

18TH

ANNUAL REPORT

2010 – 2011



INDO AMINES LIMITED

REGD. OFFICE: W-44, PHASE II, M.I.D.C.,
DOMBIVLI (EAST), DIST. THANE – 421 204

**BOARD OF DIRECTORS**

Mr. DEEPAK KANEKAR	:	CHAIRMAN & INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. VIJAY B. PALKAR	:	MANAGING DIRECTOR & CEO (PROMOTER)
Mr. KIRIT H. SHAH	:	WHOLE TIME DIRECTOR (PROMOTER)
Mrs. BHARATI V. PALKAR	:	EXECUTIVE DIRECTOR (PROMOTER)
Mr. RAHUL V. PALKAR	:	EXECUTIVE DIRECTOR (PROMOTER)
Mr. C.L. KADAM	:	EXECUTIVE DIRECTOR
Mr. NARAYAN G. MANE	:	EXECUTIVE DIRECTOR
Mr. SURESH IYER	:	INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. DHAWAL VORA	:	INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. VISHWAS MEHENDALE	:	INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. R. RAGHAVENDRA RAVI.	:	INDEPENDENT NON EXECUTIVE DIRECTOR.
Mr. NISHIKANT SULE	:	ADDITIONAL INDEPENDENT NON EXECUTIVE DIRECTOR (w.e.f. 11 th February, 2011)

AUDITORS

Kulkarni and Khanolkar, Chartered Accountants, Mumbai.

CORPORATE GOVERNANCE REPORT

HS Associates, Company Secretaries, Mumbai

BANKERS

IDBI Ltd. Cuffe Parade, Mumbai
DNSB Ltd., Dombivli.

REGISTERED OFFICE (w.e.f. 28th May, 2011)

W- 44, Phase II, MIDC, Dombivli (E), Dist. Thane.

REGISTRARS & SHARE TRANSFER AGENTS**BIGSHARE SERVICES PVT LTD**

E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (E), Mumbai 400 072.
Tel No. 022-28470652, Email Address: info@bigshareonline.com

MANUFACTURING FACILITIES AT

1. W-37/38/39, Phase II, MIDC, Dombivli (E), Dist. Thane – 421 204.
2. Survey No. 1723, Tundav, Taluka Savli, Baroda, Gujarat.
3. W/265, W/266A, TTC Indl Area. Rabale MIDC, Navi Mumbai – 400 701.

SHARES LISTED AT:

The Stock Exchange - Bombay Stock Exchange Limited

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18th ANNUAL GENERAL MEETING

Date : 29th August, 2011
Day : Monday
Time : 12.00 Noon
Place : C.K.P. Hall, Ram Ganesh Gadkari Path,
Near Karwa Hospital, Dombivli (E),
Dist. Thane - 421 201.

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 18TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDO AMINES LIMITED WILL BE HELD ON MONDAY THE 29TH AUGUST, 2011 AT 12.00 Noon, AT C.K.P. HALL, RAM GANESH GADKARI PATH, NEAR KARWA HOSPITAL, DOMBIVALI(E), DIST. THANE - 421 201 TO TRANSACT THE FOLLOWING BUSINESS.

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ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended 31st March 2011 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To confirm the interim dividend @ 7%.
4. To appoint a Director in place of Mr. R.R. Ravi, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Dhawal Vora, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
6. To appoint a Director in place of Mr. Suresh Iyer, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
7. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration.
8. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution**.
“**RESOVLED THAT** Mr. Nishikant Sule, who was appointed as an additional Director w.e.f.11th February, 2011, and who holds office upto the date of the 18th Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director.”
9. To consider and if thought fit, with or without modification, the following resolution as a **Special Resolution** :
“**RESOLVED THAT** pursuant to section 149(2A) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the commencement of the business by the Company as given in sub-clause 98 of Clause (c) other objects of the Memorandum of Association.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.”

10. To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution**.
“**RESOLVED THAT** pursuant to provision of Section 309(4) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the payment of a sum not exceeding 1% (One Per Cent) of the net profits of the Company, calculated in the manner laid down in section 198, 349 and 350 of the Companies Act, 1956, by way of commission to **Dr. Deepak Kanekar, Non Executive Chairman** of the Company, **for a period of five years commencing from 1st April 2011** Provided that, within the period covered by this resolution, the total amount of remuneration to be received by all of the Directors together shall not exceed the amount as prescribed in Schedule XIII of the Companies Act, 1956.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and/or Remuneration Committee constituted by the Board be and are hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

By Order Of the Board
Sd/-

Vijay Palkar
(Managing Director)

Dombivali: 22nd July, 2011
Registered office:
W - 44, Phase – II, MIDC, Dombivli (E)
Dist. Thane – 421 204.

**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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **The proxies, in order to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.**
3. The Register of Members and Share Transfer Register shall remain closed from **Monday, the 22nd August, 2011 to Monday the 29th August, 2011**(both days inclusive).
4. In terms of Sections 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants are requested to write to the Registrars & Share Transfer Agents.
5. The dividend as recommended by the Board, if approved at the ensuing Annual General Meeting, will be paid to those Members whose names appear on the Company's Register of Members **as on 29th August, 2011**

The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares whose name appear in the list furnished by the Depositories for this purpose as at the close of business hours on **22th August, 2011**
6. In order to ensure safety against fraudulent encashment of dividend warrants, members holding shares in physical form are requested to furnish to the Company or Company's R&T Agents, Bigshare Services Private Limited , bank account details which will be printed on the dividend warrants.
7. A Member may avail of the facility of nomination by nominating in the prescribed "NOMINATION FORM", a person to whom his/her shares in the Company shall vest in the event of his/her death.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Managing Director at least seven days before the date of the meeting, so that the information required may be made available at the meeting.
9. Members holding shares in electronic form are advised that address/bank details as furnished to the company by the respective Depositories, viz NSDL & CDSL, will be printed on the dividend warrants. Members are requested to inform the concerned Depository participants of any change in address, dividend mandate, etc.
10. Shareholders seeking any information with regard to Annual Report are requested to write to the Company at an early date so that the information can be kept ready.
11. 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 companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company has decided to send Annual Report through electronic mode. However, if required the copy of the Annual Report shall be provided to the shareholder at the Annual General Meeting.

The members are requested to:

- i. Intimate to the registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
- ii. Quote Registered Folio / Client ID & DP ID in all their correspondence;
- iii. Dematerialise the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in dematerialised form for all the investors.

**DIRECTORS' REPORT:**

To,
The Members,
INDO AMINES LIMITED.

Your Directors have great pleasure in presenting **18th ANNUAL REPORT** along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2011.

1. FINANCIAL RESULTS :**(₹ in Lacs)**

Particulars	Year ended	
	2011	2010
Total Income	16151.85	9409.88
Depreciation	242.42	254.84
Profit before tax	423.12	200.38
Provision for taxation	(148.30)	80.00
Appropriation:		
Profit after tax	274.82	120.38
Balance of profit b/f	651.03	586.61
Amount available for appropriation	925.85	706.99
Transfer to:		
Dividend & Div Distribution Tax	(103.09)	68.62
General reserve	-	
Provision for deferred tax Assets/(Liabilities) Goodwill	4.94	12.66
Balance carried to Balance sheet	827.70	651.03

2. OPERATIONS :

The turnover of the Company for the financial year 2010-11 was ₹ 15,647.83 lacs compared to last year of ₹ 9,201.74 lacs increase of almost 70% in comparison to last year.

Company has made a profit before tax of ₹ 423.12 lacs almost a jump of 111% compare to last year ₹ 200.38 lacs. This substantial jump in profit is due to increase in sales better product mix and cost control methods adopted by the management.

During the year company has launched its new product in Formulation segment as "Benzo" which has its application as Toilet Cleaner.

3. DIVIDEND :

During the year the Company has declared an interim dividend @ 7% in the Board of Directors meeting held on 12th November, 2011 and total out flow was of ₹ 61.68 lacs however your Directors are pleased to recommend a final Dividend of 0.30 paise (3%) per equity share of ₹ 10/- each The dividend, if approved by the shareholders at the forthcoming Annual General Meeting would absorb ₹ 26.44 lacs out of the profits of the year. Dividend distribution tax payable by the company amounting to ₹ 14.98 lacs has been appropriated out of profits.

4. DEPOSITES :

Your company did not accept any deposits from the public during the current year.

5. DIRECTORS:

During the year Mr. R.R. Ravi, Mr. Dhawal Vora and Mr. Suresh Iyer, Directors of the Company are retiring by rotation & being eligible offers themselves for re-appointment.

Mr. Nishikant Sule was appointed as an additional Director of the company w.e.f. 11th February, 2011 you are requested to reappoint him in the forthcoming Annual General Meeting.

6. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.



7. The Company has received order from the Ahmedabad Stock Exchange Limited for voluntary delisting of Securities Under the SEBI (Delisting of Equity Shares) Regulations, 2009 on 11th July, 2011. The Company has submitted application for voluntary Delisting of Equity Shares of the Calcutta Stock Exchange under clause 6 (a) of SEBI (Delisting of Equity Shares) Regulations, 2009. However as on date of this report the order for delisting of Shares is yet to be received.

8. PREFERENTIAL ISSUE OF FULLY CONVERTIBLE WARRANTS :

As approved by the members in their Extra Ordinary General Meeting held on 2nd May, 2011, the Company has allotted 4,60,000/- fully convertible warrants on dated 10th June, 2011, to promoters group Companies on preferential basis @ ₹ 24/- per convertible warrants.

9. SHIFTING OF REGISTERED OFFICE:

The registered office was changed from W-38/39, Phase II, M.I.D.C., Dombivli(East), Dist. Thane – 421 204 to W - 44 , Phase II, M.I.D.C., Dombivli(East), Dist. Thane – 421 204 w.e.f. 28th May, 2011.

10. CORPORATE GOVERNANCE CODE:

The Board had implemented Corporate Governance Code in pursuance of Clause 49 of Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from M/S HS Associates, Company Secretaries on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

11. AUDITORS:

M/s Kulkarni & Khanolkar, Chartered Accountants, Mumbai, Statutory Auditors of your Company hold office till the conclusion of the coming Annual General Meeting. They have signified their willingness to be re-appointment as Statutory Auditor of the Company.

The aforesaid appointment is proposed for your approval at the forthcoming Annual General Meeting of the Company. The significant Accounting policies & notes on Account are self explanatory hence no further explanations are required.

12. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms

- i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or Loss of the Company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Annual accounts on a going concern basis.

13. PARTICULARS OF EMPLOYEES:

No details as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, are given, as there are no employees drawing remuneration in excess of the prescribed limits.



14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A) CONSERVATION OF ENERGY: 31.03.2011.

- a) Energy conservation measures taken :
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy;
- c) impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;
- d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto.

ANNEXURE

FORM A

Form for disclosure of particulars with respect to conservation of energy.		
A. Power & Fuel consumption :	Current Year 2010-11	Previous year 2009-10
1) Electricity		
a) Purchase Units	2650849	2328975
Total Amount (₹ in lacs)	205.56	157.90
Rate/Unit (₹ in lacs)	7.75	6.78
b) Own Generation	NIL	NIL
(i) Through diesel generator		
Units	NIL	NIL
Units per ltr. Of diesel oil	NIL	NIL
Cost / unit	NIL	NIL
(ii) Through steam turbine generator		
Units	NIL	NIL
Units per ltr. Of fuel oil/gas	NIL	NIL
Cost / unit	NIL	NIL
2. Coal / Wood (specify quality and where used)		
Quantity (Tones)	4571861	3397610
Total Cost	121.72	79.21
Average Rate	2.66	2.33
3. Furnace Oil (LDO, Diesel, SKO, WO)		
Quantity (k. ltrs)	1020713	799397
Total Amount	309.68	211.76
Average Rate	30.34	26.49
4. Other/Internal Generation (Please give details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate / unit	NIL	NIL

**B) TECHNOLOGY ABSORPTION**

(e) Efforts made in technology absorption as per Form B of the Annexure :

FORM B**Form for disclosure particulars with respect to absorption of technology.****Research and Development (R & D)**

1. Specific areas in which R & D carried out by the Company,
The scope of activities covers process developments in chemicals & related Process
2. Benefits derived as a result of the above R & D.
 - ┆ Productivity and quantity improvements
 - ┆ Improved process performance and better cost management.
 - ┆ Enhancement of safety and better environmental protection
 - ┆ Develop new products in line with the requirements of the Industries.
3. Future plan of action.
Relevant R & D activity in the areas of business operations of the company will continue with a view to adapt products and process to improve performance and better meet the industries demand.
4. Expenditure on R & D
Currently the expenditure on R & D is insignificant as compared to the size & nature of the company.

Technology absorption, adaptation and innovation.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.
3. In case of imported technology imported during the last 5 years reckoned from the beginning of the financial year, following information may be furnished: **N.A**
 - (a) Technology imported.
 - (b) Year of import.
 - (C) Has technology been fully absorbed.
 - (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.

C) FOREIGN EXCHANGE EARNINGS & OUTGO:

During the year under review the foreign exchange earnings and outgoings are as follows:

	2010-2011	2009-2010
a) Foreign Exchange Earnings (₹ in lacs)	5546.43	3472.42
b) Foreign Exchange Outgo (₹ in lacs)	169.37	133.96

15. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the support which the Company has received from its promoters, lenders, business associates including distributors, vendors and customers, the press and the employees of the Company.

On behalf of the Board of Directors

**Sd/-
VIJAY PALKAR
(Chairman)**

**Place: Dombivali,
Date: 22nd July, 2011**

**CORPORATE GOVERNANCE REPORT****1) Company's philosophy:**

The Company's philosophy on Corporate Governance finds its roots in the rich legacy of ethical governance Practices, many of which were in place even before they were mandated. This philosophy has been sought to be strengthened through the IAL code of conduct, code for prevention of Insider Trading which have been adopted. The Company will continue to focus its energies and resources in creating and safeguarding of shareholders wealth and, at the same time protect the interests of all its stakeholders.

The Company has complied with all the regulations required by SEBI through the listing agreement. This report, along with the report of Management discussion and Analysis and additional information for the shareholders in the foregoing paras, constitutes Indo's compliances with clause 49 of the Listing Agreement.

2) Board of Directors:**2.1 Composition:**

As on date of report, the Board of Directors of the Company comprise of an optimal proportion of Executive and Non-Executive Directors. The Board of Directors of your Company comprises of 12 (Twelve) Directors out of which 1 (One) Managing Director, 5 (five) Executive Directors, and 6 (Six) Independent Non-Executive Directors. During the year the Board appointed an Independent Non Executive Director and thus complied with the provision of corporate governance of having at least 50% of the Board comprised of Independent Non Executive Directors.

There are no nominees or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company except otherwise as mentioned elsewhere in this Annual Report. No Director of the Company is either member in more than ten committees and/or Chairman of more than five committees across all Companies in which he is Director.

Non Executive Directors:

As per code of Corporate Governance, the composition of the Board should be as such that the Board of Directors of the Company shall have an optimum combination of executive and non-executive Directors. The said compliance was regularised by appointing Independent non executive in February, 2011.

The Board members are expected to attend and participate in the Board meetings and Committee meetings in which they are members.

2.2 Board of Directors and Meetings:

In compliance with the provisions of Clause 49 of the Listing Agreement, the board meets at least once every quarter to review the performance and to deliberate and consider other items on the agenda. During the year there were in total 5 Board Meetings were held on 30th April, 2010, 27th May 2010, 11th August 2010, 12th November 2010 and 11th February 2011. The time gap between the two meetings was not more than 4 months.

The effectiveness of the decision-making of the Board is strengthened by its structure and procedures. The Board of your Company meets at regular intervals, with sufficient notice of the issues and the Agenda to be discussed and backed by the necessary information and material to enable the Directors to discharge their fiduciary responsibilities in an efficient manner. All the deliberations and decision concluded at each meeting are appropriately recorded and minuted. The draft minutes of each meeting are circulated to the members of the Board for their perusal and then finalized. Also as a good governance practice, all the information and data, relevant for the board to understand the business of the Company in general as well as the agenda items circulated to the board are comprehensive in nature.

The board has complete and unrestricted access to any information required by them about transactions and take decisions.



The following table gives the attendance of the Directors at the Board meetings of the Company and also the other Directorship and Chairmanship/membership in Board committees.

Particulars of Attendance				No of other Directorship and committees memberships/ Chairmanships in Indian Public Companies.			
Name of Director	Category	Number of Board Meetings		Last AGM held on 27 th Sept. 2010	Other Directorships	Committee Chairmanships	Committee Chairmanships
		Held	Attended				
Mrs. Bharati Palkar	*ED	5	5	YES	1	NO	NO
Mr. Vijay Palkar	*MD	5	5	YES	1	NO	NO
Mr. Rahul Palkar	ED	5	5	NO	1	NO	NO
Mr. Kirit Shah	WTD	5	3	YES	NO	NO	NO
Mr. N. G. Mane	ED	5	5	YES	NO	NO	NO
Mr. C.L. Kadam	ED	5	2	YES	1	NO	NO
Mr. Suresh Iyer	INED	5	4	YES	NO	NO	NO
Mr. Raghavendra Ravi	INED	5	5	YES	NO	NO	NO
Mr. Dhawal Vora	INED	5	3	NO	NO	NO	NO
Mr. Vishwas							
Mehendale	INED	5	5	NO	1	2	NO
Mr. Deepak Kanekar	INED	5	4	YES	NO	NO	NO
Mr. Nishikant Sule (w.e.f. 11-02-2011)	INED	5	1	NO	NO	NO	NO

- | *MD - Managing Director
- | *NEC - Non Executive Chairperson
- | WTD - Whole Time Director
- | ED - Executive Director
- | AD - Additional Director
- | INED - Independent Non Executive Director


2.3 Profile of Members of the Board of Directors being re-appointed:

Name of the Director	Mr. R. R. Ravi
Age	55
Qualification	B.Sc.(Tech), P.G.D.M. (IIM-Ahmd)
Expertise in specific functional areas	Expertise in Business Management
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	Nil
Mode	Retiring by Rotation and eligible for re-appointment

Name of the Director	Mr. Dhawal Vora
Age	39
Qualification	B.com, ICWA,ACS
Expertise in specific functional areas	Finance & Corporate law
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	Nil
Mode	Retiring by Rotation and eligible for re-appointment

Name of the Director	Mr. Suresh Iyer
Age	45
Qualification	B.Tech
Expertise in specific functional areas	Chemical Process and Marketing Expert.
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	Nil
Mode	Retiring by Rotation and eligible for re-appointment

Name of the Director	Mr. Nishikant Sule
Age	65
Qualification	B.Sc.
Expertise in specific functional areas	Commercial laws, Audit, Management
Directorship in other Indian Public Companies & the membership of the committees of the Board.	Nil
Shareholding	Nil
Mode	Re-appointment as an additional Director.

3. Audit Committee
3.1 Composition:

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 and clause 49 of the Listing Agreement the audit committee shall have minimum three Directors as members. Two thirds of the members of audit committee shall be Independent Directors. The said committee consists of 5 (Five) Members out of which 4 (Four Members are Independent Non-Executive Directors and 1 (One) Executive Promoter Director.

Following is a composition of audit committee as on date of this report

1. Mr. Vishwas V. Mehendale : Chairman and Independent Non Executive Director
2. Mr. Raghavendra Ravi – Member and Independent Non Executive Director.
3. Mr. Suresh Iyer - Member and Independent Non Executive Director.
4. Mr. Dhawal Vora – Member and Independent Non-Executive Director.
5. Mr. Rahul Palkar - Member and Executive Promoter Director.
6. Mr. Nishikant Sule - Member and Independent Non Executive Director (w.e.f. 11-02-2011)

During the year there were in total **4 Audit** Committee Meetings were held on 27th May 2010, 11th August 2010, 12th November 2010 and 11th February 2011. The time gap between the two meetings was not more than 4 months.



THE ATTENDANCE AT THE AUDIT COMMITTEE MEETING WAS AS UNDER:

Name of the Director	Category	Status	Number of Meetings Held	Number of Meetings Attended
Mr. Vishwas V Mehendalae	Independent Non Executive Director	Chairman	4	4
Mr. Raghavendra Ravi	Independent Non-Executive Director	Member	4	4
Mr. Suresh Iyer	Independent Non Executive Director	Member	4	3
Mr. Dhawal Vora	Independent Non Executive Director	Member	4	2
Mr. Rahul Palkar	Executive Director	Member	4	4
Mr. Nishikant Sule (w.e.f.11-02-2011)	Independent Non Executive Director	Member	4	1

3.2 Broad terms of reference of the Audit Committee are as per following:

- 1. Reviewing audit reports of both statutory and internal auditors with the management.
- 2. Ensuring compliance with regulatory guidelines.
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 5. Reviewing, with management, performance of statutory and internal auditors.
- 6. Reviewing the finding 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 a material nature and reporting the matter to the Board.
- 7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

In fulfilling the above role, the Audit committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. The draft minutes of the audit committee meetings are circulated among members before the same is confirmed and placed before the Board.

4. Remuneration Committee

All the Executive Directors are drawing remuneration as per agreement/terms of appointment finalized with them. The Company did not have any remuneration policy as such.

Constitution of remuneration committee is a non-mandatory requirement of corporate governance report however the said committee is constituted by the Board consisting of three Independent Non-Executive Directors.

Following is a composition of remuneration committee as on date of this report

1. Mr. Vishwas V. Mehendale: Chairman and Independent Non Executive Director
2. Mr. Raghavendra Ravi – Member and Independent Non Executive Director.
3. Mr. Suresh Iyer - Member and Independent Non Executive Director.
4. Mr. Dhawal Vora – Member and Independent Non-Executive Director.

During the year only one Remuneration Committee Meeting was held on 12th November, 2010.

THE ATTENDANCE AT THE REMUNERATION COMMITTEE MEETING WAS AS UNDER:

Director	No. of Committee meetings held	No. of Committee meetings attend.
Mr. V. V Mehendale – Chairman and Independent Non Executive Director	1	1
Mr. R. Ravi – Member and Independent Non Executive Director	1	1
Mr. Suresh Iyer – Member and Independent Non Executive Director	1	Nil
Mr. Dhawal Vora - Member and Independent Non-Executive Director	1	Nil


Disclosure on Remuneration of Directors

1. All element of remuneration package of individual directors summarized under major groups, such as salary benefits, bonuses, stock option, pension etc. – **The details are as mentioned below :**
2. Details of fixed component and performance linked incentives, along with the performance criteria - NIL
3. Service contracts, notice period, severance fees – NIL
4. Stock option details, if any – and whether issued at a discount as well as the period over which accrued and over which exercisable – NIL

The details of remuneration paid to Directors for the year ended 31st March, 2011.

(Amount ₹ in Lacs)

Sr. No.	Name	Salary	Commission	Perquisites	Retirement Benefits
1	Mrs. Bharati Palkar	9.00	Nil	Nil	Nil
2	Mr. Vijay Palkar	15.00	Nil	Nil	Nil
3	Mr. Kirit Shah	13.80	Nil	Nil	Nil
4	Mr. Rahul Palkar	14.40	Nil	Nil	Nil
5	Mr. N.G. Mane	6.00	Nil	Nil	Nil
6	Mr. C. L. Kadam	3.34	Nil	Nil	Nil
7	Dr. Deepak Kanekar	Nil	2.44	Nil	Nil

Following is the list of Non-Executive Directors and their Shareholdings in the Company and Sitting fees paid during the year:

Sr. No.	Name of the Non-Executive Directors	Number of Equity Shares	Sitting fees	Non convertible Instruments
1.	Mr. R. Raghavendra Ravi	Nil	0.24	Nil
2.	Mr. Dhawal Vora	Nil	0.12	Nil
3	Mr. Suresh Iyer	Nil	0.18	Nil
4.	Mr. Vishwas V. Mehendale	1500	0.24	Nil
5.	Dr. Deepak Kanekar	Nil	0.18	Nil
6.	Mr. Nishikant Sule (w.e.f 11-02-2011)	Nil	Nil	Nil

5. Shareholders/Investors Grievance Committee

The Shareholder/Investors Grievance Committee has been formed. The committee looks into the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters.

Following is a composition of Shareholders/Investors Grievance committee as on date of this report

1. Mr. Vishwas V. Mehendale : Chairman and Independent Non Executive Director
2. Mr. Raghavendra Ravi – Member and Independent Non Executive Director.
3. Mr. Suresh Iyer - Member and Independent Non Executive Director.
4. Mr. Dhawal Vora – Member and Independent Non-Executive Director.
5. Mr. Rahul Palkar - Member and Executive Promoter Director.
6. Mr. Nishikant Sule ~ Non Executive Director (w.e.f 11-02-2011)

The Name and address of Compliance officer is as per following:

Mr. Rahul Palkar – Compliance Officer

Add : W-44, M.I.D.C. Phase II, Manpada Road, Dombivli (East), Thane – 421 204



During the year there were in total 4 Shareholders/Investors Grievance Committee Meeting were held on 27th May, 2010, 11th August, 2010, 12th November, 2010 and 11th February, 2011.

THE ATTENDANCE AT THE SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE MEETING WAS AS UNDER:

Director	No. of Committee meetings held	No. of Committee meetings attend.
Mr. Raghavendra Ravi—Chairman and Independent Non Executive Director. (w.e.f. 11-02-2011)	4	4
Mr. V.V.Mehandale – Member and Non-Executive Director	4	4
Mr. Suresh Iyer – Member and Independent Non Executive Director	4	3
Mr. Dhawal Vora – Member and Independent Non Executive Director	4	2
Mr. Rahul Palkar – Member and Executive Director	4	4
Mr. Nishikant Sule ~ Non Executive Director (w.e.f 11-02-2011)	4	1

Details of investors complaints received and resolved during the year 2010-2011

1. Number of Shareholders Complaints received: 18
2. Number of complaints resolved during the year: 18
3. Number not solved to the satisfaction of shareholders: Nil
4. Number of pending complaints: Nil

6. Administrative committee:

The Board of Directors of the Company has constituted an administrative Committee of Directors to manage the administrative issues on 11th August, 2010.

During the period there were in total 4 Administrative Committee Meetings were held on 4th October, 2010, 8th October, 2010 and 8th November, 2010 and 22nd January, 2011

Composition of Preferential Allotment Committee

Name	Category	No. of Committee meetings held	No. of Committee meetings attend.
Mr. Vijay Palkar	Chairman	4	4
Mr. Rahul Palkar	Member	4	4
Mr. N. G. Mane	Member	4	4

Broad terms of reference of the administrative Committee are as follows:

- To appoint dealers and execute agreements, with them.
- To Purchase land and premises and execute the concerned agreements.
- To finalize the proposal of taking accommodation on lease for the company and execution and revocation of such lease agreement.
- To fix the capital expenditure and placing of orders of capital items.
- To authorise to deal with Central /State Government or local bodies.
- To open new Bank Accounts and to authorise Directors/Executives/ any other authorised person to operate the same or to withdraw the authority granted.
- To close the existing Bank Accounts when not required.
- To oversee the operations and activities of the Organization to ensure it fulfils its desired aims and it is on the growth planned.
- To prepare the plans and strategy relating to sales, purchase, advertising etc. keeping in mind the purpose and object of the Organization.
- To review the performance of the Company in comparison to the plans and to find out the deviation if any, from the projections and to provide for remedial action.
- To make sure that the guidelines and framework are provided for everyone in the Organization to know where it is headed, what it aims to achieve, and how each job fits into the overall plan.
- To raise awareness and publicize the Organization, it's aims, its services and its achievements.
- To inform and involve consumers, members, funding bodies and policy makers about the Organization and its achievements.
- To authorise to represent Company before Registrar of Companies, Company Law Board or any other authority under the Companies Act, 1956 and other applicable laws, if any.
- To authorise to register Company with Bureau of Indian Standards, various Port Trusts, etc.
- To avail loan facility from banks and to revise payment schedule, if required.
- To authorise to provide personal or corporate guarantee.
- To authorise to comply with filing requirements under the Companies Act, 1956 and other applicable laws.


7. General Body Meetings:

Details of last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2007- 08	22/09/2008	11.00 a.m	C.K. P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali(East),	Appointment of Mrs. Ashwini Palkar for holding Office or in Place of Profit pursuant to section 314(1)(b)
2008-09	30/09/2009	11.00 a.m	C.K. P Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali(East)	Payment of Commission to Non Executive Directors under Section 309 (4) of the Companies Act, 1956.
2009-10	27/09/2010	11.00 a.m.	W-44, Phase II, MIDC, Dombivali(East), Dist Thane – 421 204.	Nil

At the Extra-Ordinary General Meeting held on 26th March, 2008 the following special resolutions were passed

- (i) To increase the Authorised Share Capital of the Company;
- (ii) Subsequent to aforesaid increase in Authorised Share Capital of the Company amendment to Memorandum of Association of the Company;
- (iii) amendment in Articles of Association of the Company; and
- (iv) Issue of warrants u/s 81(1A) of the Companies Act, 1956 on preferential basis to promoter of the Company.

During the year the company has passed ordinary resolution under section 293(1)(a) and 293(1)(d) of the companies Act, 1956 obtaining shareholders consent by pursuant to section 192A of the Companies Act, 1956, read with the Companies (Passing of the resolution by Postal ballot) Rules, 2001.

The Company had appointed Mr. Hemant Shetye, Partner of HS Associates, Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner. The Chairman of the Company declared the following results of the Postal Ballot on Monday the 22nd February, 2010 at 5.00 p.m. at the registered office of the Company is as follows:

Resolution No.1 Ordinary resolution for Authority to the Board of Directors to sell, lease, mortgage transfer and/or other dispose off the whole or any part of the Company's undertaking.

Particulars	No. of postal ballot Forms	No of Shares	Percentage (%) of valid votes cast
Total postal ballot received	154	3190021	—
Less: Invalid Postal Ballot	14	7103	—
Total Valid Postal Ballot	140	3182918	100
Voted in favour	124	3177018	99.81
Voted Against	16	5900	0.19

Resolution No. 2 Ordinary resolution for Authority to the Board of Directors to borrow not exceeding Rs.200/- (Rupees Two Hundred Crores Only)

Particulars	No. of postal ballot Forms	No of Shares	Percentage (%) of valid votes cast
Total postal ballot received	154	3190021	—
Less: Invalid Postal Ballot	12	7103	—
Total Valid Postal Ballot	142	3183118	100
Voted in favour	125	3177618	99.82
Voted Against	17	5500	0.19

The Ordinary resolution Nos. 1 and 2 as set out in the Notice dated. 9th January, 2010 were accordingly carried by the requisite majority.

**8. Disclosures:**

8.1 During the year under review, besides the transactions reported elsewhere in the Annual report, there were no other related party transactions of material nature with the promoters, Directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the company at large.

8.2 There were no instances of Non-compliance on any matter related to the capital market during the past three years and that no penalties or strictures were imposed on the Company by any Stock Exchange or SEBI.

8.3 Code of Conduct:

The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's website. All board members and senior management personnel have affirmed compliance with the code of conduct for the period under review.

8.4 Prohibition of Insider Trading:

The company has framed its Insider Trading Regulations wherein rules for the preservation of price sensitive information, pre-clearance of trade, monitoring and implementation are framed. This code is applicable to all Directors and such employees of the company who are expected to have access to unpublished price sensitive information relating to the company. Transaction for dealing in the prescribed volume of the security of the company during the prescribed time requires prior approval from the company.

8.5 The Managing Director and the Chief Finance Officer have certified to the Board in Accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March, 2011.

8.6 The Company is in the process of adopting the non-mandatory provisions of corporate governance.

8.7 The Board hereby affirms that no personnel have been denied access to the audit committee.

9. Means of Communication:

The company has 13,301 shareholders as on 31st March, 2011. The main channel of communication to the shareholders is through annual report which includes inter alia, the Directors Report, the Report on Corporate Governance and audited financial results.

The quarterly un-audited/audited results are submitted to all the Stock Exchanges immediately after the Board Meeting held for approval of the same. The said results are published within 48 hours after the Board Meeting in any one of the prominent English publication such as Free Press Journal and one of the prominent vernacular publication as Maharashtra Navshakti.

The aforesaid results and other corporate primary source of information viz. press releases, announcements, shareholding pattern and other corporate information are also displayed at the Company's website www.indoaminesltd.com.

The Annual General Meeting is the principal forum for face to face communication with shareholders, where the board responds to the specific queries of the shareholders.

No presentation was made during the year either Institutional Investors or to the analysts. Management discussion & Analysis Report is attached herewith forming part of the Annual Report.

10. General Shareholders Information:

i. The 18th **Annual General Meeting** is scheduled to be held on Monday the 29th August, 2011 at 12.00 noon at C.K.P. Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivali(E), Dist. Thane - 421 201.

ii. The Financial year of the company is from April to March.

The financial calendar is as per following.

First quarter results (30 th June)	22 nd July, 2011
Mailing of Annual Reports	1 st week of August, 2011.
Annual General Meeting	29 th August, 2011
Second quarter results (30 th September)	14 th October, 2011
Third quarter results (31 st December)	14 th January, 2012
*Fourth quarter / Annual Results (31 st March)	14 th May, 2012



- iii. Book Closure dates are from Monday the 22nd August, 2011 to Monday the 29th August, 2011 (both days inclusive).
- iv. The Board of Directors has declared an interim dividend of 7% on 12th November, 2010. The Board of Directors at their Meeting held on 28th May, 2011 have recommended a dividend of 0.30 paise per Equity shares of ₹ 10/- each for approval of the shareholders of the Company at the ensuing Annual General Meeting.

The company will continue to use NECS/ECS or any other electronic mode for payment of dividend to shareholders located in places wherein such facility/system is in existence.

- v. The company's shares are listed at Bombay, Ahmedabad & Calcutta Stock Exchanges out of which Mumbai is a Regional Stock Exchange. The Listing Fees for the year **2010-11** for all these Stock Exchanges are paid.
- vi. Stock Code—24648

The Stock Exchange, Bombay
Security in Physical Form No. BSE-
Scrip Name: Indo Amines Ltd. Stock code 24648

National Security Depository Ltd.
ISIN: INE760F01010

Central Depository Services (India) Ltd
INE760F01010

- vii. Market price data : **(All figures in Indian Rupees)**

Months	Price		
	High	Low	Close
April-2010	19.95	15.90	19.55
May-2010	20.60	17.00	19.95
June-2010	19.95	17.15	19.10
July-2010	21.85	17.60	21.85
August-2010	24.90	19.00	22.90
September-2010	28.50	21.00	26.45
October-2010	32.55	24.80	31.75
November-2010	36.65	24.55	32.25
December-2010	29.85	20.10	26.80
January-2011	28.45	18	24.95
February-2011	23.40	16.50	20.95
March-2011	20.65	17.00	19.25

(**The prices have been sourced from Bombay Stock Exchange Limited)

- viii. Registrar and Transfer Agent

BIGSHARE SERVICES PVT. LTD.
E/2, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E),
Mumbai - 400 072.
Tel No. 022-28470652
Email Address: info@bigsharesonline.com

- ix. Share Transfer System

The Share transfer of Securities in Physical form are registered, duly transferred and dispatched within one month of the receipt, if the transfer documents are in order.



x Share Holding Pattern as on 31st March, 2011

Category		Total Number of Shares Dematerialised form	Number of Shares held in	Total Shareholding as a percentage of total number of shares	
				As a Percentage (A+B)	As a Percentage (A+B+C)
A.	Promoter group Share holding of promoter &				
1.	Indian				
a.	Individual/HUF	1526180	1503860	17.3196	17.3196
b.	Central/State Government(s)	0	0	0	0
c.	Bodies Corporate	2981814	2131814	33.8385	33.8385
d.	Financial Institutions/Banks	0	0	0	0
	Sub total A(1) :	4507994	3635674	51.1581	51.1581
2.	Foreign				
a.	Bodies Corporate	0	0	0.00	0.00
b.	Group Companies	0	0	0.00	0.00
c.	Individual	0	0	0.00	0.00
d.	Institutions	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0.00	0.00
Total Holding (A)=(A)(1)+(A)(2)		4507994	3635674	51.1581	51.1581
1.	Institutions				
a.	Central/State Government(s)	0	0	0.00	0.00
b.	Financial Institutions/Banks	0	0	0.00	0.00
c.	Mutual Funds/UTI	0	0	0.00	0.00
d.	Venture Capital Funds	0	0	0.00	0.00
e.	Insurance Companies	0	0	0.00	0.00
f.	FII's	0	0	0.00	0.00
g.	Foreign Venture Capital	0	0	0.00	0.00
h.	Any Others	0	0	0.00	0.00
	Sub total (B)(1)	0	0	0.00	0.00
2.	Non Institutions				
a.	Bodies Corporate	227764	213464	2.5847	2.5847
b.	Individual				
i.	(capital upto to Rs.1 Lakh	2695536	1538276	30.5898	30.5898
ii.	Capital Grater than Rs.1 lakh	968678	932278	10.9929	10.9929
c).	Trusts				
	Any others	0	0	0.00	0.00
	Clearing members	2401	2401	0.0272	0.0272
	Trusts	0	0	0.00	0.00
	Non Resident Indians	409517	50617	4.6473	4.6473
	Sub Total (B)(2)	4303896	2737036	48.8419	18.8419
	Total Holding for public	4303896	2737036	48.8419	48.8419
	Total (A) + (B) :	8811890	6372710	100.00	100.00
C	Shares held by custodians				
	Grand Total (A)+(B) + (C)	8811890	6372710	100.00	100.00



xi. Distribution of Shareholding as on 31st March, 2011.

Share holding of	Nominal Value of	Total Holders	% of Total Holders	Total Holding	% of Total Capital
Rs.	Rs.			Rs.	
1	5000	12324	92.6547	1683540	19.1053
5001	10000	587	4.4132	479035	5.4362
10001	20000	192	1.4435	296142	3.3607
20001	30000	63	0.4736	16289	1.8485
30001	40000	16	0.1203	56623	0.6426
40001	50000	28	0.2105	134206	1.5230
50001	100000	43	0.3233	316809	3.5952
100001	9999999	48	0.3609	5682464	64.4884
	Total	13301		88,11,890	100.0000

xii. Dematerialization of securities and liquidity.

Your Directors are pleased to report that the Company is having connectivity from the Central Depository Services Limited (CDSL) and National Depository Services Limited (NSDL) to provide facilities to all members and investors to hold the Company's Shares in Dematerialized Form. Equity Shares of the Company may be held in Electronic Form

The company's shares were dematerialized w.e.f. from 17th October 2002 vide a Tripartite agreement executed between NSDL and the Company as on 31st March 2011, 26,07,734 Equity Shares were representing 29.59% were held in demat form in NSDL.

The company's shares were dematerialized w.e.f. from 21st December 2002 vide a Tripartite agreement executed between CDSL and the Company as on 31st March, 2011 42,16,576 Equity Shares representing 47.85% were held in Demat form in CDSL & the balance 19,87,580 Equity Shares representing 22.56% were in physical form

xiii. Company has issued 4,60,000 convertible warrants at a price of ₹ 24/- per warrant with a right of getting the equity one shares against each warrant to the below given parties. Share after complying with SEBI guidelines of preferential allotments of securities other than this the Company has not issued ESOP or any GDRs/ADRs instrument.

Name of the Allottees	Category of the allottees	Maximum number of warrants allotted.
Techno Holding (India) Private Limited	Corporate Body	1,15,000
Techno Securities (India) Private Limited	Corporate Body	1,15,000
Palkar Finance and consultancy Services Private Limited	Corporate Body	1,15,000
Unigroup Resources Private Limited	Corporate Body	58,000
Marvel Indenting Private Limited	Corporate Body	57,000
	Total	4,60,000

xiv. The Company's Plants are located as under.

1. W-38/39, Phase II, MIDC, Dombivli (E), Dist. Thane.
2. Survey No. 1723, Tundav, Taluka Savli, Vadodara, Gujarat.
3. W/265, W/266A, TTC Indl Estate, Rabale, MIDC, Navi Mumbai – 400 701

xvi. Address for correspondence:

Shareholders of the company can send correspondence at company's share & Transfer Agent's Office or the registered office of the company situated at following address

W-44, Phase II, MIDC,
Dombivli (E), Dist. Thane, Pin – 421 204.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A) Overview of the Economy :**

The global chemical manufacturing sector grew by 11% in 2010 and it is expected to grow by 47% upto 2015. Basic chemicals is the largest segment of the global chemical manufacturing sector, accounting for 46.4% of the sector's total value. Asia pacific accounts for 42.70 % of the global basic chemicals manufacturing sector value.

The global specialty chemicals market grew by 7.60% in 2010 and it is forecasted to grow by 30.10% upto 2015.

Fine Chemicals is the largest segment of the global specialty chemicals market, accounting for 28.9% of the market's total value. Asia-Pacific accounts for 37.10% of the global specialty chemicals market value.

Accordingly we expect that the overall growth for fine chemicals, specialty chemicals and basic chemicals will be in the range of 10% to 20% year on year basis.

B) Opportunities, Concerns and Outlook:

Your company is a manufacturer, developer and supplier of Fine chemicals, Oleo chemicals, specialty chemicals, Performance Chemicals, Perfumery Chemicals and Active Pharmaceutical Ingredients. Major growth opportunities will come from China, far east and European countries like Germany, UK, Spain. Indo Amines knows the importance of its products' use in the production of intermediaries used in major industries like pharmaceuticals, Agro-chemicals, Petrochemicals, Fertilizer, Road construction chemicals and Pesticides industries. Some of the unusual industries include solvent and rubber processing industries. To contribute to all of this, our research team and technical team will stand still as a backbone of company's growth and will provide ample number of opportunities to enlarge company's market share.

Most of our raw materials prices are influenced by changing crude prices, exchange rates and volatile market conditions. Our major raw materials are subject to change in government policies, like government's Alcohol price policies and its dynamic use in a Sugar Industry. Other oil and petroleum based raw materials are subject to international price deviations in oil market. A major threat for the company is highly changing demand-supply conditions of the market.

C) Other Major Developments :

The company is going thru' some major projects based on its expertise research teams' findings. The major developments include expansion of capacity of hydrogen based plants. The company also has entered in to performance chemicals, Anti-caking agents and Road construction chemicals, which are expected to capture considerable growth in forthcoming years ahead. Company also has announced to start new offices in different areas worldwide to expand its activities.

D) Internal Control and Audit :**Internal Control :**

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. The system and procedures of the Company are designed to ensure adequate internal controls to give true and accurate information to the Management. Internal control systems are integral to the Company's corporate governance initiatives. There is adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the Company.

Internal Audit :

The Company has appointed a firm of Chartered Accountants for Internal Audit and to ensure adequacy of the internal controls, adherence to Company's policies & ensure statutory and other compliance through, periodical checks and internal audit. The internal auditors is having access to all information in the organization which is largely facilitated by ERP implementation across the organization. The reports have been submitted to Audit Committee comprising independent Directors who are experts in their field on periodical basis and their suggestions on the same implemented immediately.

E) Human Resources and Industrial Relations :

The Company firmly believes that employees constitute the most vital force in moving the organization forward. Organizational Development is an ongoing process and efforts have been made for developing skills, nurturing and building leadership qualities, attracting and retaining talent. In tune with the business requirement, a number of HR initiatives were taken by the Company to maintain its position as one of the leading employer in its local region. Employee's relations during the year remained cordial and initiatives were taken to improve the productivity of employees.

F) Forward looking and Cautionary Statements :

Statements made in the Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include materials availability and their prices and domestic demand-supply conditions, changes in the Government regulations and tax policies, economic developments within India and other incidental and relevant factors. The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.

**CEO/CFO CERTIFICATION**

To,
The Board of Directors,
INDO AMINES LIMITED.
W-38/39, Phase II,
M. I. D. C., Dombivli (E.)
Dist. Thane.

We hereby certify that for the financial year, ending 31st March, 2011 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that:
 - a. There have been no significant changes in internal control during the year;
 - b. There have been no significant changes in accounting policies during the year.
 - c. There have been no instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

FOR INDO AMINES LIMITED

Sd/-
VIJAY PALKAR
(CEO)

Date: 28th May, 2011
Place: Vadodara

FOR INDO AMINES LIMITED

Sd/-
RAHUL PALKAR
(CFO)

**DECLARATION**

I, Vijay Palkar, CEO of the Company hereby declare that all Board members and senior management personnel have affirmed compliance with the code on an annual basis.

FOR INDO AMINES LIMITED

Sd/-
VIJAY PALKAR
(CEO)

Date: 28th May, 2011
Place: Vadodara

A REPORT ON CORPORATE GOVERNANCE BY COMPANY SECRETARY IN PRACTICE.

To,
The Shareholders
INDO AMINES LIMITED
W-44, Phase II,
M. I. D. C., Dombivli (E.)
Dist. Thane

We have reviewed the implementation of Corporate Governance produced by the company during the year ended **31st March, 2011** with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination is neither an audit nor an expression of opinion of the financial statements of the company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in the Clause 49 of the Listing Agreement with the Stock Exchanges however the compliance of clause 49(1A) was complied in February, 2011.

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

For **HS Associates**,
Company Secretaries

Sd/-
Hemant Shetye
Partner

Mumbai 22nd July, 2011

FCS 2827
COP 1483

**Auditor's Report to the Members of INDO AMINES LIMITED**

1. We have audited the attached Balance Sheet of Indo Amines Ltd., as at 31st March, 2011, the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (iii) The Balance sheet, Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true & 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 31st March 2011;
 - (b) in the case of the Profit and Loss account, 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.

**For Kulkarni & Khanolkar
Chartered Accountants
F.R.N: 105407W**

**Place: Mumbai
Date: 28th May, 2011**

**(P. M. Parulekar)
Partner
M No 36362**

**INDO AMINES LIMITED****(Referred to in paragraph-3 of our report of even date)**

- (i) (a) The Company has maintaining proper records showing full particulars including quantitative details and situations of the Fixed Assets.
 (b) None of the fixed assets have been physically verified by the Management during the year.
 (c) During the year, the company has not disposed off any major part of the Fixed Assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 (c) In our opinion, the Company is maintaining proper records of Inventories and the discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not taken loans from Companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956. The Company has not granted loans to Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 (b) According to the information and explanations given to us, the Company has entered into transactions for purchases/sales of goods & services with the parties mentioned in register maintained under section 301 of the Companies Act, 1956. However, as similar goods or services have not been sold or purchased to / from the unrelated parties, comparison of amount paid or charged in respect of such transactions with the prevailing market prices can not be made.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
- (vii) In our opinion the company has an Internal Audit System commensurate with the size of the Company and nature of its business.
- (viii) The Company is not required to maintain cost records in pursuant to Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 (b) The following disputed dues have not been deposited with the Government: (₹ in Lacs)

Sr. No.	Particulars	Amount	Forum Where dispute is pending
1)	Form 'C' liability for F.Y.2002-03 (Flame)	4.23	DCST (Appeal) 3, Worli Div, Mazgaon.
2)	Remission of Excise Duty on Flood F.Y. 2005-06 (Penalty)	2.82	CSTAT,Mumbai (Stay granted on Penalty & Interest)
3)	Excise Duty on Freight Income, FY 2004-05 (Penalty)	0.75	CSTAT,Mumbai (Stay granted on Penalty & Interest)
4)	Service Tax credit reversal on outward services, F.Y.2009-10	1.87	CSTAT,Mumbai (Stay granted on Penalty & Interest)

- (x) The Company has no accumulated losses as on 31st March, 2011 and it has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
- (xii) We are informed that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) 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 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 are not applicable to the company.
- (xv) In our opinion, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no part of the funds raised on short term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of warrants to companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which warrants have been issued is not prejudicial to the interest of the Company.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued debentures.
- (xx) During the year no money was raised by public issue.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Kulkarni & Khanolkar
Chartered Accountants
F R N: 105407W

Place: Mumbai
Date: 28th May, 2011

(P. M. Parulekar)
Partner (M No 36362)



INDO AMINES LIMITED
Balance Sheet as at 31st March, 2011

(₹ in Lacs)

Particulars	Sch. No.	Current Year 2010-2011	Previous Year 2009-2010
<u>SOURCES OF FUNDS :</u>			
Shareholders' Funds			
Share Capital	1	881.19	837.89
Convertible Warrants	2	-	13.04
Reserves & Surplus	3	1,055.95	870.62
		1,937.14	1,721.55
Loan Funds			
Secured Loans	4	2,663.65	2,000.42
Unsecured Loans	5	27.96	62.86
		2,691.61	2,063.28
TOTAL SOURCES OF FUNDS		4,628.75	3,784.83
<u>APPLICATION OF FUNDS :</u>			
<u>Fixed Assets</u>	6		
Gross Block		3,205.66	2,805.51
Less: Depreciation		1,896.29	1,656.00
Net Block		1,309.38	1,149.51
Total Fixed Assets		1,309.38	1,149.51
<u>Investments (Long Term)</u>		0.04	0.04
Indo Amines (Europe) Ltd. (25 A type & 25 B type Equity shares of face value 1GBP each valued at Rs. 84.88 per GBP)			
Shares of DNSB (4496 shares FV Rs.50/- each)		2.25	0.88
<u>Current Assets, Loans & Advances</u>	7		
Inventories		1,853.81	1,153.12
Sundry Debtors		3,080.86	3,055.19
Cash & Bank Balances		191.53	66.67
Loans & Advances		1,320.68	1,293.72
Total Current Assets		6,446.88	5,568.71
Less: <u>Current Liabilities & Prov</u>			
Current Liabilities & Provisions	8	3,169.78	2,969.36
Net Current Assets		3,277.10	2,599.35
Deferred tax Assets/(Liab)	9	39.99	35.05
TOTAL APPLICATION OF FUNDS		4,628.75	3,784.83

Notes to the Accounts
As per our report attached

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For KULKARNI & KHANOLKAR
Chartered Accountants

Sd/-
P.M. Parulekar
Partner

Place: Dombivli.
Date : 28th May, 2011-

For and on behalf of the Board of Directors
For Indo Amines Limited

Sd/-
V. B. Palkar
Managing Director

Sd/-
K. H. Shah
Director

Sd/-
R.V. Palkar
CFO & Director



INDO AMINES LIMITED
Profit & Loss A/c for the year ended 31st March, 2011

(₹ in Lacs)

Particulars	Sch. No.	Current Year 2010-2011	Previous Year 2009-2010
INCOME:			
Sales Turnover	10		
Local Sales		10,732.63	6,116.85
Export Sales		5,779.50	3,607.80
Total Turnover		16,512.13	9,724.66
Less : Excise on Sales		864.30	522.91
Total Turnover After Excise		15,647.83	9,201.74
Other Income	11	173.76	73.86
Increase/(decrease) in Stock	12	330.26	134.27
Total Other Income		504.02	208.13
Total Income		16,151.85	9,409.88
EXPENDITURE :			
RM/PM/FUEL Consumed	13	7,592.10	4,516.95
High Seas Purchase		10.67	-
Purchase of Finished Goods		4,939.32	2,334.33
Manufacturing Expenses	14	1,972.96	1,275.63
Administrative, Selling & Distribution Exps	15	745.03	629.54
Interest & Financial Charges	16	226.23	198.21
Depreciation		242.42	254.84
Total Expenditure		15,728.73	9,209.50
Profit Before Tax		423.12	200.38
Provision for Current Tax		(155.00)	(80.00)
Short or Excess prov w/off		6.70	-
Provision deferred tax assets/(Liabilities)		4.94	12.66
Profit After Tax		279.77	133.04
Add : Balance B/f from Previous year		651.03	586.61
Total		930.80	719.65
Less : Interim Dividend		61.68	58.65
Less : Proposed Final Dividend		26.44	-
Less : Dividend distribution Tax		14.98	99.68
Balance c/fd to Balance Sheet		827.70	651.03

Notes to the Accounts

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Earning per Share (in Rupees)

Basic (EPS) (No. of Eq Shares = 88,11,890) (Face Value ₹ 10/- each)

3.17

1.59

Diluted (EPS) (No. of Eq Shares=88,11,890) (Face Value ₹ 10/- each)

3.17

1.51

As per our report attached

For KULKARNI & KHANOLKAR
Chartered Accountants

For and on behalf of the Board of Directors
For Indo Amines Limited

Sd/-
P.M. Parulekar
Partner

Sd/-
V. B. Palkar
Managing Director

Sd/-
K. H. Shah
Director

Sd/-
R.V. Palkar
CFO & Director

Place: Dombivli.
Date : 28th May, 2011-



INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2011

(₹ in Lacs)

PARTICULARS	LIST	Current Year 2010-2011	Previous Year 2009-2010
Schedule 1 - Share Capital			
Authorised Share Capital			
100,00,000 Equity Shares of Rs. 10/- each		1,000.00	1,000.00
		1,000.00	1,000.00
Issued Subscribed & Paid up Capital			
88,11,890 Equity Shares of Rs. 10/- each fully paid-up		881.19	837.89
		881.19	837.89
Schedule 2 - Convertible Warrants			
(Refer Note 2 to Schedule 17 Notes to the Account)		-	13.04
		-	13.04
Schedule 3 - Reserves & Surplus			
General Reserve (Free Reserve - Opening Balance)		200.00	200.00
Add: Addition During the Year			
Less: Utilised during the year		-	-
General Reserve (Free Reserve - Closing Balance)		200.00	200.00
Profit & Loss A/c - Closing Balance		827.70	651.03
Share Premium Account - Opening Balance		19.59	11.25
Add : Premium recd during the year		8.66	8.34
Share Premium Account - Closing Balance		28.25	19.59
Total Reserves & Surplus		1,055.95	870.62
Schedule 4 - Secured Loans			
SBI - Cash Credit		-	2.78
HDFC/TATA/Magma Fincorp Bank		15.86	23.93
SCU Finance Ltd / SIDBI		-	7.01
IDBI TERM LOAN A/C		-	108.08
B/D (PKG BILL 46564500000958/967/1007)		743.58	642.88
DNSB TERM LOAN		249.35	158.10
Buyers Credit		297.73	-
IDBI BANK LTD -CC		1,357.14	1,057.66
(Loan and working capital amounts are secured by Equitable Mortgage of P&M & L&B of Dombivli & Baroda, hypothecation of Stock & Receivables and personal guarantee of Directors.)			
Total Secured Loans		2,663.65	2,000.42
Schedule 5 - Unsecured Loans			
Unsecured Loans-Alta Leasing & Finance		-	3.24
Unsecured Loans (Companies)		17.96	44.62
Unsecured Loans (Others)		10.00	15.00
Total Unsecured Loans		27.96	62.86

INDO AMINES LIMITED
SCHEDULE :- 6 FIXED ASSETS AND DEPRECIATION AS ON 31ST MARCH 2011

Particulars of Assets	Rate of Dep.	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		Op. Bal as on 1-Apr-10	Additions	Sales	Bal as on 31-Mar-11	As on 31-Mar-10	Depreciation During the yr	Reduction During the yr	As on 31-Mar-11	Net Assets 31-Mar-11	Net Assets 31-Mar-10
Leasehold Land	0%	214.72	0.00	0.00	214.72	0.22	0.00	0.00	0.22	214.50	214.50
Factory Building	10%	315.46	50.37	0.00	365.83	130.80	15.12	0.00	145.92	219.91	184.66
Machinery	28%	1,865.86	304.52	0.00	2,170.38	1,263.67	177.71	0.00	1,441.37	729.00	602.19
Furniture & Fixtures	18%	26.93	10.02	0.00	36.95	18.15	1.74	0.00	19.89	17.06	8.78
Electrical Installations	28%	57.94	11.47	0.00	69.41	39.41	5.59	0.00	45.00	24.40	18.53
Motor Car	26%	95.49	2.71	2.65	95.55	50.61	11.63	2.14	60.10	35.44	44.88
Office Equipments	28%	24.51	7.26	0.00	31.78	14.23	1.64	0.00	15.87	15.91	10.28
Computers	40%	65.74	16.45	0.00	82.18	42.31	12.08	0.00	54.38	27.80	23.43
Cylinders	40%	138.87	0.00	0.00	138.87	96.61	16.90	0.00	113.51	25.36	42.26
Total		2,805.51	402.80	2.65	3,205.66	1,656.00	242.42	2.14	1,896.29	1,309.38	1,149.51
Previous Year		2,394.64	410.87	-	2,805.51	1,401.16	254.84	-	1,656.00	1,149.51	993.48



INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2011

(₹ in Lacs)

PARTICULARS	LIST	Current Year 2010-2011	Previous Year 2009-2010
<u>Schedule 7 - Current Assets, Loans & Advs</u>			
Inventories :			
Finished Goods		370.04	267.86
Packing Material & Fuel		33.03	20.51
Raw Materials		592.63	354.15
Semi-Finished Goods		681.10	453.01
Hardware & Engineering Spares		58.71	30.00
Goods in Transit		100.49	-
Excise Duty on FG		17.81	27.59
Total Inventories		1,853.81	1,153.12
Sundry Debtors: (Considered Good)			
Outstanding for more than 6 months		221.41	316.36
Other Debts (Considered Good)		2,859.45	2,738.83
Total Sundry Debtors		3,080.86	3,055.19
Cash and Bank Balances			
Cash on Hand		4.00	7.05
T.D/FDR/Margin Money with Banks		146.05	48.16
SBI-EEFC A/c (Dollar & Euro)		0.36	0.46
IDBI-EEFC A/c (Dollar & Euro)		27.73	-
State Bank of India - Alkapuri		0.08	0.13
SBI-Convertible Warrant A/c		-	3.44
IDBI Bank Ltd - C/A		1.34	0.76
SBI Corporate Tax A/C		-	0.12
HSBC Bank Ltd		0.05	
HDFC Bank Ltd		0.39	0.31
DNSB Bank Ltd		0.02	0.37
IDBI Dividend A/C (2010-11)		5.65	-
IDBI Dividend A/C (2009-10)		5.86	5.87
Total Cash & Bank Balances		191.53	66.67
<u>Schedule 8 - Current Liabilities & Provisions</u>			
Current Liabilities			
Sundry Creditors		2,128.35	2,030.04
Other Current Liabilities & Provisions		1,041.43	939.32
Total Current Liabilities		3,169.78	2,969.36
<u>Schedule 9 - Deferred tax Assets/(Liab.)</u>			
Deferred tax Assets			
Depreciation		32.76	29.27
Section 43B		7.23	3.51
Prov for doubtful debts		-	2.27
Net Deferred tax Assets:		39.99	35.05



INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2011

(₹ in Lacs)

PARTICULARS	LIST	Current Year 2010-2011	Previous Year 2009-2010
<u>Schedule - 10 - Sales Income</u>			
Sales - Export		5,779.50	3,607.80
Sales net of Excise/S Tax		5,710.99	4,529.83
Sales - Bhiwandi		4,951.87	2,291.90
Sales - Trading		-	45.24
Total Sales Gross		16,442.36	10,474.77
Less Inter Company Sales		1,232.48	1,443.00
		15,209.87	9,031.77
Add:Excise Collected on Sales (Income)		864.30	522.91
Sales Tax Collected (VAT+CST)		437.96	169.97
Total Sales including Excise/Sales Tax		16,512.13	9,724.66
<u>Schedules 11 - Other Income</u>			
Interest recd. from bank		5.59	1.95
Sales - Processing Income		37.56	49.34
Duty Drawback - Export		50.44	-
Sales Tax Refund		27.38	-
Sundry Bal W/off		8.11	-
Misc. Receipt /Other Income		10.52	-
Exchange rate Gain/Loss (net)		34.17	22.57
Total Other Income		173.76	73.86
<u>Schedule 12 - Increase/(decrease) in Stock</u>			
Closing Stock of :			
- Work-in-Process		-	-
- Semi Finished Goods		681.10	453.01
- Finished Goods		370.04	267.86
	(a)	1,051.14	720.88
Less:Opening Stock of :			
- Work-in-Process		-	-
- Semi Finished Goods		453.01	378.22
- Finished Goods		267.86	208.39
	(b)	720.88	586.61
Increase/(decrease) in Stock	(a)+(b)	330.26	134.27



INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2011

(₹ in Lacs)

PARTICULARS	LIST	Current Year 2010-2011	Previous Year 2009-2010
<u>Schedule - 13 - RM/PM/Fuel Consumed</u>			
Opening Stock of Raw Material		354.15	269.96
Add : Purchase during the year		8,358.67	5,527.46
Total		8,712.82	5,797.42
Less Closing stock of Raw Material		592.63	354.15
Total		8,120.19	5,443.27
Less : Inter Company Purchases		1,232.48	1,443.00
Total Raw Material Consumption (A)		6,887.70	4,000.27
Packing / Fuel Consumed (B)		704.39	516.68
Total RM/PM/Fuel consumed (A)+(B)		7,592.10	4,516.95
<u>Schedule 14 - Manufacturing Exps</u>			
Electricity Charges		202.04	156.31
Water Charges		11.41	8.99
Wages/salaries/Bonus/Gratuity		318.97	265.72
Repairs & Maintenance		128.56	60.48
Laboratory Expenses & R & D Exps		25.78	28.96
Production /Store Consumption Exps		117.51	81.36
Labour Charges/Service Charges		180.20	110.53
VAT / CST on Sales		437.96	169.97
Custom Duty		112.26	105.59
Detention Charges		-	1.45
Warehouse Charges		10.96	2.45
Misc Pur/Sample/Excise Exp		8.78	9.10
Processing Charges - Material		119.31	73.21
Branch Transfer Tax		32.14	-
NMMC CESS		3.00	-
Commission on Purchase		5.58	2.56
Safety Pollution Exp		1.24	0.54
Insurance Charges / Stamping chg		11.49	6.84
Transport/Toll/Octroi/Loading/unloading		177.61	154.15
Clearing & Forwarding Charges (import)		21.68	11.93
MPCB/CETP and other Testing Expenses		1.57	0.40
Shipping Charges-Import/THC & DO		44.92	25.07
Total Manufacturing Expenses		1,972.96	1,275.63



INDO AMINES LIMITED
Schedules Forming Part of Balance Sheet as at 31st March, 2011

(₹ in Lacs)

PARTICULARS	LIST	Current Year 2010-2011	Previous Year 2009-2010
<u>Schedule 15-Admin, Selling & Distri Exp :</u>			
Advertisement		7.18	3.24
AMC/Admin/Service/Office Exp		7.47	23.82
Business/sales Promotion Expenses		46.40	26.28
Consultancy & Professional Fees		54.18	37.41
Directors Remuneration		61.54	44.60
Directors Sitting fees		0.96	0.87
Legal Expenses		1.02	2.13
Membership & Subscription		2.31	1.27
Postage & Courier/fax		2.97	9.04
Printing & Stationery		17.82	1.47
Rent, Rates & Taxes		3.15	0.65
Stock Exchange Fees & Expenses		3.66	3.03
Sundry Dr./Cr. Balance W/Off & Exps		-	4.76
Telephone/Mobile/Internet Exps.		15.49	15.74
Travelling/Foreign Travel Exps		54.15	53.87
Commission on Sales/Purchase		134.83	114.03
Clearing & Forwarding - Exports		25.11	29.17
Local Sales/ Madras Office Expenses		73.21	58.60
Commission to Director		2.44	1.24
Excise MOT Charges		1.43	1.42
Transport Freight Toll & Octroi-SALES		185.90	118.39
Export Consignment Exps		35.82	13.85
Medical exp / Mis Exp		5.45	56.26
Insurance Charges - Exports		2.35	7.75
Donation		0.19	0.65
Total Admn, Selling & Distribution Exps		745.03	629.54
<u>Schedule 16 - Interest & Finance Charges</u>			
Bank Charges CC/EEFC		31.86	22.93
Bank Int/LC/EPC/CC/SLOC/BG/Term Loan		183.59	135.92
Bill Discounting Charges		-	6.51
Interest on Vehical Loan & Other Loan		3.14	4.89
Interest Expenses - Other Loans		7.64	12.75
Loan Processing Fees (Finance)		-	15.20
Total Interest & Finance Charges		226.23	198.21

**Schedule 17**

Notes forming part of the accounts for the year ended 31st March 2011.

1. SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting:** The financial statements are prepared under historical cost convention, in accordance with applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.
- B. Use of Estimates:**
The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the reasons are known/ materialized.
- C. Capital Expenditure:**
- i) The cost of major civil works required for plant and machinery support is considered as plant and machinery.
 - ii) Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.
- D. Depreciation:**
Depreciation on Fixed Assets is provided on Written Down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In case of plant & machinery rate of depreciation charged on the basis of triple shift rate as per Schedule XIV of the Companies Act, 1956.
- E. Inventories:** Inventories are stated at lower of cost and net realizable value. The cost of inventories are arrived at as follows: Raw Materials, Packing
- | | |
|---------------------|--|
| Material & fuel | : Valued on FIFO basis. |
| Semi Finished Goods | : At Raw Material Cost plus estimated overheads. |
| Finished Goods | : At Raw Material Cost plus estimated overheads. |
- F. Revenue Recognition:** Sale of products is recognized when the products are shipped from the factory / stock points to the customers. Sales include excise duty & sales tax. Revenue in respect of interest, commission, etc. is recognized only when it is reasonably certain that ultimate collection will be made.
- G. Excise Duty on Finished Goods:** Closing stock of finished goods includes excise duty accrued thereon. Similarly provision is made for Excise Duty payable in respect of finished goods lying in the factory premises as at year-end.
- H. Foreign exchange transactions (AS-11):**
Foreign exchange transactions are recorded at a predetermined rate. Exchange differences arising on settlement of items of Income/Expenditure are accounted for as exchange gain/loss as the case may be. The current assets/liabilities in foreign currency on the date of the balance sheet are translated at the prevailing rate on the balance sheet date and the exchange gain/loss arising from such translation is recognized in the Profit & Loss account
- I. Employee benefits (AS-15):**
- A) Defined Contribution Plan – Contribution to Defined contribution plan namely employer's contribution to Provident fund & Pension Plan is charged to Profit and Loss Account ₹ 14.23 lacs (Prev Year ₹ 10.71 lacs) (PF, FPF, EDLI and PF Administrative Charges)
 - B) Defined Benefit Plan - The employees Gratuity Fund Scheme managed by Life Insurance Corporation of India is defined benefit Plan. The present value of obligation is determined by Life Insurance Corporation of India on actuarial valuation. The contribution of ₹ 2.40 lacs (Prev year ₹ 8.24 lacs) paid to Life Insurance Corporation of India is charged to Profit and Loss Account.



J. Accounting for Taxes on Income : i) Provision for current tax is made based on estimated taxable income for current financial year.

ii) In accordance with Accounting Standard 22 – ‘Accounting for Taxes on Income’, the Company has recognized deferred tax arising out of timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates.

2. Convertible Warrants:

In terms of the approval of shareholders of the Company and as per the applicable statutory provisions including Securities and Exchange Board of India (Disclosure & Investor Protection) Guidelines 2000, the Company, on 26th March, 2009 has issued and allotted 8,50,000 warrants on preferential basis to entities in the Promoter Group entitling them to apply for equivalent number of fully paid up equity shares of Rs. 10/- each of the Company, at a price of ₹ 12/- per equity share. The warrant holders have a right to apply for equity shares within 18 months from the date of allotment of warrants. Amounts received against the warrants are shown as Convertible Warrants in the Balance Sheet, pending exercise thereof. Out of 8,50,000 equity warrants 417000 equity warrants have been converted into equity shares in the year 2009-10 and during the year 4,33,000 equity warrants have been converted into equity shares. The Share Premium of ₹ 8.66 lacs (prev. year ₹ 8.34 lacs) is transferred to share premium account.

3. The balances of debtors, creditors, loans & advances are subject to confirmation. Sundry debtors include debts due from companies under same management [u/s 370 (1B)]

(₹ in Lacs)

Name of Parties	O/s as on 31 st March, 2011	Maximum amount Outstanding during the year
Versatile Chemicals Ltd	0.60 Dr	39.34 Cr
Indo Amines (Europe) Ltd.	42.59 Cr	60.96 Cr

4. In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under the Micro, Small and Medium Enterprises (Development) Act, 2006, The company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.

5. (a) C.I.F. Value of Imports	2010-2011	2009-2010
Raw Materials (₹ in Lacs)	2671.85	1475.39
(b) Expenditure in foreign currency	2010-2011	2009-2010
Foreign Travel / Commission, etc (₹ in Lacs)	169.37	133.96
(c) Earning in Foreign Exchange	2010-2011	2009-2010
FOB Value of Exports (₹ in Lacs)	5546.43	3472.42
6. Auditors Remuneration : (₹ in Lacs)	2010-2011	2009-2010
Audit Fees	2.00	2.00
Tax Audit Fees	0.40	0.40
Out of Pocket Exp.	0.15	0.15
	<u>2.55</u>	<u>2.55</u>
7. Director's Remuneration : (₹ in Lacs)	2010-2011	2009-2010
Salary & Allowances – Managing Director	15.00	12.00
Salary & Allowances – Whole time Directors	46.54	32.60
Commission on Profit to Chairman	2.44	1.24
	<u>63.99</u>	<u>45.84</u>
8. Earning Per Share (AS-20) (₹ in Lacs)	2010-2011	2009-2010
Net Profit after Tax as per P&L A/c	279.77	133.04
Total No of Equity Shares (Basic)	88,11,890	83,78,890
Total No of Equity Shares (Diluted)	88,11,890	88,11,890
Earning Per Share (Basic)	3.17	1.59
Earning Per Share (Diluted)	3.17	1.51


9. Percentage of Consumption of Raw Materials.

(₹ in Lacs)

Particulars	2010-2011		2009-2010	
	Value in Rs.	%	Value in Rs.	%
Imported	2671.85	38.79%	1475.39	36.88%
Indigenous	4215.85	61.21%	2524.89	63.12%
Total Consumption	6887.70	100.00%	4000.28	100.00%

10. Contingent Liabilities:

- Contingent Liability in respect of Central Sales tax for the financial year 2005-2006 is amounting to ₹ 16.08 lacs (Prev Year ₹ 16.08 lacs)
- Contingent Liability in respect of penalty on remission of duty on loss due to flood during the Financial year 2005-06 is amounting to ₹ 2.82 lacs (Prev Year ₹ 2.82 lacs)
- Contingent Liability in respect of Penalty on non payment of excise Duty on Freight Income is ₹ 0.75 lacs (Prev Year ₹ 0.75 lacs)
- Letter of Credit with SBI for Import Bills is amounting to ₹ Nil. (Previous Year ₹ 52.70 Lacs)
- Bank Guarantees with SBI is amounting to ₹ Nil. (Previous year ₹ 6.74 Lacs)
- Bank Guarantee with IDBI is amounting to ₹ 152.37 Lacs. (Previous year ₹ 23.63 Lacs)
- Letter of Credit with IDBI for Import Bills is amounting to ₹ 778.64 Lacs. (Previous Year ₹ 175.71 Lacs)
- Letter of Credit with IDBI for Local Bills is amounting to ₹ Nil. (Previous Year ₹ 19.16 Lacs)

11. Licensed Capacity and Installed Capacity :
2010-2011
2009-2010

a. <u>Licensed Capacity</u>	NA	NA
b. <u>Installed Capacity</u>		
Fatty Amines /Quaternary Ammonium Compound	6000 MT	6000 MT
Organic Chemicals	1860 MT	1860 MT
Specialty Chemicals	4000 MT	4000 MT
Bulk Drugs	1200 MT	1200 MT

Note : Licensed and Installed capacity are as certified by Managing Director.
12. Computation of net profits in accordance with section 349 of the Companies act, 1956 and the commission payable to the director:

(₹ in Lacs)

Particulars	2010-11	2009-10
PROFIT BEFORE TAX	423.12	200.38
ADD DIRECTORS REMUNERATION	61.54	44.60
DIRECTORS SITTING FEES	0.96	0.87
ADD Commission on Profit	2.44	1.24
Profit before tax, Director Remuneration & Commission	488.06	247.08
0.5% Commission to Dr Deepak Kanekar	2.44	1.24


13. Details of Opening Stock, Sales & Closing Stock of Finished Goods as at 31/03/2011.
Details of Opening Stock, Sales & Closing Stock of Finished Goods as at 31/3/2011.

Sr	Product Name	Opening Stock Qty.	Value as on 1/4/2010 (₹ in Lacs)	Production Quantity	Quantity Sold	Value of Goods Sold (₹ in Lacs)	Closing Stock Qty.	Value as at 31/3/2011 (₹ in Lacs)
A	Fatty Amines	27,410	30.00	1,578,829	1,573,216	1784.26	33,023	41.50
B	Organic Chemicals,	16,293	83.05	430,784	436,091	1371.70	10,986	39.78
C	Performance Chemicals	75,201	39.39	2,773,156	2,725,438	1352.49	122,919	57.71
D	Quaternary Ammonium Compound	11,500	7.78	223,097	229,827	211.42	4,770	3.92
E	Short Chain Amine	6,554	18.38	343,620	342,917	1016.27	7,257	17.28
F	Speciality Chemicals	18,844	46.90	1,929,574	1,859,714	4002.06	88,704	174.70
G	Bulk Drugs	28,865	33.45	622,717	644,802	1461.14	6,780	18.57
H	Formulations	0	0	73,590	48,502	8.96	25,088	4.85
J	Others(RM Cleared)	96	1.01	568,221	567,160	274.77	1,157	2.02
		184,763	259.95	8,543,587	8,427,667	11483.07	300,683	360.32
	Fatty Amines (Bhiwandi)	10,289	7.92	9,779,212	9,783,298	4955.79	6,203	9.72
		195,052	267.86	18,322,800	18,210,964	16438.86	306,887	370.04
	Less : Interbranch Transaction					1232.48		
	Add : DN/CN/JV					3.50		
						15209.88		
	Add:Excise Duty Collected on Sales					864.30		
	Add:VAT/CST on Sales					437.96		
	Add:Excise Duty on F.G.		27.59					17.81
	As per BS & P&L A/C	195,052	295.45	18,322,800	18,210,964	16512.13	306,887	387.85

14. Details of Raw Material Consumed :

(₹ in Lacs)

Inventory Details	2010-2011		2009-2010	
	(Qty)	(Value)	(Qty)	(Value)
Consumable Gases(H ₂ /NH ₃)	1,912,227	321.42	1,510,284	286.91
Fatty Amine/Fatty Acid	1,095,319	895.87	476,355	410.92
Organic Chemicals	3,755,576	1926.82	3,452,019	1843.90
PERFORMANCE	6,467,041	4982.53	4,983,734	2901.54
	13,230,163	8126.63	10,422,392	5443.27
Less:Interbranch Transaction		1232.48		1443.00
Less : DN/CN/JV		6.45		-
Raw Material Consumption	13,230,162	6887.70	10,422,392	4000.27


15. Cash Flow statement

Cash Flow Statement for the year ended 31st March, 2011				
Particulars for the year ended	31st March, 2011		31st March, 2010	
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
A. Cash Flow From Operations				
Profit/(loss) before taxation		423.12		200.38
<u>Adjusted for :</u>				
Depreciation	242.42		254.84	
Profit on Sale of Car	(0.51)		-	
Interest & Finance Charges	226.23		198.21	
Bank Interest Received	(5.59)	462.56	0	453.05
<u>Operating Profit/(Loss) before</u>				
<u>Working Capital Changes :</u>		885.68		653.43
Trade & Other Receivables	(25.67)		(1445.02)	
Inventories	(700.69)		(239.65)	
Trade Payables	200.42		1650.02	
Provision for Taxation	(148.30)		(80.00)	
Provision for Div and DDT	(30.93)		0	
Loans & Advances	(26.95)	(732.12)	(115.82)	(230.47)
Net Cash from Operations (A)		153.56		422.96
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets		(402.80)		(410.87)
Sale of Motor Vehicle		1.03		
Purchase of Investment		(1.37)		(0.88)
Interest Received from Bank		5.59		-
Net Cash used in investing activity (B)		(397.56)		(411.74)
C. Cash Flow from Financing Activities :				
Share Capital Increase		43.30		29.24
Warrants application money		(13.04)		
Share Premium received		8.66		8.34
Finance Received from Bank		663.23		260.40
Finance from Unsecured Loans		(34.90)		(272.05)
Interest & Finance Charges		(226.23)		(198.21)
Dividend & DDT Paid		(72.17)		(68.62)
Cash Flow from Financing Activity(C)		368.86		(240.90)
Net Increase in Cash & Cash Equivalents(A+B+C)		124.86		(229.68)
Opening Balance of Cash & Cash Equivalents		66.67		296.35
Closing Balance of Cash & Cash Equivalents		191.53		66.67

**16. Related Party Statement****Related party disclosures under Accounting Standard 18 :**

A) <u>Name of the related parties</u>	<u>Nature of relationship</u>
1 Versatile Chemicals Ltd.	
2 Techno Holdings (I) Pvt. Ltd.	
3 Techno Securities (I) Pvt. Ltd.	
4 Palkar Finance & Consultancy Services Pvt. Ltd.	
5 Marvel Indenting Pvt. Ltd.	
6 Mecham Engineers	Associates
7 Universal Distributor	
8 Pure Organics Industries Pvt Ltd	
9 Unigroup Resources Pvt Ltd	
10 Indo Amines (Europe) Ltd.	

Directors & Relatives

Dr Deepak Kanekar	Chairman
Mr Vijay B Palkar	Managing Director
Mr Kirit H Shah	Whole Time Director
Mr Rahul V Palkar	CFO & Executive Director
Mrs Bharati V Palkar	Executive Director
Mr N G Mane	Executive Director
Mr C L Kadam	Executive Director
Mr Raghavendra Ravi	Independent Director
Mr Dhaval Vora	Independent Director
CA Vishwas Mehendale	Independent Director
Mr Nishikant Sule	Independent Director
Mr Suresh Iyer	Independent Director

B) Nature of Transactions with Related Parties during the year : (₹ in Lacs)

<u>Nature of Transactions</u>	<u>Associates</u>	<u>Directors</u>
Sales Income	2.35	-
Commssion on profit before tax	-	2.44
Office Rent	1.54	-
Purchase	160.45	-
Processing Charges	93.90	-
Directors Remuneration	-	61.54
Directors Sitting Fees	-	0.96
Commission on Sales	96.03	-
<u>Outstanding as at year end 31/03/2011</u>		
Net Receivables	0.60	
Net Payables	42.59	


17. Segment Report
SEGMENT REPORTING - 2010-2011

- (A) The Company has identified three major Geographical Segments as required by Accounting Standard - 17 'Segment Reporting' and on the basis of which the Company reports internally.

These segments are :

- 1) Dombivli Unit-Manufacturing of Chemicals like Organic Chemicals, & Speciality Chemicals.
- 2) Baroda Unit - Manufacturing of Chemicals like Fatty Amines, Quarternary Ammonium Compounds etc.
- 3) Rabale Unit - Manufacturing of Bulk Drugs & Intermediates for pharmaceutical companies.

(B) SEGMENTWISE DETAILS (PRIMARY)

(₹ in Lacs)

Particulars	Dombivli	Baroda	Rabale	Consolidated
SEGMENT REVENUE				
Total Revenue	11790.93	3133.23	1518.20	16442.36
Less : Inter Segment Revenue	703.92	488.90	39.66	1232.48
Total Segment Revenue	11087.01	2644.33	1478.54	15209.88
SEGMENT RESULT				
Total Segment Results (PBT)	573.07	(178.92)	28.96	423.12
OTHER INFORMATION				
Fixed Asset (Net Block)	908.64	311.73	89.01	1309.38
Net Current Assets	2116.45	663.89	501.76	3282.11
Depreciation	160.33	59.61	22.49	242.42

C) SEGMENTWISE DETAILS (SECONDARY)

(₹ in Lacs)

Particulars	Inside India	Outside India	Consolidated
SEGMENT REVENUE			
Total Revenue	10662.86	5779.50	1,6442.36
Total Segment Revenue	10662.86	5779.50	16442.36
OTHER INFORMATION			
Fixed Asset (Net Block)	1309.38	0	1309.38

18. Previous year's figures have been regrouped / rearranged wherever necessary.

For Kulkarni & Khanolkar
Chartered Accountants
FRN – 105407W

For INDO AMINES LIMITED

P. M. Parulekar
Partner

V B Palkar
Managing Director

K H Shah
Whole Time Director

R V Palkar
CFO & Director

28th May 2011

**Auditor's Report to the Members of INDO AMINES LIMITED**

1. We have audited the attached Consolidated Balance Sheet of Indo Amines Ltd. and its Associate Company "Indo Amines (Europe) Ltd.", as at 31st March, 2011, the Profit and Loss account for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the company's management & have been prepared by the Management on the basis of separate Financial Statements & other financial information regarding parent and its Associate. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. The Financial Statements of the Associate reflect the Company's Share of Profit (Net) for the year ended 31st March, 2011 of ₹ 8.44 lacs (Prev. yr Loss of ₹ 1.98 lacs) We are informed that the Associate which is incorporated in UK is exempted from audit and its un-audited results have been considered while preparing the consolidated financial Statements.
 4. We report that the Consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirements of the AS-23 'Accounting for Investments in Associate in consolidated Financial Statement' issued by the Institute of Chartered Accountants of India and on the basis of the separate un audited statements of its Associate included in the Consolidated Financial Statements.
 5. Further to our comments in the Annexure referred to above, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (iii) The Balance sheet, Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- Subject to non availability of the audited accounts of the Associate "M/s Indo Amines (Europe) Ltd." whose accounts are incorporated in the consolidated financial statements, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true & fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the company as at 31st March 2011;
 - (b) in the case of the Consolidated Profit and Loss account, of the Profit for the year ended on that date; and
 - (c) In the case of the Consolidated Cash Flow Statement of the state of affairs of the company as at 31st March 2011

For Kulkarni & Khanolkar
Chartered Accountants
FRN – 105407W

Place: Mumbai
Date: 30th June, 2011

(P. M. Parulekar)
Partner
M No 36362



INDO AMINES LIMITED
Consolidated Balance Sheet as at 31st March, 2011

(₹ in Lacs)

Particulars	Sch. No.	Current Year 2010-2011	Previous Year 2009-2010
SOURCES OF FUNDS :			
<u>Shareholders' Funds</u>			
Share Capital		881.19	837.89
Equity Warrants		0.00	13.04
Reserves & Surplus		1,068.33	874.39
		1,949.52	1,725.31
<u>Loan Funds</u>			
Secured Loans		2,663.65	2,000.43
Unsecured Loans		27.96	62.86
		2,691.61	2,063.29
Deferred tax Assets/(Liab)		0.00	0.00
TOTAL LIABILITIES		4,641.14	3,788.60
APPLICATION OF FUNDS :			
<u>Fixed Assets</u>			
Gross Block		3,205.66	2,805.51
Less: Depreciation		1,896.29	1,656.00
Net Block		1,309.38	1,149.51
Add: Capital WIP		0.00	0.00
Total Fixed Assets		1,309.38	1,149.51
<u>Investments (Long Term)</u>			
Indo Amines (Europe) Ltd. (25 A type & 25 B type Equity shares of face value 1GBP each valued at Rs. 71.19 per GBP)		12.42	3.81
Equity Shares of DNSB (FV Rs.50/- each)		2.25	0.88
Total Carrying Cost of Investment		14.67	4.69
<u>Current Assets, Loans & Advances</u>			
Inventories		1,853.82	1,153.12
Sundry Debtors		3,080.86	3,055.20
Cash & Bank Balances		191.53	66.67
Loans & Advances		1,320.68	1,293.72
Total Current Assets		6,446.88	5,568.71
Less: Current Liabilities & Prov			
Current Liabilities & Provisions		3,169.78	2,969.36
Net Current Assets		3,277.10	2,599.35
<u>Miscellaneous Expenditure</u> (To the extent not written off)			
Deferred Tax Assets		39.99	35.05
TOTAL ASSETS		4,641.14	3,788.60

As per our report attached

For KULKARNI & KHANOLKAR
Chartered Accountants

Sd/-
P.M. Parulekar
Partner

Place: Dombivli.
Date : 28th May, 2011-

For and on behalf of the Board of Directors
For Indo Amines Limited

Sd/-	Sd/-	Sd/-
V. B. Palkar	K. H. Shah	R.V. Palkar
Managing Director	Director	CFO & Director

**INDO AMINES LIMITED****Consolidated Profit & Loss A/c for the year ended 31st March, 2011****(₹ in Lacs)**

Particulars	Sch. No.	Current Year 2010-2011	Previous Year 2009-2010
<u>INCOME :</u>			
<u>Sales Turnover</u>			
Local Sales		9,868.33	5,643.29
Export Sales		5,779.50	3,607.80
Total Turnover		15,647.83	9,251.09
Other Income		208.13	40.68
Increase/(decrease) in Stock		330.26	134.27
Other Income		538.39	174.95
Total Income		16,186.22	9,426.03
<u>EXPENDITURE :</u>			
RM/PM/FUEL Consumed		7,592.10	4,516.95
High Seas Purchase		10.68	0.00
Purchase of Finished Goods		4,939.32	2,334.33
Manufacturing Expenses		1,972.96	1,275.63
Administrative, Selling & Distribution Exps		768.64	648.14
Interest & Financial Charges		226.23	198.21
Depreciation		242.42	254.84
Total Expenditure		15,752.35	9,228.10
Profit Before Tax		433.88	197.93
Provision for Current Tax		(157.16)	(79.53)
Provision for Current Fring Benefit Tax		-	-
Short/Excess Prov of Prev Yr		6.70	-
Prov.deferred tax assets/(Liab.)		4.94	12.66
Profit After Tax		288.36	131.06
Add : Balance B/f from previous year		654.82	592.38
Less Interim Dividend and Div distrubution Tax		(72.17)	(68.62)
Less Proposed Dividend and Div distrubution Tax		(30.93)	-
Balance c/fd to Balance Sheet		840.08	654.82

Earning per Share (in Rupees)

Basic (EPS) (No. of Eq Shares = 88,11,890)**3.27****1.56****Diluted (EPS) (No. of Eq Shares=88,11,890)****3.27****1.49**

As per our report attached

For KULKARNI & KHANOLKAR
Chartered Accountants

Sd/-
P.M. Parulekar
Partner

Place: Dombivli.
Date : 28th May, 2011-

For and on behalf of the Board of Directors
For Indo Amines Limited

Sd/-
V. B. Palkar
Managing Director

Sd/-
K. H. Shah
Director

Sd/-
R.V. Palkar
CFO & Director



AUDITORS REPORT

We have audited the attached consolidated cash flow statement of INDO AMINES LIMITED derived from the audited financial statements, books and records maintained by the Company for the year ended 31st March, 2011 and found the same in agreement therewith.

Cash Flow Statement for the year ended 31st March, 2011				
Particulars for the year ended	31st March, 2011		31st March, 2010	
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
A. Cash Flow From Operations				
Profit/(loss) before taxation		433.88		197.93
Adjusted for :				
Depreciation	242.42		254.84	
Profit on Sale of Car	(0.51)			
Interest & Finance Charges	226.23		198.21	
Bank Interest Received	(5.59)	462.56		453.05
Operating Profit/(Loss) before Working Capital Changes:		896.44		650.98
Trade & Other Receivables	(25.67)		(1,445.02)	
Inventories	(700.69)		(239.65)	
Trade Payables	200.42		1,649.93	
Provision for Taxation	(150.46)		(79.53)	
Provision for Div & DDT	(30.93)			
Loans & Advances	(26.95)	(734.28)	(115.73)	(230.00)
Net Cash from Operations (A)		162.16		420.98
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets		(402.80)		(410.87)
Sale of Motor Vehicle		1.03		
Purchase of Investment		(9.96)		1.10
Interest Received from Bank		5.59		0.00
Net Cash used in investing activity(B)		(406.15)		(409.76)
C. Cash Flow from Financing Activities:				
Share Capital Increase		43.30		29.24
Warrant Application Money		(13.04)		
Share Premium received		8.66		8.34
Finance Received from Bank		663.23		274.00
Finance from Unsecured Loans		(34.90)		(285.65)
Interest & Finance Charges		(226.23)		(198.21)
Dividend & DDT Paid		(72.17)		(68.62)
Cash Flow from Financing Activity(C)		368.86		(240.90)
Net Increase in Cash & Cash Equivalents(A+B+C)		124.86		(229.68)
Opening Balance of Cash & Cash Equivalents		66.67		296.35
Closing Balance of Cash & Cash Equivalents		191.53		66.67
For INDO AMINES LIMITED		For Kulkarni & Khanolkar Chartered Accountants		
V B Palkar Managing Director	Rahul Palkar CFO & Director	K. H. Shah Whole Time Director	P. M. Parulekar (Partner)	
Place : Dombivli				
Date : 30 th June, 2011				

**INDO AMINES LIMITED****W-44, PHASE II, MIDC, DOMBIVLI (E), DIST. THANE.****ATTENDANCE SLIP**

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **18th Annual General Meeting** of the Company at C.K.P. Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivli(E), Dist. Thane -421 201, on Monday the 29th August, 2011 on Monday the 29th August, 2011 at 12.00 Noon.

Name of the Shareholder_____
Signature

Folio No. _____

(Full name of Proxy)

Note : No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

INDO AMINES LIMITED**W-44, PHASE II, MIDC, DOMBIVLI (E), DIST. THANE.****PROXY FORM**

I/We.....of.....
..... in the district of being a member/members
of the above named Company hereby appoint of in the district
of..... or failing him of
..... In the district of as
my / our proxy to vote for me/us on my our behalf at the **18th ANNUAL GENERAL MEETING** of the Company to be held at
C.K.P. Hall, Ram Ganesh Gadkari Path, Near Karwa Hospital, Dombivli(E), Dist. Thane - 421 201, on Monday the
29th August, 2011 at 12.00 Noon and at any adjournment thereof.

Signed this..... day of, 2011.

Reg. Folio No.....

No. of Shares

REVENUE
STAMP

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.