide, a value added product
- Increasing volume of Sulphur Trioxide, a value added product

Initiatives underway to improve performance

- Removal of bottlenecks to maximise production efficiency
- Further increase the supply of steam to the neighbouring plant

United by Purpose

We are an organisation committed to significantly enhancing value for all our Stakeholders by:

- fostering a spirit of continuous learning and innovation,
- using science and technology in a responsible way,
- providing high quality products and services, and becoming the most preferred partner,
- having people who practice Values and high standards of behaviour,
- seeking sustained, dynamic growth and securing long-term success,
- taking responsible care of the surrounding environment and
- improving the quality of life of the communities we operate in.

Aligned by Values



In an environment where change is a way of life, continuity of Values is fundamental to us. We have therefore formalised key Values and are committed to institutionalise them.

We will seek to create an environment wherein these Values are consistently practised and nurtured and ensure that they are not compromised to realise short-term gains.

Integrity

The foundation of every relationship is trust, and trust is based on Integrity. Integrity means working with honesty, following the highest standards of professionalism. Integrity is when our decisions and actions remain consistent with our thoughts and words, written or spoken.

Understanding

How well one works with others depends on his (her) ways to connect, and this in turn is based on his (her) level of Understanding of human relationships. Understanding does not mean accepting poor performance, but it means doing it the right way. Understanding is not only an external manifestation, but also an internal realisation.

Unity

Living in a state of oneness brings Unity. Unity means working together and taking advantage of synergy while harnessing unique abilities of each individual to achieve a larger goal. Unity is the realisation that though we may work in different areas, we are finally interconnected and that interdependence is a higher order of living than independence; though we may be many, we share a common destiny.

Responsibility

Responsibility implies doing whatever it takes to deliver value and taking ownership of our actions. Responsibility must also give rise to the realisation that what is good for the business must be in the overall good; in other words, working in the spirit of trusteeship not only for the shareholders, but also for other stakeholders such that ultimately what comes from the society goes back to it many times over.

Excellence

Excellence is a drive that is more from inside than outside; it is about one seeking to continuously improve and better performance. Excellence means endeavouring to achieve the highest possible standards in our day to day work; it means to develop an inspiring Vision and realise it. In many ways, Excellence is also a journey, not simply a destination in itself.

Letter to the Shareholders

Dear Shareholders,

It is my pleasure to present before you the Annual Report for the year 2012-13 and share with you how the Company fared during the year.

You would be pleased to note that your Company made significant progress during the year in implementing planned key initiatives for enhancement of its performance. The plant operation efficiency showed major improvement and the supply of steam to the neighbouring plant at Ankleshwar was greatly enhanced over the previous year resulting into additional revenues.

Our Company manufactures and markets in all 4 products, namely Sulphuric Acid 98%, Oleum 25%, Sulphur Trioxide and Sulphur Dioxide. Barring Sulphur Dioxide and to some extent Sulphur Trioxide, both of which have low demand, the other products are commodity in nature whose prices and contributions fluctuate significantly. The price of key raw material, Sulphur, also varies from month to month. In essence, the way to succeed in these products is to ensure full deployment of steam (a by-product), excellent conversion efficiency and high capacity utilisation.

The prices of Sulphur, a key raw material, showed a downward movement during the second half of the year to an extent of 10% over the previous half of the year, providing a much needed respite to the declining product contributions. However, owing to the market dynamics, Sulphuric acid selling prices were lower than the cost, impacting the overall product contributions during the year.

Although our plant efficiencies and production output did improve over the previous year, there is still a lot to be done in terms of consistent output as well as our ability to sustain desired performance levels.

The Company ended the year 2012-13 with a sale from operations at ₹ 1716 lacs, and profit before exceptional and extraordinary items and tax at ₹ (60) lacs compared to ₹ 1354 lacs and ₹ (340) lacs respectively in the previous year. Income from exceptional items of ₹ 61 lacs during the year enabled the Company to register a profit of ₹ 1.31 lac as compared to a loss of ₹ 321 lacs during the previous year.

The Company has identified key initiatives to ensure consistency in production performance with higher capacity utilisation to be sustained throughout the year.

At the same time, we are exploring and evaluating new value added product(s) in our chosen areas with relatively low investments so that we do not become highly leveraged. We will have more clarity about such investments, which form Phase 2 of our strategy, during 2013-14.

The Modified Draft Rehabilitation Scheme (MDRS) submitted to BIFR is due for approval; this would enable the Company to further implement various initiatives to enhance performance.

We wish to take this opportunity to thank the Independent Directors for their significant involvement and guidance. On behalf of all our colleagues on the Board, we wish to thank our customers for their support and employees for their commitment and dedication.

We look forward to your understanding in our quest for recovery.

Sincerely,

Vasudev Koppaka
Managing Director

Sunil Lalbhai
Chairman

Director's Report



Dear Members,

The Board of Directors presents the Annual Report of Amal Ltd together with the audited statement of accounts for the year ended March 31, 2013.

Financial results

	(₹ in thousands)	
	2012-13	2011-12
Revenue from operations	171,610	135,380
Other income	259	172
Total revenues	171,869	135,552
Profit (Loss) from operations before tax	(6,047)	(33,973)
Add: Write back of balances and prior period provisions not required	6,491	1,962
Less: Write off of balances and short provisions of prior period	313	135
Add (Less) tax expenses	-	-
Add: Write back on settlement with unsecured creditors	-	-
Profit (Loss) after tax	131	(32,146)
Balance in Statement of Profit and Loss brought forward	(457,720)	(425,574)
Balance in Statement of Profit and Loss carried forward	(457,589)	(457,720)

Dividend

The Board regrets its inability to recommend dividends due to carried forward losses.

Financial Performance

Net sales grew by 27% to ₹ 1716 lacs. However, the margins were still under pressure and loss reduced significantly compared to previous year; the loss before exceptional items reduced from ₹ 340 lacs to ₹ 60 lacs. The reduction in loss was mainly on account of increase in selling prices, better realisation from by-product i.e. steam, control over fixed costs and slight reduction in input price of main raw material i.e. Sulphur.

Insurance

The Company has taken adequate insurance to cover the risks to its people, plant and machineries, buildings and other assets, profits and third parties.

Directors

According to Article 134 of the Articles of Association of the Company, Mr N C Singhal and Mr T R Gopi Kannan retires by rotation and being eligible offers themselves for reappointment at the forthcoming Annual General Meeting (AGM) scheduled on August 02, 2013. Mr S S Lalbhai was reappointed by the members at the last AGM held on July 24, 2012.

Corporate Governance

A Report on Corporate Governance along with a certificate from the Statutory Auditors regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the Listing Agreement is annexed.

Listing

The Company has paid the annual listing fees for the year 2012-13 to Bombay Stock Exchange Ltd and Ahmedabad Stock Exchange.

Fixed Deposits

The Company has not invited or accepted Fixed Deposits under Section 58A of the Companies Act, 1956, from the public during the period under review.

Safety, Health and Environment (SH&E)

The Company accords high priority to SH&E. The Company has its own effluent treatment plant at Ankleshwar designed to fully comply with the norms stipulated by the Gujarat Pollution Control Board. The treated water is discharged into common effluent discharge pipeline of Narmada CleanTech Ltd.

BIFR Status

The BIFR vide its order dated July 16, 2009 had sanctioned a revival scheme for the Company, and the same was modified vide order dated June 18, 2010. As per the sanctioned scheme, the following steps were taken:

- Settled majority of unsecured creditors at 30% of the Principal dues
- Issued Redeemable Preference Shares of ₹ 10 cr to Atul Ltd
- Enhanced capacity of Sulphuric Acid plant to 140 MT per day

Subsequently, the Appellate Authority of Industrial and Financial Reconstruction (AAIFR) vide its order dated March 22, 2011 allowed the Appeal filed with it and remanded the case back to the BIFR for considering a revival scheme through an Operating Agency.

Honourable BIFR appointed IDBI Bank as operating agency vide order dated October 11, 2011. IDBI Bank has reviewed the new Draft Rehabilitation scheme (DRS) and subsequently submitted the same to BIFR on February 16, 2012 for its review and approval. As per BIFR advice the Company has revised the DRS with cut-off date as March 31, 2013 and the same is under review with BIFR for approval.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo and Employees

Information required under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, forms a part of this Report. However, as per the provisions of Section 219(1)(b)(iv), the Report and Accounts are being sent to all the Members excluding the information relating to conservation of energy, technology absorption, foreign exchange earnings & outgo and the statement of particulars of employees. Any Member interested in obtaining such particulars may inspect the same at the registered office of the Company or write to the Company Secretary for a copy.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that to the best of their knowledge and belief:

- (i) In the preparation of the annual accounts, the applicable Accounting Standards were followed
- (ii) Such Accounting Policies were selected and applied consistently and such judgements and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2013 and of the profit of the Company for the year ended on that date
- (iii) Proper and sufficient care was taken to maintain 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
- (iv) The attached annual accounts for the year ended March 31, 2013 were prepared on a going concern basis as the Company has restarted its manufacturing operations at Ankleshwar site and intends to expand and diversify its operations as per the proposal submitted to the BIFR.

Auditors

Haribhakti & Co, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing AGM. They have given their consent to continue to act as the Auditors for 2013-14, if reappointed. The relevant notes forming a part of the accounts are self explanatory and give full information and explanation in respect of the observations made by the Auditors in their Report.

Acknowledgements

The Board of Directors expresses its sincere thanks to all the customers, employees, investors, suppliers, regulatory and Government authorities and the Stock Exchanges for their continuing support.

For and on behalf of the
Board of Directors

Mumbai
April 26, 2013

Sunil S Lalbhai
Chairman

Management Discussion & Analysis



The Company manufactures Sulphuric Acid, Oleum 25%, Sulphur Trioxide and Sulphur Dioxide at its manufacturing site at Ankleshwar. These are bulk chemicals which find their use in several industries like Dyes, Fertilizer, Personal Care, Petrochemical, Pharmaceutical, Textile, etc. These chemicals are generally sold locally and that too within a radius of 150 km from the manufacturing site.

Sales for the year 2012-13 grew from ₹ 1,354 lacs to ₹ 1,716 lacs. The current global demand for Sulphuric Acid is reported to be 145 mn mt per annum, assuming demand equals production and at an average growth of 7-8% per annum, the global demand for Sulphuric Acid is projected to be around 160 million mt per annum valued at US\$ 11.98 bn by 2015* with Fertilizer industry contributing to 65% of the consumption. There are about 45 manufacturers of Sulphuric Acid in India accounting for 7.90 mn mt per annum of production. The western region accounts for 44%, followed by eastern region at 30%, southern region at 22% and northern region at 4%.

The manufacturing plant of the Company at Ankleshwar has an installed capacity of 140 mt per day and effective steps have been taken to debottleneck the above capacity, the benefits of which will materialise in 2013-14. It will also be able to generate more steam which would be supplied to a neighbouring plant. In addition, it will also explore new value added products which will utilize Sulphur Trioxide and Sulphur Dioxide. Besides, the Company is also re-considering manufacture of a chemical intermediate used in the pharmaceutical industry.

As the manufacture of the Sulphuric Acid and its downstream products are based on Sulphur, their prices and consequently their contribution margins are influenced by the international price of Sulphur and the rate of foreign exchange. The Company needs to ensure a high degree of efficiency, competitiveness and speed in its operations to achieve a good performance.

Internal Control Systems

The Company has appointed an external agency, Aneja Associates, a reputed consultancy firm, to ensure adequate internal controls for safeguarding the assets, ensuring transactions are in accordance with its policies and are duly authorised, recorded and reported, and preventing significant frauds or other irregularities.

The Company is working to further strengthen the systems for internal audit and risk assessment and mitigation. During the year, it has taken further steps to improve in these areas and has specifically taken the following new initiatives:

- (i) Internal Control System and procedures were audited by Aneja Associates and quarterly transactions audit was done by another chartered accountant firm Vimal D Desai & Associates
- (ii) Suggestions given by both the firms have been implemented.

A high priority was assigned towards compliance to safety and environmental norms specified by GPCB.

Human Resources

The Company continued with its drive to institutionalise and upgrade its HR processes. Production and sales activities of the Company have been streamlined at Ankleshwar and requisite manpower has been recruited to support the activities.

Statements made in the Management Discussion & Analysis report relating to projections, estimates, expectations or predictions are based on certain assumptions. The Company cannot guarantee that these assumptions are accurate or will be realised. The actual results, performance or achievements of the Company may thus differ materially from those estimated or projected.

Report on Corporate Governance

1. **Philosophy**

Transparency and accountability are the two basic tenets of Corporate Governance. Amal is proud to belong to a Group whose Founder lived his life with eternal Values and built the business enterprises on the foundation of good governance.

The Company is committed to conducting business the right way which means taking decisions and acting in a way that is ethical and in compliance with the applicable legal requirements. It will endeavour to continuously improve its Corporate Governance performance with a view to earn trust and respect of all its Stakeholders.

The Board of Directors is responsible for and is committed to good Corporate Governance and plays a critical role in overseeing how the Management serves the short and long-term interests of the Shareholders and other Stakeholders.

2. **Board of Directors**

2.1 **Board Business**

The normal business of the Board comprises:

- 2.1.01 Approving capital expenditure and operating budgets
- 2.1.02 Approving joint ventures, collaborations, mergers and acquisitions
- 2.1.03 Approving loans and investments
- 2.1.04 Approving sale of investments and assets
- 2.1.05 Approving borrowings in nature of short, medium or long-term
- 2.1.06 Approving creation of charge on assets in favour of lenders
- 2.1.07 Approving commission payable to the Directors within the limit set by Shareholders
- 2.1.08 Approving contracts in which Director(s) are deemed to be interested
- 2.1.09 Approving appointment of the Cost Auditors
- 2.1.10 Approving cost audit reports
- 2.1.11 Approving unaudited quarterly financial results and audited annual accounts, both consolidated and on a standalone basis including segment-wise revenues, results and capital employed
- 2.1.12 Approving matters requiring statutory | Board consent
- 2.1.13 Reviewing foreign exchange exposure and exchange rate movement, if material
- 2.1.14 Reviewing fatal or serious accidents, dangerous occurrences and material environmental matters
- 2.1.15 Reviewing default in payment of statutory dues
- 2.1.16 Reviewing materially important show cause, demand, prosecution and penalty notices
- 2.1.17 Reviewing status on compliance of regulatory | statutory and listing requirements
- 2.1.18 Recommending appointment of the Statutory Auditors
- 2.1.19 Recommending declaration of dividend
- 2.1.20 Noting minutes of the meetings of the Board, Audit, Shareholders' and Investors' Grievance Committees or any other Committee meetings and also the resolution(s) passed by circulation
- 2.1.21 Noting general notices of interest of the Directors



2.2 Appointment and Tenure

2|3rd of the Directors are rotational Directors. 1|3rd of rotational Directors retire in every Annual General Meeting (AGM) and, if eligible, offer themselves for reappointment. The Managing Director is appointed by the Members for a period of five years.

2.3 Composition, Name, Other Directorships | Committee Memberships

The Board comprises experts drawn from diverse fields|professions. At this time, it consists of six Members, comprising five Non-executive Directors, and one Managing Director. The composition of the Board comprises not less than 50% Independent Directors, thereby complying with the Listing Agreements. The Non-executive Directors are eminent professionals, drawn from amongst persons with experience in business, finance, industry, law and public enterprises.

Number	Name	Category	Directorship(s) in other company(ies) ¹	Membership(s) of the Committee(s) of the Board(s) ²	Chairmanship of the Committee(s) of the Board(s) ²
1	Mr S S Lalbhai	Promoter, Non-executive*	5	3	-
2	Mr V Koppaka	Executive**	-	-	-
3	Mr T R Gopi Kannan	Non-executive	6	3	-
4	Mr N C Singhal	Independent, Non-executive	9	3	5
5	Mr S A Shah	Independent, Non-executive	9	3	5
6	Mr A R Jadeja	Independent, Non-executive	-	-	-

¹ excludes Alternate Directorships and Directorships in foreign companies and private limited companies

² in compliance with Clause 49, Memberships | Chairmanships of only the Audit Committees and Shareholders' | Investors' Grievance Committees of all public limited companies including the Company were considered

* Chairman

** Managing Director

2.4 Board Meetings

The Board meeting dates were normally determined well in advance. During the year, the Board met four times:

Number	Day	Date	Venue
1	Saturday	May 05, 2012	Mumbai
2	Saturday	July 14, 2012	Mumbai
3	Wednesday	October 17, 2012	Mumbai
4	Saturday	January 12, 2013	Mumbai

2.5 Attendance at the Board Meetings and at the Annual General Meeting

Number	Name	Board Meetings		AGM on
		Total	Attended	July 24, 2012
1	Mr SS Lalbhai	4	4	Present
2	Mr V Koppaka	4	4	Present
3	Mr NC Singhal	4	4	Present
4	Mr TR Gopi Kannan	4	4	Present
5	Mr SA Shah	4	4	Present
6	Mr AR Jadeja	4	4	Present

2.6 Appointment | cessation during the year

- Appointed: Nil
- Resigned: Nil
- Ceased: Nil

2.7 Remuneration

Number	Name	Remuneration during the year			
		Sitting fees	Salary and perquisites	Commission	Total
		₹	₹	₹	₹
1	Mr SS Lalbhai	-	-	-	-
2	Mr V Koppaka	-	880,000	-	880,000*
3	Mr NC Singhal	120,000	-	-	120,000
4	Mr TR Gopi Kannan	-	-	-	-
5	Mr SA Shah	80,000	-	-	80,000
6	Mr AR Jadeja	80,000	-	-	80,000

Sitting fees constitute fees paid to Non-executive Independent Directors for attending the Board and Committee meetings of up to ₹ 10,000 per meeting.

* Represents lower of 10% of the remuneration paid by Atul Ltd to the Managing Director (being an employee of Atul Ltd) or an amount allowable under Section I or Section II of Part II of the Schedule XIII of the Companies Act, 1956. Accordingly, an amount of ₹ 880 ('000) is reimbursable to Atul Ltd.

3. Committees of the Board

The Board has constituted the following Committees:

- Audit Committee
- Share Transfer and Shareholders' | Investors' Grievance Committee
- Remuneration Committee

3.1 Audit Committee

3.1.1 Role

- Approving the appointment of CFO
- Reviewing | Overseeing the financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient and credible



- iii) Reviewing matters under the Directors' Responsibility Statement to be included in the Directors' Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956
- iv) Reviewing of the following information mandatorily
 - Management Discussion & Analysis of financial condition and results of operations
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management
 - Internal audit reports relating to weaknesses in Internal Control Systems
 - Appointment, removal and terms of remuneration of the Chief Internal Auditor
- v) Reviewing quarterly | annual financial statements with the Management before submission to the Board, focusing primarily on
 - Any changes in Accounting Policies and practices
 - Major accounting entries based on exercise of judgement by the Management
 - Qualifications in the draft audit report
 - Significant adjustments arising out of audit
 - Going concern assumption
 - Compliance with Accounting Standards
 - Compliance with the Stock Exchanges and legal requirements concerning financial statements
 - Any related party transactions, that is, transactions of the Company of material nature, with Promoters or the Management, their subsidiary companies and relatives, among others, that may have potential conflict with the interest of the Company at large
- vi) Reviewing with the Management, external and Internal Auditors, the adequacy of Internal Control Systems
- vii) Reviewing adequacy of Internal Audit function, including the structure of Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit
- viii) Reviewing findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of material nature and reporting such matters to the Board
- ix) Reviewing financial and risk management policies
- x) Reviewing reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, Members (in case of non-payment of declared dividends) and creditors
- xi) Reviewing periodically compliance reports of all laws applicable to the Company as well as steps taken to rectify instances of non-compliances
- xii) Reviewing financial statements
- xiii) Reviewing all significant transactions

- xiv) Reviewing uses | applications of funds raised through public | right | preference issues by major categories vis-à-vis the purposes narrated in the offer document | prospectus | notice
- xv) Recommending appointment and removal of the Statutory Auditors and fixation of audit fees, and approval for payment for any other services
- xvi) Determining | formulating the Code of Conduct and related matters
- xvii) Determining procedures about the risk assessment and minimisation and reviewing periodically to ensure that the executive management control risks through means of a properly defined framework
- xviii) Discussing with the Internal Auditors on any significant findings and follow up thereon
- xix) Discussing with the Auditors before the audit commences regarding nature and scope of the audit as well as to have post-audit discussion to ascertain any areas of concern
- xx) Discussing with the Auditors, periodically, about Internal Control Systems, the scope of audit including the observations of the Auditors and review of quarterly, half-yearly and annual financial statements before submission to the Board
- xxi) Ensuring compliance of Internal Control Systems

3.1.2 Composition

The Committee comprises three Members. All the Members are Non-executive and Independent Directors. The Members have relevant experience in financial matters.

Number	Name	Designation
1	Mr NC Singhal	Chairman
2	Mr SA Shah	Member
3	Mr AR Jadeja	Member

3.1.3 Meetings and Attendance

During the year four meetings were held:

Number	Name	Total	Attended
1	Mr NC Singhal	4	4
2	Mr SA Shah	4	4
3	Mr AR Jadeja	4	4

The Statutory Auditors, the Cost Auditors, the Chairman, the Managing Director, the Company Secretary, Heads of Finance & Accounts and Internal Audit are permanent invitees to the meetings.

The Board notes the minutes of the Audit Committee meetings.

3.2 Share Transfer and Shareholders' | Investors' Grievance Committee

3.2.1 Role

- i) Reviewing redressal of complaints of the Shareholders and the Investors like transfer of shares (physical and demat), non-receipt of Balance Sheet, non-receipt of declared dividends, etc
- ii) Reviewing any other related matter which the Committee may deem fit in the circumstances of the case including the following:
 - Transfer shares
 - Transmit shares



- Delete name(s) from share certificates
- Change name(s) of the Members on share certificates
- Issue duplicate share certificates
- Consolidate share certificates
- Transpose names
- Dematerialise shares
- Rematerialise shares
- Split-up shares
- Replace shares
- Delete names(s) of guardian(s)

3.2.2 Composition

The Committee comprises two Members:

Number	Name	Designation
1	Mr NCSinghal	Chairman
2	Mr TRGopiKannan	Member

3.2.3 Meetings and Attendance

During the year four meetings were held:

Number	Name	Total	Attended
1	Mr NCSinghal	4	4
2	Mr TRGopiKannan	4	4

During the year, 6 complaints were received from the Investors. All the grievances were solved to the satisfaction of the Investors:

Number	Name	Received	Redressed
1	Non-receipt of share certificates	4	4
2	Non-receipt of Dividend Interest Redemption warrant	1	1
3	Others	1	1
Total		6	6

The Board notes the minutes of the Share Transfer and Shareholders' | Investors' Grievance Committee meetings.

3.3 Remuneration Committee

Remuneration Committee was reconstituted on May 14, 2011.

3.3.1 Role

- i) Determining on behalf of the Board and the Members, policy of the Company, on specific remuneration packages for the Managing Director.

- ii) Determining the remuneration of the Managing Director based on individual performance, qualifications, experience, the Company performance and comparable industry practices, among others.

3.3.2 Composition

The Committee comprises three Members. All the Members are Non-executive Directors.

Number	Name	Designation
1	Mr SA Shah	Chairman
2	Mr NC Singhal	Member
3	Mr SS Lalbhai	Member

3.3.3 Meetings and Attendance

During the year no meeting was held:

The Board notes the minutes of the Remuneration Committee meetings.

4. Subsidiary Companies Registered in India

There are no subsidiary companies of the Company.

5. Company Policies

5.1 Compliance

Compliance certificates confirming the due compliance with the statutory requirements are placed at the Board Meeting for review by the Directors. A system of ensuring material compliance with the laws, orders, regulations and other legal requirements concerning the business and affairs of the Company is in place. Instances of non-compliance, if any, are also separately reported to the Board and subsequently rectified.

5.2 Code of Conduct

The Board had approved the Code of Conduct applicable to the Directors and the senior management personnel. This Code of Conduct is available on the website of the Company: www.amal.co.in. All the Directors and the senior management personnel affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director forms a part of this Report.

6. Affirmation and Disclosure

There were no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors or the Management and their subsidiary companies or relatives, among others, during the year that may have a potential conflict with the interests of the Company at large. All details relating to financial and commercial transactions where the Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters. The related party transactions are disclosed in "Notes to Accounts".

The Company complied with the statutory provisions, rules and regulations relating to the capital markets during the last three years and the Stock Exchanges or Securities and Exchange Board of India or any statutory authority did not impose any penalties or strictures on the Company for the said period.



7. Shareholders' Information

7.1 General Body Meetings

7.1.1 Location and time, where last three AGMs were held:

Year	Location	Date	Time
2009-10	Babubhai Chenai Committee Room, 2nd Floor, LNM - IMC Building, IMC Marg, Churchgate, Mumbai 400020	September 24, 2010	3.00 p.m.
2010-11	Walchand Hirachand Hall, 4th Floor, LNM - IMC Building, IMC Marg, Churchgate, Mumbai 400020	August 09, 2011	3.00 p.m.
2011-12	Kilachand Conference Room, 2nd Floor, LNM - IMC Building, IMC Marg, Churchgate, Mumbai 400020	July 24, 2012	11.00 a.m.

7.1.2 During the year, no resolutions were passed through Postal Ballot.

7.2 Annual General Meeting 2013

Details of the 39th AGM are as under:

Year	Location	Date	Time
2012-13	Kilachand Conference Room, 2nd Floor, LNM - IMC Building, IMC Marg, Churchgate, Mumbai 400020	August 02, 2013	11.00 a.m.

As required under Clause 49VI (A), particulars of the Directors seeking reappointment | appointment are given in the Notice of the AGM.

7.3 Financial Year

April 01 to March 31

7.4 Date of Book Closure

June 03, 2013 to June 06, 2013

7.5 Date of Dividend Payment

NA

7.6 Listing on the Stock Exchanges

Equity Shares of the Company are listed on Bombay Stock Exchange Ltd (BSE) and Ahmedabad Stock Exchange of India Ltd (ASE).

The Company has paid listing fees for the year 2013-14 to all the Stock Exchanges where securities are listed. Pursuant to a circular of Securities and Exchange Board of India (SEBI), Custody charges were also paid to the Depositories namely National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL). The ISIN number of the share of the Company is INE841D01013. The Corporate Identity Number (CIN) is L24100MH1974PLC017594.

7.7 Stock Code

BSE: 506597 and ASE: 03310

7.8 Share Price Data and comparison with BSE Sensex

The monthly high and low share prices of the Company in comparison with the BSE Sensex during the year are as under:

Month	Share price of the Company at BSE		BSE Sensex	
	High ₹	Low ₹	High	Low
April 2012	12.40	9.52	17664	17010
May 2012	12.10	8.58	17432	15810
June 2012	11.90	9.64	17448	15749
July 2012	13.94	11.05	17631	16598
August 2012	15.21	12.36	17973	17027
September 2012	17.85	15.20	18870	17251
October 2012	23.10	16.85	19137	18393
November 2012	25.65	18.70	19373	18256
December 2012	24.10	20.00	19612	19149
January 2013	24.60	20.25	20204	19509
February 2013	21.95	15.55	19967	18794
March 2013	16.25	12.70	19755	18568

7.9 Registrar and Transfer Agent

For physical and dematerialised shares:

Link Intime India Pvt Ltd (Formerly known as Intime Spectrum Registry Ltd)

C 13 Pannalal Silk Mills Compound, LBS Marg,

Bhandup, Mumbai 400078, Maharashtra, India

Telephone Number: +91 22 25946970 Telefax: +91 22 25946969

E-mail id: rnt.helpdesk@linkintime.co.in

7.10 Share Transfer System

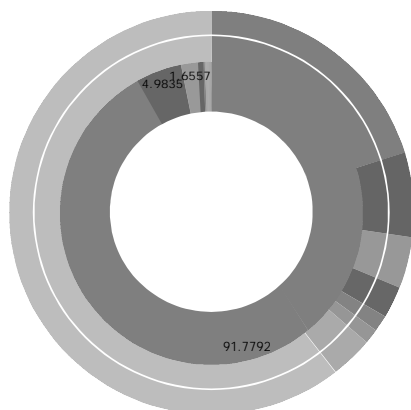
Securities lodged for transfer at the office of the Registrar are processed within 30 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialisation of securities are processed, and the confirmation is given to the depositories within 21 days.

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates on a half-yearly basis were issued by the Company Secretary in practice for due compliance of share transfer formalities by the Company. Pursuant to the SEBI (Depositories and Participants) Regulations, 1996, certificates were also received from the Company Secretary in practice for timely dematerialisation of the shares and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company. All the certificates were filed with the Stock Exchanges where the shares of the Company are listed.

7.11 Distribution of Shareholding as on March 31, 2013

i) Shareholding wise:

Holding	Shareholders		Shares	
	Numbers	% of Total	Numbers	% of Total
1-5000	11,142	91.78	1,424,596	20.28
5001-10000	605	4.98	459,818	6.54
10001-20000	201	1.65	291,667	4.15
20001-30000	73	0.60	179,703	2.56
30001-40000	25	0.21	87,216	1.24
40001-50000	18	0.15	86,838	1.24
50001-100000	36	0.30	237,837	3.39
100001 and above	40	0.33	4,257,325	60.60
Total	12,140	100.00	7,025,000	100.00



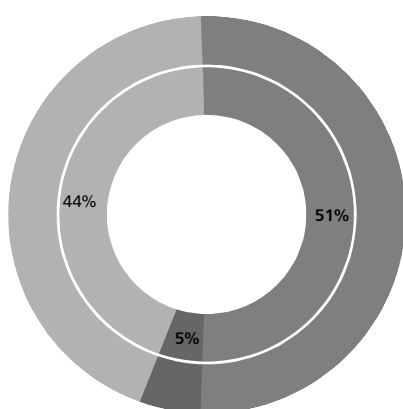
Holding

- 1 - 5000
- 5001 - 10000
- 10001 - 20000
- 20001 - 30000
- 30001 - 40000
- 40001 - 50000
- 50001 - 100000
- 100001 and above

ii)

Category wise:

Category	Shares (Numbers)	Shareholding (%)
Promoter Group	3,578,744	50.94
Mutual Funds	1,100	0.02
Banks and Insurance Companies	1,083	0.02
Foreign Institutional Investors	-	-
Corporate Bodies	354,216	5.04
Non-Resident Indians Overseas Corporate Bodies	7,061	0.10
Indian Public	3,082,796	43.88
Total	7,025,000	100.00



Shareholding (%)

- Promoter Group
- Mutual Funds
- Banks and Insurance Companies
- Foreign Institutional Investors
- Corporate Bodies
- Non-Resident Indians | Overseas Corporate Bodies
- Indian Public

Apart from Equity Shares, the Company had issued 1,00,00,000 Redeemable Preference Shares of ₹ 10/- each to the Promoters of the Company as per the BIFR order dated June 18, 2010 against full and final settlement of secured loans of ₹ 10,00,00,000/- (Rupees Ten crores only) on February 08, 2011.

7.12 Dematerialisation of shares and liquidity

Electronic holding by the Members comprising 77.19% (54,22,572 shares) of the paid-up equity share capital of the Company held through the NSDL 67.23% (47,22,683 shares) and the CDSL 9.96% (6,99,889 shares) and 22.81% (16,02,428 shares) were in physical form as on March 31, 2013.

7.13 Outstanding GDRs | ADRs | warrants or any convertible instruments, conversion date and likely impact on equity

Share capital of the Company comprises Equity Shares and Preference Shares. It does not have any outstanding ADRs, GDRs, warrants or any convertible instruments.

7.14 Equity Shares held by the Non-executive Directors

Number	Name	Shares
1	Mr S S Lalbhai	3750

7.15 Location of plants

- i) Atul 396020, District Valsad, Gujarat, India
 - ii) GIDC, Ankleshwar 393002, District Bharuch, Gujarat, India
- H-Acid plant at Atul and Dye intermediate plants (NIP-I & NIP-II) at Ankleshwar have been scrapped. Sulphuric Acid plant at Ankleshwar is the only plant which is in operation.

7.16 Address of Mumbai office

310-B, Veer Savarkar Marg, Mumbai 400028, Maharashtra, India

7.17 Address for correspondence

Secretarial and Legal Department, Amal Ltd, Atul 396020, District Valsad, Gujarat, India
E-mail id: amal@amal.co.in

7.18 E-mail id of grievance redressal office: igc@amal.co.in**7.19 Nomination facility**

A Member can nominate a person who will have rights to shares and | or amount payable in respect of shares registered in his (her) name in the event of his (her) death. This facility is available to the Members and the nomination form can be obtained from the Company.

7.20 Communication

Half-yearly report sent to each household of the Members	The results are not sent to each household of the Members; however, the financial results are published in the newspapers as well as displayed on the website of the Company BSE ASE
Quarterly and half-yearly results	Financial results of the Company are sent to the Stock Exchanges immediately after approval by the Board and published in The Financial Express (English) and Apala Mahanagar (Marathi). The results are published in accordance with the guidelines of the Stock Exchanges
Any website, where displayed	On the website of the Company: www.amal.co.in
Whether it also displays official news releases	No
Presentations made to the institutional investors or to analysts	No presentations were made to institutional investors or analysts during the year
Whether Management Discussion & Analysis is a part of the Annual Report or not	Yes



8. Details of compliance with the mandatory requirements and extent of compliance with non-mandatory requirements

i) Compliance with the mandatory requirements

The Company complied with the mandatory requirements of the Code of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

ii) Extent of compliance with the non-mandatory requirements

The Company complies with the following non-mandatory requirements:

- Remuneration Committee set up by the Board
- Moving towards unqualified financial statements

9. Role of the Company Secretary in overall governance process

All the Directors have access to the suggestions and services of the Company Secretary | Secretarial Department in ensuring an effective functioning of the Board and its Committees. The Company Secretary administers, attends and prepares minutes of the Board and the Committee proceedings in accordance with the statutory requirements as well as the norms of Corporate Governance.

10. Certification by CEO and CFO

Mr V Koppaka, Managing Director and Mr A Chhajer, Head of Finance & Compliance Officer, issued a certificate to the Board as prescribed under sub-clause V of Clause 49 of the Listing Agreement.

The said certificate was placed before the Board at the meeting held on April 26, 2013, in which the accounts for the financial year ended March 31, 2013 were considered and approved by the Board.

11. Certification by the Statutory Auditors

Certificate from the Statutory Auditors of the Company, Haribhakti & Co, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is enclosed.

12. Declaration by the Managing Director

In accordance with Clause 49 I D of the Listing Agreement with the Stock Exchanges, all the Directors and senior management personnel have, respectively, affirmed compliance with the Code of Conduct as approved and adopted by the Board.

For Amal Ltd

Mumbai
April 26, 2013

Vasudev Koppaka
Managing Director

Auditors' Certificate on Corporate Governance

To the Members of Amal Ltd

We have examined the compliance of conditions of Corporate Governance by Amal Ltd ('the Company') for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 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 above mentioned Listing Agreements.

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

For Haribhakti & Co
Chartered Accountants
Firm Registration No. 103523W

Atul Gala
Partner
Membership No. 48650

Mumbai
April 26, 2013

Notice



NOTICE is hereby given that the 39th Annual General Meeting (AGM) of the Members of the Company will be held on August 02, 2013, Friday, at 11.00 a.m. at Kilachand Conference Room, 2nd Floor, LNM-IMC Building, IMC Marg, Churchgate, Mumbai 400020, Maharashtra, India to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as on March 31, 2013 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr N C Singhal who retires by rotation under Article 134 of the Articles of Associate of the Company and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr TR Gopi Kannan who retires by rotation under Article 134 of the Articles of Association of the Company and being eligible, offers himself for reappointment.
4. To appoint Haribhakti & Co, Chartered Accountants (Firm Registration No. 103523W) as the Statutory Auditors and fix their remuneration.
2. Printed copies of the Balance Sheet, the Statement of Profit and Loss, the Directors' Report, the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet for the year ending March 31, 2013 are enclosed.
3. Book closure: The Register of Members and the share transfer books of the Company will remain closed from June 03, 2013 to June 06, 2013 (both days inclusive).
4. The Members holding shares in electronic form may please note that Instructions regarding change of address, nomination and power of attorney must be given directly to the DP.
5. Members desirous of any information about the accounts of the Company are requested to write to the Company at least 7 days prior to the date of meeting so that required information can be made available at the meeting.

By order of the Board

Mumbai
April 26, 2013

Vasudev Koppaka
Managing Director

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself | herself and a proxy need not be a Member.
6. The Company appointed Link Intime India Pvt Ltd as Registrar and Transfer Agent for physical and dematerialised shares. The Members are requested to take note and deal with the aforesaid agency when necessary.
7. Reappointment of the Directors: At the ensuing AGM, Mr N C Singhal and Mr T R Gopi Kannan retires by rotation and being eligible offers themselves for reappointment. The information or details required as per the Listing Agreements pertaining to them are as under:

Name	Mr Naresh C Singhal
Date of birth	August 10, 1936
Brief résumé	Mr N C Singhal has done his post graduation in subject of Economics, Statistics & Administration. He has vast experience in the fields of Management, Banking and Finance of over five decades.

Directorship in other companies	<p>Chairman:</p> <p>SCI Forbes Ltd</p> <p>Forbes Bumi Armada Ltd</p> <p>Forbes Bumi Armada Offshore Ltd</p> <p>Director:</p> <p>Deepak Fertilisers & Petrochemicals Corporation Ltd</p> <p>Max India Ltd</p> <p>Birla Sun Life Asset Management Company Ltd</p> <p>Tolani Shipping Company Ltd</p> <p>Binani Industries Ltd</p> <p>Capital First Ltd</p> <p>Samalpatti Power Company Pvt. Ltd</p>
Membership in committees of other companies	<p>Chairman of the Committee:</p> <p>Max India Ltd - Audit Committee</p> <p>Deepak Fertilisers & Petrochemicals Corporation Ltd - Audit Committee</p> <p>Tolani Shipping Company Ltd - Audit Committee</p> <p>Samalpatti Power Company Pvt. Ltd - Remuneration Committee</p> <p>Member of the Committee:</p> <p>Max India Ltd - Remuneration Committee Shareholders & Investors Grievance Committee</p> <p>Birla Sun Life Asset Management Company Ltd - Remuneration Committee</p> <p>Tolani Shipping Company Ltd- Remuneration Committee</p> <p>Binani Industries Ltd - Investors Relation Committee Remuneration Committee Audit Committee</p> <p>Capital First Ltd - Audit Committee Remuneration Committee Nomination Committee</p> <p>Samalpatti Power Company Pvt. Ltd - Audit Committee</p>
Number of shares held in the Company	NIL
Name	Mr T R Gopi Kannan
Date of birth	March 30, 1959
Brief résumé	Mr T R Gopi Kannan has done CA, CS, ICWA followed by Post Graduate Diploma in Management Studies from Indian Institute of Management – Ahmedabad and ACMA (London). He has around 28 years of experience including around 9 years in multinational companies in the areas of Finance and Accounting and over 19 years as Head of Finance in Atul Ltd.



Directorship in other companies	Chairman: Ameer Trading Corporation Ltd Atul USA, Inc. Atul Deutschland GmbH Atul Europe Ltd Atul China Ltd Atul Elkay Polymers Ltd Director: AtRo Ltd Atul Bioscience Ltd Atul Rajasthan Date Palms Ltd M.Dohmen S.A. DPD Ltd Rudolf Atul Chemicals Ltd
Membership in committees of other companies	NIL
Number of shares held in the Company	NIL

By Order of the Board

Registered office
310-B Veer Savarkar Marg,
Mumbai 400028, Maharashtra, India
April 26, 2013

Vasudev Koppaka
Managing Director

Important Communication to the Members

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies and has issued circulars stating that serving Notices | documents including Annual Reports can be made through electronic mode to its Members. To support this green initiative of the Government in full measure, the Members are requested to update their email id provided to the concerned Depository Participants. Those Members who hold shares in physical form are requested to communicate their email id by sending an email to the Registrar and Share Transfer Agent, Link Intime India Pvt Ltd, at email id: rnt.helpdesk@linkintime.co.in with a copy to the Company at email id: igc@amal.co.in

Ten Year Review

(₹ in lacs)

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
OPERATING RESULTS:										
Sales and Other Income	1,718.69	1,355.52	1,319.90	524.78	29.77	45.89	103.42	174.01	639.81	4,910.61
Gross Profit (PBDT)	112.42	(148.65)	16.94	37.79	(75.58)	(41.87)	(43.20)	(236.62)	(1,476.09)	(1,057.65)
Depreciation	34.86	31.63	130.10	130.27	132.02	132.26	132.64	132.61	1,858.63	225.87
Profit (Loss) Before Tax	(60.47)	(340.21)	(136.73)	(92.48)	(207.60)	(174.13)	(175.84)	(369.23)	(3,334.72)	(1,313.52)
Interest Waiver from OTS	-	-	-	467.02	218.57	-	43.67	306.10	-	-
Write back of prior period provisions	61.78	18.75	34.83	-	-	-	-	-	-	-
Write off of prior period short provisions	-	-	32.56	-	-	-	-	-	-	-
Impairment	-	-	237.03	-	-	-	-	-	-	-
Taxation	-	-	-	0.19	0.18	0.30	0.41	0.75	0.20	0.20
Deferred Tax (Liability) Asset (net)	-	-	-	3.21	(3.21)	30.89	(0.61)	(2.81)	(111.23)	85.01
Profit (Loss) After Tax	1.31	(321.46)	(371.49)	377.55	7.58	(143.54)	(133.19)	(66.70)	(3,446.15)	(1,228.73)
FINANCIAL POSITION:										
Gross Block	6,559.05	6,548.62	6,410.46	6,070.22	6,005.54	6,005.54	6,005.54	6,005.54	6,055.33	6,039.81
Net Block	563.29	588.09	481.92	509.22	575.18	707.59	840.23	973.26	1,148.51	3,405.94
Net Current & Other Assets	(866.49)	(892.21)	(224.20)	(152.87)	(663.05)	(834.22)	(825.84)	(816.15)	(1,390.68)	254.18
Capital Employed	(303.20)	(304.13)	257.72	356.35	(87.88)	(126.63)	14.39	157.11	(242.16)	3,660.12
Equity Share Capital	702.50	702.50	702.50	702.50	702.50	702.50	702.50	702.50	702.50	702.50
Preference Share Capital	1,000.00	1,000.00	1,000.00	-	-	-	-	-	-	-
Reserves and Surplus	(3,674.17)	3,675.10	(3,353.27)	(2,981.39)	(3,950.11)	(3,957.31)	(3,813.40)	(3,744.76)	(4,320.83)	(613.05)
Advance towards Share Capital	-	-	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00
Shareholders' Funds	(1,971.67)	(1,972.60)	(1,410.77)	(2,038.89)	(3,007.61)	(3,014.81)	(2,870.90)	(2,802.26)	(3,378.33)	329.45
Borrowings	1,668.47	1,668.47	1,668.50	2,395.24	2,919.75	2,888.19	2,885.29	2,959.37	3,136.17	3,330.67
KEY RATIO:										
Dividend (%)	-	-	-	-	-	-	-	-	-	-
Earning per Share ₹	0.02	(4.58)	(5.29)	5.37	0.11	(2.04)	(1.90)	(0.95)	(49.06)	(17.49)
Book Value Per Share ₹	(28.06)	(28.08)	(20.08)	(29.02)	(42.81)	(42.92)	(40.87)	(39.89)	(48.09)	4.69

Report of the Independent Auditors



To the Members of Amal Ltd,

Report on the Financial Statements

We have audited the accompanying financial statements of Amal Ltd ("the Company"), which comprises the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' judgment, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 32 of the Financial Statements regarding the preparation of financial statements on a going concern basis for reasons stated therein and filing of Draft Rehabilitation Scheme for approval of Board of Industrial and Financial Reconstruction (BIFR). Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003, ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in 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 purposes 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, 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, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the Directors, as on March 31, 2013 and taken on record by the Board of Directors, none

of the Director is disqualified as on March 31, 2013 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No. 103523W

Mumbai
April 26, 2013

Atul Gala
Partner
Membership No. 048650

Annexure to the Report of the Auditors



Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of **Amal Limited** on the financial statements for the year ended March 31, 2013

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the Management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
 - ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventory 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 and no material discrepancies were noticed on physical verification carried out at the end of the year.
 - iii. (a) As informed, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii) (b), (c) and (d) of the Order are not applicable.
 - (b) The Company has taken interest free loan from one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of loans taken from such party was ₹ 1,668.47 (in '000).
- (c) In our opinion, terms and conditions for such interest free loan are not, prima facie, prejudicial to the interest of the Company.
 - (d) As informed to us, no repayment was due during the year of principal amount of loan taken by the Company.
 - iv. In our opinion and according to the information and explanations given to us, there exists an adequate Internal Control System commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct any major weaknesses in the aforesaid internal control system of the company.
 - v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that needs to be entered into the register maintained under Section 301 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of ₹ five lacs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 - vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed thereunder.
 - vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under Clause (d) of sub-section (1) of Section 209 of the Act, and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- ix. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) Accordingly to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty and cess on account of dispute, are as follows:
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders.
- xii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi | mutual benefit fund | society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi. The Company has not obtained any term loans.

Name of the statute	Nature of dues	Amount (₹ in '000)	Period to which the amount relates	Forum where the dispute is pending
The Gujarat Sales Tax Act, 1969	Sales tax	6,668 *	1999-00, 2001-02 to 2003-04	Gujarat VAT Tribunal

* Out of above, ₹ 50,000/- has been paid under protest by the Company towards dues for year 2003-04.

- x. In our opinion, the accumulated losses of the Company as at March 31, 2013 are more than 50% of its net worth at the end of the year. Further, the Company had incurred cash loss during preceding year but has not incurred any cash loss during the current financial year.
- xvii. According to the information and explanations given to us and on an overall examination of the balance Sheet of the Company, we report no funds raised on a short-term basis during the year have been used for long-term investment.



- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xix. According to the information and explanations given to us, no debentures have been issued by the Company during the year.
- xx. The Company has not raised any money by public issues during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and

according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No. 103523W

Mumbai
April 26, 2013

Atul Gala
Partner
Membership No. 048650

Balance Sheet as at March 31, 2013

(₹ in '000)

Particulars	Note	As at March 31, 2013	As at March 31, 2012
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	3	170,250	170,250
(b) Reserves and surplus	4	(367,417)	(367,510)
2 Non-current liabilities			
(a) Long-term borrowings	5	166,847	166,847
(b) Other Long-term liabilities		24,000	24,000
(c) Long-term provisions		118	82
3 Current liabilities			
(a) Trade payables	6	31,385	32,798
(b) Other current liabilities		70,697	52,046
(c) Short-term provisions		108	99
		95,988	78,612
II ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		56,329	58,502
(ii) Capital work-in-progress		-	307
(b) Non-current investments	8	210	210
(c) Deferred tax assets (net)	28	-	-
(d) Long-term loans and advances	9	8,163	7,571
2 Current assets			
(a) Inventories	10	10,224	4,958
(b) Trade receivables	11	1,970	1,569
(c) Cash and cash equivalents	12	12,841	60
(d) Short-term loans and advances	13	53	9
(e) Other current assets	14	6,198	5,426
		95,988	78,612
Significant Accounting Policies and Notes to financial statements	2-36		

Notes form an integral part of this financial statement

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co

Chartered Accountants

Firm Registration No 103523W

Naresh C Singhal

T R Gopi Kannan

Sujal A Shah

Sunil S Lalbhai

Chairman

Atul Gala

Partner

Membership No 048650

Mumbai

April 26, 2013

Arvind Chhajer

Company Secretary

Abhay R Jadeja

Directors

Vasudev Koppaka

Managing Director

Mumbai

April 26, 2013

Statement of Profit and Loss for the year ended March 31, 2013



(₹ in '000)

Particulars	Note	2012-13	2011-12
I Revenue from operations	15		
Sale of products		188,908	148,042
Other operating revenues		1,667	922
Less: Excise duty		(18,965)	(13,584)
		171,610	135,380
II Other income	16	259	172
III Total revenue (I + II)		171,869	135,552
IV Expenses:			
Cost of materials consumed	17	122,995	107,813
Changes in inventories of finished goods and work-in-progress	17	(210)	(1,096)
Manufacturing expense	18	37,841	43,700
Employee benefit expense	19	5,782	5,839
Administration and other expenses	20	8,011	10,047
Finance costs	21	11	59
Depreciation and amortisation expense	7	3,524	3,201
Less : Transfer from revaluation reserve		(38)	(38)
Total expenses		177,916	169,525
V Profit (Loss) before exceptional and extraordinary items and tax (III-IV)		(6,047)	(33,973)
VI Exceptional items (Expense) Income	22	6,178	1,827
VII Profit (Loss) before extraordinary items and tax (V + VI)		131	(32,146)
VIII Extraordinary Items		-	-
IX Profit (Loss) before tax (VII- VIII)		131	(32,146)
X Tax expense			
Current tax		-	-
Deferred tax		-	-
XI Profit (Loss) for the year (IX - X)		131	(32,146)
XII Earnings per equity share:			
Basic		0.02	(4.58)
Diluted		0.02	(4.58)
Significant Accounting Policies and Notes to financial statements	2-36		

Notes form an integral part of this financial statement

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co
Chartered Accountants
Firm Registration No 103523W

Naresh C Singhal

T R Gopi Kannan

Sunil S Lalbhai
Chairman

Sujal A Shah

Atul Gala
Partner
Membership No 048650
Mumbai
April 26, 2013

Arvind Chhajer
Company Secretary

Abhay R Jadeja
Directors

Vasudev Koppaka
Managing Director

Mumbai
April 26, 2013

Cash Flow Statement for the year ended March 31, 2013

(₹ in '000)

Particulars	2012-13		2011-12	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax and extraordinary items		131		(32,146)
Adjustments for:				
Add:				
Depreciation and Impairment	3,486		3,163	
Interest and finance charges	8		47	
Sundry balance written off	8		87	
		3,502		3,297
		3,633		(28,849)
Less:				
Dividend	32		53	
Interest received	128		63	
Provision no longer required	6,358		1,959	
Miscellaneous credit balances written back	133		3	
		6,651		2,078
Operating profit before working capital changes		(3,018)		(30,927)
Adjustments for				
Decrease (Increase) in Inventories	(5,266)		(172)	
Decrease (Increase) in Trade and other receivables	(401)		667	
Decrease (Increase) in Short-term loans and advances	(44)		86	
Decrease (Increase) in Other current assets	(780)		(764)	
Decrease (Increase) in Long-term loans and advances	(592)		(2,237)	
Increase (Decrease) in Long-term provisions	36		(31)	
Increase (Decrease) in Other current liabilities	25,008		36,550	
Increase (Decrease) in Short-term provisions	9		1	
Increase (Decrease) in Trade and other payables	(1,280)		10,143	
		16,690		44,243
Cash generated from operations		13,672		13,316
Less:				
Direct taxes refund (paid)		-		128
Net cash flow from operating activities A		13,672		13,444
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets and capital advances	(1,043)		(13,816)	
Interest received	128		63	
Dividend received	32		53	
Net cash used in investing activities B		(883)		(13,700)

Cash Flow Statement for the year ended March 31, 2013



(₹ in '000)

Particulars	2012-13	2011-12
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(8)	(47)
Net cash used in financing activities C	(8)	(47)
Net change in cash and cash equivalents (A+B+C)	12,781	(303)
Opening balance - cash and cash equivalents	60	363
Closing balance - cash and cash equivalents (refer note 3)	12,841	60
	12,781	(303)

Notes to the Cash flow Statement for the year ended March 31, 2013

- 1 The Cash Flow statement has been prepared under the "Indirect Method" set out in AS - 3 "Cash flow statement" referred to in The Companies Accounting Standard Rules, 2006.
- 2 Cash and Cash equivalents represent cash and bank balances only.
- 3 Closing balance includes balance ₹ 12,566 ('000) with IDBI bank No Lien account which can be used as per BIFR direction.
- 4 Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

As per our attached report of even date		For and on behalf of the Board of Directors	
For Haribhakti & Co Chartered Accountants Firm Registration No 103523W		Naresh C Singhal	
		T R Gopi Kannan	Sunil S Lalbhai Chairman
		Sujal A Shah	
Atul Gala Partner Membership No 048650 Mumbai April 26, 2013	Arvind Chhajer Company Secretary	Abhay R Jadeja Directors	Vasudev Koppaka Managing Director Mumbai April 26, 2013

Notes to financial statements

1 Corporate Information

Amal Limited is a public company domiciled in India and incorporated on July 04, 1974 with the Registrar of Companies, Maharashtra under the provisions of the Companies Act, 1956. Its shares are listed on ASE and BSE. Amal was incorporated under the name Piramal Rasayan Limited on July 04, 1974. Its name was subsequently changed to Amal Rasayan Limited by the said Registrar of Companies on November 10, 1986 and further to Amal Products Limited on November 23, 1995 and further to its present name viz. Amal Limited on September 11, 2003. The company is engaged in the manufacturing of Speciality Chemicals (Sulphuric Acid | Oleum).

2 Basis of preparation

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, the applicable accounting standards notified under Section 211(3C) and the relevant provisions of the Companies Act, 1956. The significant accounting policies adopted by the Company are detailed below.

2.1 Summary of significant accounting policies

A. Presentation & Preparation of Financial Statements :

As notified by Ministry of Corporate Affairs, Revised Schedule VI under the Companies Act, 1956 is applicable to the Financial Statements for the financial year commencing on or after 1st April, 2011. Accordingly, the financial statements for the year ended March 31, 2013 are prepared in accordance with the Revised Schedule VI. The amounts and disclosures included in the financial statement of the previous year have been reclassified to conform to current year's presentation.

B. Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which the results are known | materialized.

C. Fixed Assets:

Fixed assets are carried at cost of acquisition including incidental expenses, less accumulated depreciation, amortization and impairment or amount substituted for cost on revaluation conducted by an independent surveyor in 1985-86.

Capital work-in-progress – Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

D. Leased Assets:

Operating lease rentals are amortized with reference to lease terms and other considerations.

E. Depreciation and Amortization:

1. Cost of leasehold land is amortised over the period of the lease.
2. Other Fixed Assets :
 - i) Depreciation on Fixed Assets is being provided on "Straight Line Method" basis in accordance with provisions of Section 205(2)(b) of the Companies Act, 1956 in the manner and at the rates specified in Schedule XIV to the said Act. The assets have been shown at the net value after deducting the amortization, impairment and depreciation funds. The difference between depreciation on revalued amount and that calculated on original cost of assets revalued is transferred from revaluation reserve to Statement of Profit and Loss.

Notes to financial statements



- ii) Depreciation on additions to the assets during the year is being provided on pro-rata basis at their respective rate with reference to the month of acquisition | installation as required by Schedule XIV to the Companies Act, 1956.
- iii) Depreciation on assets sold, scrapped or discarded during the year is being provided at their respective rates up to the month in which such assets are sold, scrapped or discarded, as required by Schedule XIV to the Companies Act, 1956.
- iv) Depreciation is adjusted in subsequent periods to allocate the assets revised carrying amount after the recognition of an impairment loss on a systematic basis over its remaining useful life.

F. Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal | external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

G. Borrowing Costs:

Borrowing costs in relation to acquisition and construction of qualifying assets are capitalised as part of cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which these are incurred.

H. Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long - term investments and are carried at cost. However, provision for diminution in value of investments is made to recognise a decline, other than temporary, in the value of the investments.

I. Inventories:

- i) Raw materials, packing materials and fuel are valued at cost or net realisable value whichever is lower. Cost is arrived at on FIFO basis.
- ii) Stores and spares other than specific spares for machinery are valued at cost. Cost is arrived at on weighted average basis.
- iii) Materials - in - process and finished goods are valued at cost or net realisable value whichever is lower. Finished goods stocks are valued at full absorption cost (Including Excise Duty).
- iv) Materials in transit and in Bonded Warehouse are stated at the cost to the date of Balance Sheet.

J. Foreign Currency Transaction:

- i) Initial recognition:
Transactions denominated in foreign currencies are recorded at the rate prevailing on the date of the transaction.
- ii) Conversion:
At the year end, monetary items denominated in foreign currencies remaining unsettled are converted into rupee equivalents at the year end exchange rates. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- iii) Exchange differences:
All exchange differences arising on settlement and conversion of foreign currency transactions are included in the Statement of Profit and loss.

Notes to financial statements

K. Revenue Recognition:

a) Sale of Goods:

Revenue is recognised when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery. It includes excise duty but excludes value added tax and sales tax.

b) Lease rental income is recognised on accrual basis.

c) Dividend income is accounted for in the year in which the right to receive the same is established.

d) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

L. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date and adjusted to reflect the current management estimates.

No provision is recognised for –

- i. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- ii. Any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or a reliable estimate of the amount of obligation cannot be made.
- iii. Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.
- iv. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

M. Research & Development Expenditure:

Research & Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. However, Research & Development expenditure on fixed assets is treated in the same way as expenditure on other fixed assets.

N. Employee Benefits:

i) Defined contribution plan:

Contribution paid | payable by the Company during the period to Provident Fund, Employees' Deposit Link Insurance Scheme, Officer Super Annuation Fund, Employees' State Insurance Corporation, and Labour Welfare Fund are recognised in the Statement of Profit and Loss.

Notes to financial statements



ii) Defined benefit plan:

Gratuity:

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The liability so provided is represented by creation of separate funds and is used to meet the liability as and when it accrues for payment in future. Actuarial gains | losses are immediately taken to the Statement of Profit and Loss.

Long - term leave encashment:

Long - term leave encashment is provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year. Actuarial gains | losses are immediately taken to the Statement of Profit and Loss.

iii) Short-term employees benefits:

Short - term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees.

iv) Voluntary retirements:

Compensation payable under the Voluntary Retirement Scheme is being charged to the Statement of Profit and Loss.

O. Taxation:

- i) Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.
- ii) The company is declared sick under Section 17(1) of SICA (Special Provisions), 1985 and hence the MAT under Section 115JB of the Income Tax Act, 1961 is not applicable.
- iii) Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets are reviewed at each Balance Sheet date to reassure realisation.

P. Earnings Per Share:

The Company reports basic and diluted Earnings Per Share in accordance with Accounting Standard 20 on 'Earnings Per Share'. Basic earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity share outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

Notes to financial statements

3. SHARE CAPITAL

Particulars	As at March 31, 2013		As at March 31, 2012	
	Number	₹' 000	Number	₹' 000
Authorised				
0% Redeemable Preference shares of ₹ 10 each	10,000,000	100,000	10,000,000	100,000
Equity Shares of ₹10 each	15,000,000	150,000	15,000,000	150,000
Issued, Subscribed and fully Paid up				
0% Redeemable Preference shares of ₹10 each	10,000,000	100,000	10,000,000	100,000
Equity Shares of ₹ 10 each	7,025,000	70,250	7,025,000	70,250
Total	17,025,000	170,250	17,025,000	170,250

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Preference Shares			
	As at March 31, 2013		As at March 31, 2012	
	Number	₹' 000	Number	₹' 000
Shares outstanding at the beginning of the year	10,000,000	100,000	10,000,000	100,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000,000	100,000	10,000,000	100,000

Particulars	Equity Shares			
	As at March 31, 2013		As at March 31, 2012	
	Number	₹' 000	Number	₹' 000
Shares outstanding at the beginning of the year	7,025,000	70,250	7,025,000	70,250
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	7,025,000	70,250	7,025,000	70,250

b) Terms | rights attached to preference shares

The company has only one class of 0% redeemable preference shares having a par value of ₹10 per share. These shares are redeemable over a period of 7 years starting from 2013-2014 as per the Draft Rehabilitation Scheme (DRS) submitted to BIFR. The scheme is subject to approval of BIFR.

c) Terms | rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. 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. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive 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.

Notes to financial statements



d) Details of Shareholders holding more than 5% Shares in the Company

Name of Shareholder	Preference Shares			
	As at March 31, 2013		As at March 31, 2012	
	No of Shares	Holding %	No of Shares	Holding %
Atul Ltd	10,000,000	100	10,000,000	100

Name of Shareholder	Equity Shares			
	As at March 31, 2013		As at March 31, 2012	
	No of Shares	Holding %	No of Shares	Holding %
Atul Ltd	412,453	5.87	412,453	5.87
Ameer Trading Corporation Ltd	2,168,824	30.87	2,168,824	30.87

4. RESERVES AND SURPLUS

(₹ in ' 000)

Particulars	As at March 31, 2013	As at March 31, 2012
Securities premium account		
Opening balance	87,688	87,688
Add : Securities premium credited on share issue	-	-
Less : Premium utilised	-	-
Closing balance	87,688	87,688
Revaluation reserve		
Opening balance	2,522	2,560
(-) Transfer to Statement of Profit and Loss	(38)	(38)
Closing balance	2,484	2,522
Surplus as per Statement of Profit and Loss		
Opening balance	(457,720)	(425,574)
(+) Net Profit (Net Loss) for the current year	131	(32,146)
Closing balance	(457,589)	(457,720)
Total	(367,417)	(367,510)

Notes to financial statements

5. NON-CURRENT LIABILITES

(a) Long-term borrowings		(₹ in ' 000)	
Particulars	As at March 31, 2013	As at March 31, 2012	
Secured :			
Loans and advances from related parties (See Note 1 Below)	112,889	112,889	
Unsecured :			
Loans and advances from related parties	53,958	53,958	
Total	166,847	166,847	

Note :

- The Company had reached a One Time Settlement with the secured creditors comprising of Corporate | Term loans availed from the banks and financial institutions under which the payments were made directly by the lender Company (Atul Ltd) to them. By way of execution of deed of Assignment of debts owed by the Company, the Lender Company has now acquired from these banks and financial institutions the debts and rights, title and interest in encumbrances, facility and underlying securities including inter alia comprised of all movable and immovable properties that have been charged by the Company in favour of these banks and financial institutions pursuant to the original deed of hypothecation entered into by the Company. The entire dues | debts against the banks and financial institutions have been fully satisfied for which "No dues | debts certificates" have been obtained from them and the charges have been modified and stands in favour of the lender Company (Atul Ltd) as Secured loans.
- Terms of repayment of term loans :-
 - Secured loan from Atul Ltd shall be repaid in three installments, first installment will be of ₹ 200.00 lacs in FY 2017-18, second installment will be of ₹ 300.00 lacs in FY 2018-19 and last third installment of ₹ 628.89 lacs will be repaid in FY 2019-20 as per the Draft Rehabilitation Scheme (DRS) submitted to BIFR. The scheme is subject to approval of BIFR.
 - Unsecured loan is repayable after March 31, 2014 upon terms and conditions which will be mutually decided between the Company and the lender subject to the prior approval of BIFR.

(b) Other long-term liabilities		(₹ in ' 000)	
Particulars	As at March 31, 2013	As at March 31, 2012	
Advance towards Share Capital (See note below)	24,000	24,000	
Total	24,000	24,000	

Note :

Advance towards share capital amount to ₹ 240 lacs refers to the amount received from the promoter Company towards share capital during the year 1996-97 which has not been refunded. The Company has proposed to issue the shares of ₹ 10/- each to the promoter Company at par in the scheme submitted to BIFR. The Company has sufficient authorised capital for the same. In the event that BIFR approval is not received the above amount is not repayable before March 31, 2014.

Notes to financial statements



(c) Long-term provisions (₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
Provision for employee benefits		
Leave encashment - unfunded (refer note 34)	118	82
Total	118	82

6. CURRENT LIABILITIES

(a) Trade payables (₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
Trade payables	31,385	32,798
Total	31,385	32,798

(b) Other current liabilities (₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
Interest accrued and due on borrowings	194	231
Commission payable	960	2,343
Other deposits	400	1,032
Service tax payable	-	1
Excise duty payable	115	121
VAT payable	178	193
TDS payable	200	412
Other taxes and benefits payable	24	29
Salary payable	325	448
Provision for expenses	3,263	6,017
Provision for goods	-	47
Advance from customers others	65,038	41,172
Total	70,697	52,046

(c) Short-term provisions (₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
(a) Provision for employee benefits :		
Leave encashment - unfunded (refer note 34)	22	9
(b) Others :		
Provision for wealth tax	86	90
Total	108	99

Notes to financial statements

7. FIXED ASSETS

Particulars	GROSS BLOCK		ACCUMULATED DEPRECIATION		IMPAIRMENT FUND		NET BLOCK	
	Balance as at 1 April 2012	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charge for the year	Balance as at 1 April 2012	Impairment for the year	Balance as at 31 March 2013	Balance as at 31 March 2012
a) Tangible assets								
Land	553	553	-	-	-	-	553	553
Buildings	27,428	27,428	14,035	99	9,360	-	3,934	4,033
Plant and equipment	170,360	171,710	88,039	3,237	32,322	-	48,112	49,999
Furniture and fixtures	794	794	767	2	769	-	25	27
Vehicles	608	608	76	58	134	-	474	532
Office equipment	2,279	2,279	2,080	70	2,150	-	129	199
Total (i)	202,022	203,372	104,997	3,466	41,682	-	53,227	55,343
b) Tangible assets (Under lease)								
Land	4,297	4,297	1,274	46	1,320	-	2,977	3,023
Total (ii)	4,297	4,297	1,274	46	1,320	-	2,977	3,023
c) Tangible assets retired from active use								
Buildings	42,950	42,950	11,494	-	31,456	-	-	-
Plant and equipment	402,535	402,535	250,508	-	152,027	-	86	86
Furniture and fixtures	1,671	1,671	1,585	-	1,042	-	39	51
Office equipment	1,081	1,081	1,030	12	1,042	-	125	137
Total (iii)	448,237	448,237	264,617	12	183,483	-	125	137
d) Capital work-in-progress								
Capital work-in-progress	307	(307)	-	-	-	-	-	307
Total (iv)	307	(307)	-	-	-	-	-	307
Total as at 31 March 2013	654,862	655,905	370,888	3,524	374,412	-	225,165	58,809
Total as at 31 March 2012	641,046	654,862	367,687	3,201	370,888	-	225,165	58,809

Note : The Gross Block includes amounts added on revaluation of leasehold land, building and plant & machinery at Ankleshwar, on April 01, 1985 by external valuers on the Replacement Value Method. Revalued amounts added to historical cost were as under.

Particulars	Year	
	April 1, 1985	
Leasehold land	3,553	
Building	6,482	
Plant and machinery	23,129	
	33,164	

Notes to financial statements



8. OTHER NON-TRADE INVESTMENTS

(₹ in ' 000)

Particulars	As at March 31, 2013	As at March 31, 2012
Unquoted Investments (Refer below)		
Investment in Equity instruments	1,719	1,719
Less : Provision for diminution in the value of Investments	1,509	1,509
Total	210	210

Details of Other Investments

Sr No	Particulars	Subsidiary Associate JV Controlled Special Purpose Entity Others	No. of Shares Units		Quoted Unquoted	Partly Paid Fully paid	Amount (₹) in ' 000		Basis of Valuation
			2013	2012			2013	2012	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Investment in Equity Instruments

1	Gujarat Synthwood Ltd - Equity shares of ₹ 10/- each	Others	100,000	100,000	Unquoted	Fully paid	1,000	1,000	Cost *
2	Aakar Performance Plastics Ltd - Equity shares of ₹ 10/- each	Others	880	880	Unquoted	Fully paid	9	9	Cost *
3	Valmiki Poly Products Ltd - Equity shares of ₹ 10/- each	Others	40,000	40,000	Unquoted	Fully paid	400	400	Cost *
4	Zoroastrian Co-operative Bank Ltd - Equity shares of ₹ 25/- each	Others	4,000	4,000	Unquoted	Fully paid	100	100	Cost *

Notes to financial statements

5	Bharuch Enviro Infrastructure Ltd - Equity shares of ₹ 10/- each (See note (a) below)	Others	21,000	21,000	Unquoted	Fully paid	210	210	Cost
6	Bharuch Eco Aqua Infrastructure Ltd - Equity shares of ₹ 10/- each ₹ 2 per share paid-up (See note (b) below)	Others	369,715	369,715	Unquoted	Partly paid	-	-	
Total							1,719	1,719	

Note

		Book Value As at 31 March	
		2013	2012
a)	Aggregate of unquoted investments	210	210
b)	Cost of shares of Bharuch Eco Aqua Infrastructure added as a part of deferred revenue expenditure and charged off as per Accounting policy over 5 years starting from Financial Year 2000-01 to 2004-05. * Fully Impaired		

9. LONG-TERM LOANS AND ADVANCES

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
Security deposits - Unsecured, considered good	4,041	3,442
Other loans and advances - considered good		
VAT receivable	3,778	3,778
Income tax refund receivable	344	351
Doubtful -		
Interest receivable	878	878
Less: provision	(878)	(878)
Total	8,163	7,571

Notes to financial statements



10. INVENTORIES

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
(a) Raw materials and components	652	175
(b) Work-in-progress	1,462	1,315
(c) Finished goods - Internally manufactured	1,042	979
(d) Stores and spares	7,068	2,489
Total	10,224	4,958

11. TRADE RECEIVABLES

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
(a) Trade receivables outstanding for a period less than six months (Unsecured, considered good)	1,970	1,407
(b) Trade receivables outstanding for a period exceeding six months (Unsecured, considered good)	-	162
Total	1,970	1,569

12. CASH AND CASH EQUIVALENTS

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
(a) Balances with banks in current accounts	264	59
(b) Balances with banks in saving account *	12,566	-
(c) Cash on hand	11	1
Total	12,841	60

*This amount is lying with IBDI bank in No lien account which can be used as per BIFR direction.

13. SHORT-TERM LOANS AND ADVANCES

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
Advance to staff - Unsecured, considered good :	53	9
Total	53	9

Notes to financial statements

14. OTHER CURRENT ASSETS

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012
(a) Balance with excise service tax and customs	1,608	2,687
(b) Income tax paid in advance TDS	53	9
(c) Prepayments	1,039	592
(d) Advances to creditors	3,096	1,734
(e) TCS refundable	402	404
Total	6,198	5,426

15. REVENUE FROM OPERATIONS

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Sale of products	171,300	138,840
Sale of steam	17,608	9,202
Other operating revenues	1,667	922
	190,575	148,964
Less: Excise duty	18,965	13,584
Total	171,610	135,380

16. OTHER INCOME

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest income	128	63
Dividend income	32	53
Miscellaneous income	99	56
Total	259	172

Notes to financial statements



17. COST OF MATERIALS CONSUMED

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Raw material and components at the beginning of the year	175	1,051
Add: Purchases	123,472	106,937
	123,647	107,988
Less: Raw material and components at the end of the year	652	175
Total	122,995	107,813

Changes in Inventories

Inventory at the end of the year

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012	Increase (Decrease)
Work - in - progress	1,462	1,315	147
Finished goods	1,042	979	63
Total	2,504	2,294	210

Inventory at the beginning of the year

(₹ in '000)

Particulars	As at March 31, 2013	As at March 31, 2012	Increase (Decrease)
Work - in - progress	1,315	253	1,062
Finished goods	979	945	34
Total	2,294	1,198	1,096

18. MANUFACTURING EXPENSE

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Power, fuel and water	21,553	17,720
Plant operation charges	4,043	4,639
Consumption of stores and spares	4,732	13,651
Machinery repairs	5,725	6,028
Material handling charges	791	737
ETP expenses	997	925
Total	37,841	43,700

Notes to financial statements

19. EMPLOYEE BENEFIT EXPENSE

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Salary, wages and bonus	5,244	5,265
Contribution to Provident and other funds	503	530
Staff welfare	35	44
Total	5,782	5,839

20. ADMINISTRATION AND OTHER EXPENSES

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Legal and professional charges	768	1,260
Operating agency fees expenses	2	619
Rent	8	144
Security service charges	2,107	2,006
Rates and taxes	459	512
Insurance	178	92
Freight and forwarding	101	191
Advertisement publicity expenses	58	47
Commission and cash discount	630	785
Business and auxiliary service charges	596	1,138
Travelling expenses	180	238
Printing and stationery	265	329
Postage and telephone expenses	164	257
Directors' sitting fees	280	280
Directors' remuneration	880	710
Payment to Internal and VAT Auditors	241	243
Payment to Statutory and Tax Auditors	570	570
Payment to Cost Auditors	12	12
Garden maintenance and house keeping	139	232
Listing, depository and membership fees	89	78
AGM BOD meeting expenses	37	37
Internet software expenses	49	46
Sales service tax expenses	67	31
Miscellaneous expenses	131	190
Total	8,011	10,047

Notes to financial statements



21. FINANCE COST

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest expense	8	47
Bank charges	3	12
Total	11	59

22. EXCEPTIONAL ITEMS

(₹ in '000)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Income		
Sundry balance written back	133	3
Excess provisions of previous year written back	6,358	1,959
Expenses		
Sundry balance written off	8	87
Previous year expenses	305	48
Total	6,178	1,827

23. CONTINGENT LIABILITIES

(₹ in '000)

Particulars	2012-13	2011-12
Contingent liabilities not provided for in respect of		
(a) Sales tax matters under appeal	6,668	6,668
(b) Estimated amount of contract remaining to be executed on capital accounts and not provided for (net of advances)	-	-

24. PAYMENT TO AUDITORS

(₹ in '000)

Particulars	2012-13	2011-12
(a) As Statutory Auditors	450	450
(b) For Taxation matters	100	100
(c) For other certification	20	20
Total	570	570

25. CIF VALUE OF IMPORTS | EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY

(₹ in '000)

Particulars	2012-13	2011-12
(a) CIF value of imports:		
Raw materials	-	-
(b) Expenditure and Earnings in foreign currency	-	-

Notes to financial statements

26. DETAILS OF RAW MATERIALS, STORES AND SPARES CONSUMPTION

(₹ in '000)

(a) Raw materials, stores and spares consumption:		2012-13		2011-12	
Sulphur		121,320.92		106,501.26	
Other raw materials		1,674.08		1,311.74	
Stores and spares		4,732.49		13,651.04	
Total		127,727.49		121,464.04	

(b) Imported and indigenous raw materials consumption:					
Category	2012-13		2011-12		
	(₹'000)	%	(₹'000)	%	
Imported	-	-	-	-	-
Indigenous	122,995.00	100.00	107,813.00	100.00	
Total	122,995.00	100.00	107,813.00	100.00	

27. STOCKS AND TURNOVER

(₹ in '000)

Class of Goods	Stocks at commencement		Stocks at close	
	2012-13	2011-12	2012-13	2011-12
Goods manufactured:				
Sulphuric Acid	1,100.11	944.82	1,041.85	1,100.11
Total	1,100.11	944.82	1,041.85	1,100.11

(₹ in '000)

Class of Goods	Turnover	
	2012-13	2011-12
Goods manufactured:		
Sulphuric Acid	171,299.51	138,839.95
Steam	17,608.38	9201.56
Total	188,907.89	148,041.51

28. DEFERRED TAX ADJUSTMENT RECOGNIZED IN THE FINANCIAL STATEMENTS

(₹ in '000)

Particulars	Balance as at March 31, 2013	(Charge) Credit during the year	Balance as at March 31, 2012
Deferred Tax Assets:			
on account of timing difference in			
(a) Depreciation Impairment loss	4,627	(2,254)	6,881
(b) Provision for leave encashment	43	15	28
(c) Excise duty on closing stock	35	(2)	37
Net deferred tax assets	4,705	(2,241)	6,946

In view of prudence, no deferred tax assets has been recognised as on March 31, 2013

Notes to financial statements



29. RELATED PARTY DISCLOSURE

(a) Name of related party and nature of relationship:

Sr No	Name of the related party	Description of relationship
1	Atul Ltd	Investing Company
2	Atul Europe Ltd	Enterprise over which key managerial personnel exercise significant influence
3	Ameer Trading Corporation Ltd	Investing Company
	Key management personnel:	
4	Mr V Koppaka	Managing Director

b) Transaction during the year with related parties:

(₹ in ' 000)

Sr No	Nature of transaction	Atul Ltd	Ameer Trading Corporation Ltd	Total
(A)	Secured loans			
	Balance as at April 1, 2012	112,889 (112,889)	- -	112,889 (112,889)
	Taken during the period	- -	- -	- -
	Repaid during the period	- -	- -	- -
	Balance as at March 31, 2013	112,889 (112,889)	- -	112,889 (112,889)
(B)	Unsecured loans			
	Balance as at April 1, 2012	53,958 (53,958)	- -	53,958 (53,958)
	Taken during the period	- -	- -	- -
	Repaid during the period	- -	- -	- -
	Balance as at March 31, 2013	53,958 (53,958)	- -	53,958 (53,958)
(C)	Other long - term liabilities			
	Advance towards share capital			
	Balance as at March 31, 2013	- -	24,000 (24,000)	24,000 (24,000)
(D)	Receivables			
	Balance as at March 31, 2013	- (235)	- -	- (235)

Notes to financial statements

(₹ in '000)

Sr No	Nature of transaction	Atul Ltd	Ameer Trading Corporation Ltd	Total
(E)	Advance from customers			
	Balance as at March 31, 2013	46,780 (35,222)	- -	46,780 (35,222)
(F)	Payables			
	Balance as at March 31, 2013	17,836 (14,732)	298 (298)	18,134 (15,030)
(G)	Income			
	Sales	124,701 (88,379)	- -	124,701 (88,379)
	Service charges	1,233 (418)	- -	1,233 (418)
(H)	Expenditure			
	Purchase of fixed assets	90 (2,683)	- -	90 (2,683)
	Purchase of materials	142 (399)	- -	142 (399)
	Service charges	1,250 (1,428)	- -	1,250 (1,428)
	Lease rent	8 (144)	- -	8 (144)
	Managing Director remuneration	880 (710)	- -	(880) (710)
	Reimbursement of expenses	- -	17 (4)	17 (4)
(I)	Redeemable Preference Shares	100,000 (100,000)	- -	100,000 (100,000)

Note : Figures in bracket indicate previous year figures.

c) Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors.

30. EARNINGS PER SHARE

Earnings per Share (EPS) - The numerators and denominators used to calculate basic and diluted Earnings per Share:

Particulars		March 31, 2013	March 31, 2012
Profit (Loss) for the year attributable to the equity shareholders	(₹ in '000)	131	(32,146)
Basic weighted average number of equity shares outstanding during the year	Number	7,025,000	7,025,000
Nominal value of equity share	₹	10	10
Basic Earnings per Share	₹	0.02	(4.58)
Diluted Earnings per Share	₹	0.02	(4.58)

Notes to financial statements



31. LEASE

The Company has taken land on cancellable lease at Atul from M/s Atul Ltd for 97 years from February 3, 1996 on annual lease rent of ₹ 8,000/-.

32. GOING CONCERN

The Company was declared sick by Board of Industrial and Financial Reconstruction (BIFR) on July 20, 2006 and BIFR vide its order dated July 16, 2009 sanctioned the revival scheme for the Company which was further modified in June 18, 2010. Relevant adjustments as required by the scheme including recasting of creditors had been carried out in books of account.

Subsequently, the Appellate Authority of Industrial and Financial Reconstruction (AAIFR) vide its order dated March 22, 2011 allowed the appeal filed by one of the unsecured creditors and remanded the case back to the BIFR for considering revival scheme through operating agency. BIFR vide its order dated October 11, 2011 appointed IDBI bank as operating agency. IDBI has reviewed the Draft Rehabilitation Scheme (DRS) prepared by the Company and submitted the same to BIFR on February 16, 2012. The Company has revised the DRS with cut-off date as March 31, 2013 and the same is under review with BIFR for approval.

The DRS envisages revival plan which is a multi faceted approach for improving the operational and financial strength of the Company. The management believes that DRS will further facilitate the revival and will have no adverse effects on the state of affairs of the company if approved as proposed. Consequential adjustments, if any, will be made in books of account upon approval of scheme by BIFR. Further, the Company has also completed its capacity expansion of Sulphuric Acid plant at Ankleshwar from 120 TPD to 140 TPD. In view of above developments, the accounts have been prepared on a going concern basis.

33. MICRO, SMALL AND MEDIUM ENTERPRISE DUES

Sundry creditors include ₹ Nil due to Micro, Small and Medium Enterprise. Following is the information, required to be furnished as per Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006.

(₹ in ' 000)			
Sr No	Particulars	As at March 31, 2013	As at March 31, 2012
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	Principal	-	-
	Interest	-	-
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amounts of the payment made to the suppliers beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but with adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-

Notes to financial statements

(₹ in '000)

Sr No	Particulars	As at March 31, 2013	As at March 31, 2012
(e)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Above disclosures have been made based on information available with the Company, for suppliers who are registered as Micro, Small and Medium Enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006 as at March 31, 2013. The auditors have relied upon in respect of this matter.

34. EMPLOYEE BENEFITS

(a) Defined contribution plans:

- (i) Provident fund
- (ii) State defined contribution plans
 - Employers' contribution to Employees' state insurance
 - Employers' contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner. Under the scheme, the company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. These funds are recognized by the income tax authorities.

The company has recognized the following amounts in the Statement of Profit and Loss for the year:

(₹ in '000)

Sr No	Particulars	2012-13	2011-12
1	Contribution to Provident Fund	140	131
2	Contribution to Employees Pension Scheme 1995	72	70
3	Contribution to Employees State Insurance	74	65

(b) Defined benefit plans:

- (i) Gratuity
- (ii) Leave Encashment

The Gratuity Fund is maintained with the LIC of India under Group Gratuity Scheme.

Leave Encashment is payable to eligible employees who have earned leaves, during the employment and | or on separation as per the Company's policy.

Notes to financial statements



Valuation in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Sr No	Particulars	Gratuity		Leave Encashment	
		2012-13	2011-12	2012-13	2011-12
1	Discount rate (per annum)	8.00%	8.75%	8.00%	8.75%
2	Rate of increase in compensation levels	7.00%	6.00%	7.00%	6.00%
3	Rate of return on plan assets	8.70%	8.60%	N.A.	N.A.

₹ ('000)

Sr No	Particulars	Gratuity		Leave Encashment	
		2012-13	2011-12	2012-13	2011-12
(i)	Changes in present value of obligation				
	Opening balance of present value of Obligation	217.45	326.27	90.88	125.75
	Liability on transfer in (out) of Employees (Net)	-	(154.22)	-	(47.09)
	Interest cost	19.03	25.87	7.95	10.50
	Current service cost	50.59	37.74	36.50	25.14
	Benefits paid	(164.80)	-	(34.05)	-
	Actuarial (Gain) Loss	323.59	(18.21)	38.30	(23.42)
	Closing balance of present value of obligation	445.86	217.45	139.58	90.88
(ii)	Changes in fair value of plan assets				
	Opening balance of present value of plan assets	1,130.85	1,037.48	-	-
	Planned assets on transfer in (out) of Employees (Net)	-	-	-	-
	Expected return on plan assets	97.26	83.00	-	-
	Contributions	2.14	-	-	-
	Benefits paid	(164.80)	-	-	-
	Actuarial Gain / (Loss) on plan assets	(6.21)	10.37	-	-
	Closing balance of fair value of plan assets	1,059.24	1,130.85	-	-
(iii)	Percentage of each category of Plan assets to total fair value of Plan assets as at March 31				
	Administered by LIC of India	100%	100%	-	-
(iv)	Reconciliation of Present Value of Defined Present Obligation and the fair value of Assets				
	Closing balance of present value of obligation	445.86	217.45	139.58	90.88
	Closing balance of fair value of plan assets (Asset) Liability recognised in the Balance Sheet	1,059.24 (613.38)	1,130.85 (913.40)	- 139.58	- 90.88
(v)	Net asset (liability) recognised in the Balance Sheet as at March 31				
	Closing balance of present value of obligation	445.86	217.45	139.58	90.88
	Closing balance of fair value of plan assets (Asset) Liability recognised in the Balance Sheet	1,059.24 (613.38)	1,130.85 (913.40)	- -	- -
	Unfunded (Asset) Liability recognised in the Balance Sheet	-	-	139.58	90.88

Notes to financial statements

₹ ('000)

Sr No	Particulars	Gratuity			Leave Encashment		
		2012-13	2011-12	2010-11	2012-13	2011-12	2010-11
(vi)	Expenses recognised in Statement of Profit and Loss						
	Current service cost	50.59	37.74		36.50	25.14	
	Interest cost	19.03	25.87		7.95	10.50	
	Expected return on plan assets	(97.26)	(83.00)		-	-	
	Net Actuarial Loss (Gains)	329.80	(28.58)		38.30	(23.42)	
	Expenses recognised in Statement of Profit and Loss	302.16	(47.97)		82.75	12.22	
(vii)	a) Experience adjustments						
	On Plan Liabilities (Gain) Loss	294.38	(9.87)		12.77	(22.04)	
	On Plan Assets Gain (Loss)	(6.21)	10.37		-	-	
	Total Experience Adjustments	300.59	20.24		-	-	
	b) Adjustment due to change in assumptions	-	-		-	-	
(viii)	Expected Employer's Contribution for the next year	Nil	Nil		-	-	
(ix)	Disclosure as required under para 120(n):	2012-13	2011-12	2010-11	2012-13	2011-12	2010-11
	(i) Present value of Defined benefit obligation	445.86	217.45	326.27	139.58	90.88	125.75
	(ii) Fair Value of plan assets	1,059.24	1,130.85	1037.48	-	-	-
	(iii) Surplus (Deficit) in the plan	613.38	913.40	711.21	(139.58)	(90.88)	(125.75)
	(iv) Experience adjustments on plan Liabilities (Gain) Loss	294.38	(9.87)	-	12.77	(22.04)	-
	(v) Experience adjustments on plan Assets Gain (Loss)	(6.21)	10.37	-	-	-	-

Note: Since the Company had adopted AS - 15 (Revised) - "Employee Benefits" for the first time during the financial year ended March 31, 2011, hence the disclosure for gratuity and leave encashment figures as required by Para 120(n) have not been presented for the financial year prior to 2010-11.

35. In the opinion of the management, the Company is presently engaged in manufacturing of Speciality chemicals & others. The products included being related and not subject to different risks and returns, as per management's contention, no separate reportable segment needs to be identified. And hence no separate segment information disclosure as per the requirement of AS 17 on Segment Reporting is applicable to the Company.

36. During the year, the Company has not entered into any transaction in nature of loans and advances which falls within the purview of clause 32 of listing agreement.

For and on behalf of the Board of Directors

Naresh C Singhal

T R Gopi Kannan

Sujal A Shah

Abhay R Jadeja
Directors

Arvind Chhajer
Company Secretary

Sunil S Lalbhai
Chairman

Vasudev Koppaka
Managing Director

Mumbai
April 26, 2013

Important Communication to Members



Dear Shareholder,

RE: Green Initiative in Corporate Governance: Go Paperless

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No 17/2011 dated 21.04.2011 and Circular No 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices | documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

We request you to register your E-mail address by writing directly to our Registrar and Transfer Agent at below address:

Link Intime India Pvt. Ltd.

C 13 Pannalal Silk Mills Compound, LBS Marg,
Bhandup, Mumbai 400078, Maharashtra, India
Telephone : (+9122) 25946970 Telefax : (+91 22) 25946969
E-mail id: rnt.helpdesk@linkintime.co.in

You can also write to us at below address:

Amal Ltd.

Atul East Side, Atul 396020, Valsad, Gujarat, India
Telephone : (+91 2632) 230311
E-mail id: igc@amal.co.in

We request those who are holding shares in physical form to convert the same in Demat as it will help us to serve you better.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and will co-operate with the Company in implementing the same.

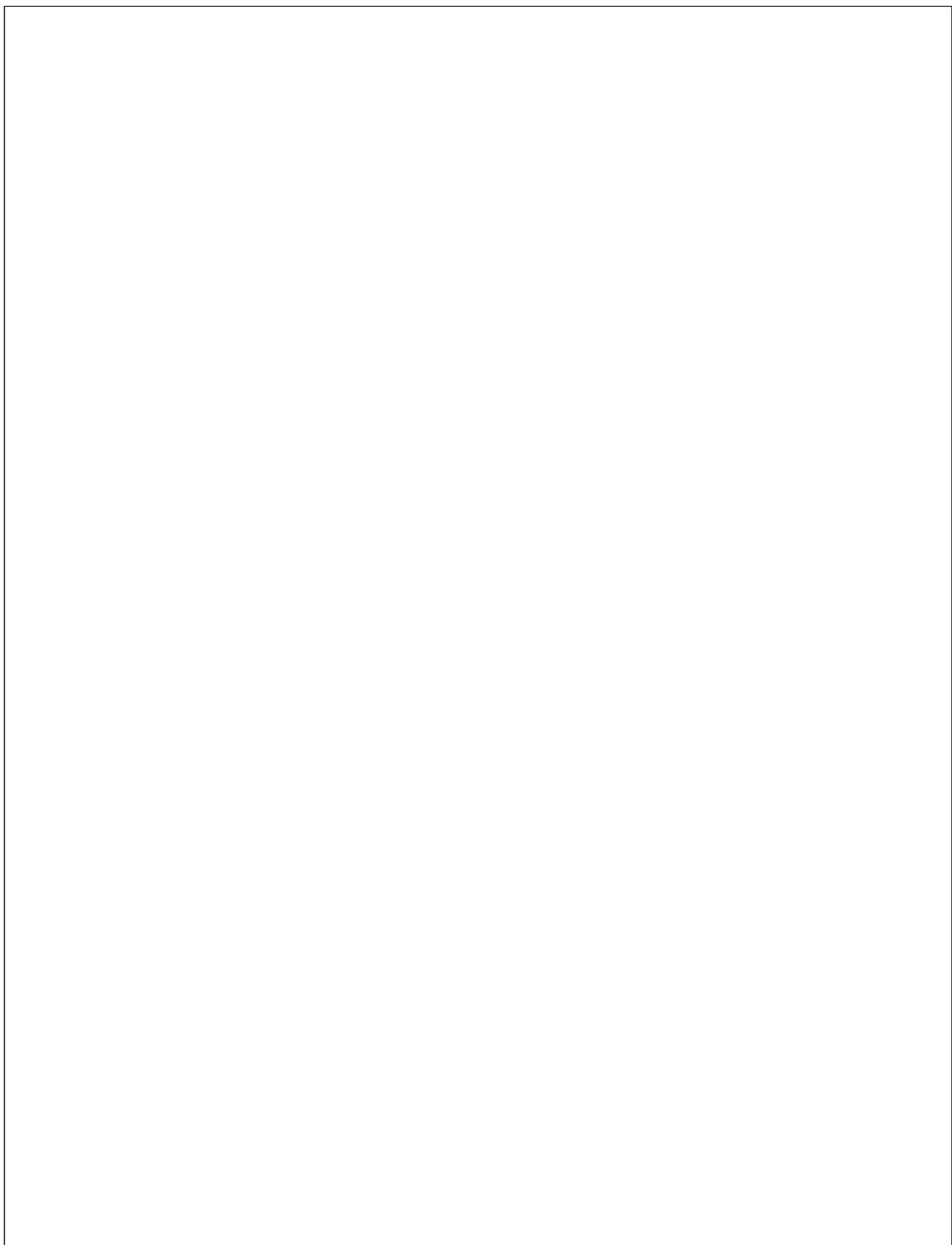
Thanking you,

For **Amal Ltd**

Sd/-

Arvind Chhajjer
Company Secretary

Amal Ltd
Regd. Office:310 Veer Savarkar Marg,
Mumbai 400028, Maharashtra, India





Amal Ltd

Registered Office: 310B Veer Savarkar Marg, Mumbai 400028, Maharashtra, India.

ATTENDANCE SLIP

39th Annual General Meeting
August 02, 2013

DP id		Folio Client id No	
-------	--	----------------------	--

Full name of the Shareholder | Proxy attending the meeting

.....
(First Name) (Middle Name) (Surname)

FIRST HOLDER | JOINT HOLDER | PROXY
(Strike out whichever is not applicable)

Full name of the First holder (If Joint holder | Proxy attending)

.....
(First Name) (Middle Name) (Surname)

Signature of the Shareholder | Proxy



Amal Ltd

Registered Office: 310B Veer Savarkar Marg, Mumbai 400028, Maharashtra, India.

PROXY FORM

DP id		Folio Client id No	
-------	--	----------------------	--

I | We.....of.....

.....
(Full Address)

in the State of..... being a Member(s) of Amal Ltd, hereby
appoint.....

.....
(Name in Block Letters)

of.....or failing

.....
(Full Address)

him | her.....of.....

.....
(Name in Block Letters)

.....
(Full Address)

as my | our proxy to vote for me | us on my | our behalf at the 39th Annual General Meeting of the Company to be held on
Friday, August 02, 2013, at 11.00 a.m. at Kilachand Conference Room, 2nd Floor, LNM - IMC Building, IMC Marg, Churchgate,
Mumbai 400020, Maharashtra, India and at any adjournment thereof.

As WITNESS my | our hand | hands is | are affixed this.....day of.....2013

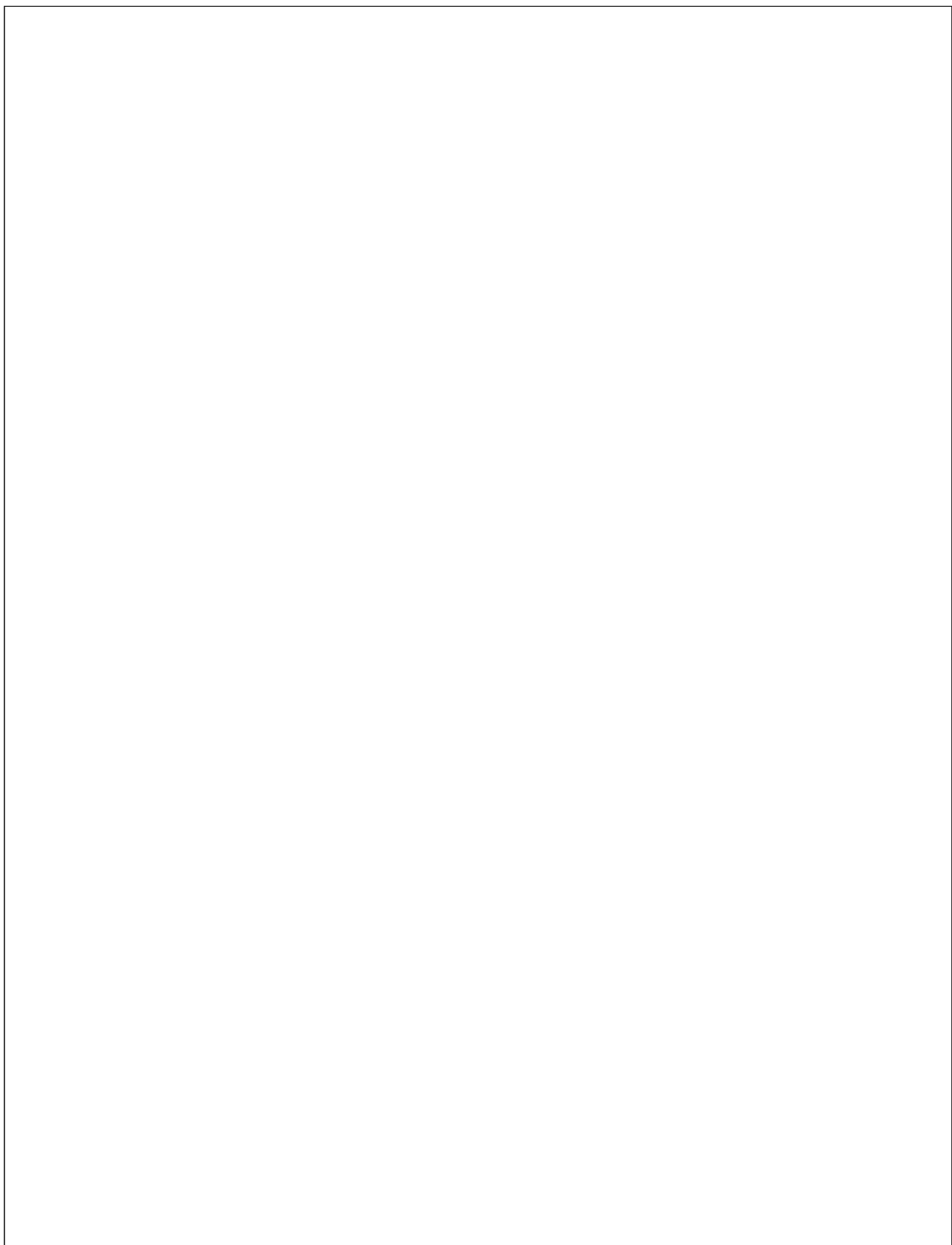
.....
(Date)

.....
(Month)

- Note: 1. The Proxy need not be a Member of the Company.
- 2. The Proxy Form duly signed across revenue stamp should reach Registered Office of the Company at least 48 Hours before the time of the meeting.



Signature of the Member



Corporate Information

Directors

Mr S S Lalbhai
(Chairman)

Mr V Koppaka
(Managing Director)

Mr T R Gopi Kannan

Mr N C Singhal

Mr S A Shah

Mr A R Jadeja

Compliance Officer

Mr A N Chhajer

Auditors

Haribhakti & Co

Cost Auditors

R Nanabhoy & Co

Registered Office

310-B, Veer Savarkar Marg
Mumbai 400028
Maharashtra, India

Head Office

Atul 396020, Gujarat, India
E-mail: amal@amal.co.in
Website: www.amal.co.in

Bankers

Axis Bank
State Bank of India
IDBI Bank

Amal Ltd
310-B Veer Savarkar Marg
Mumbai 400028, Maharashtra
India

CRYSTAL • +91 22 6614 0900