



Amal Ltd

Annual Report 2013-14

Contents

In the confrontation between the stream and the rock, the stream always wins; not through strength, but through persistence.
~ Unknown

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Forward looking statements

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

Corporate Profile



Lotus is the national flower of India and is a symbol of purity, inner beauty and awakening.

Amal Ltd is engaged in manufacturing and marketing bulk chemicals such as Sulphuric Acid and Oleum and their downstream products such as Sulphur Dioxide and Sulphur Trioxide. The plant is located in Ankleshwar, Gujarat, India.

Promoted by Piramal Group in 1974-75, the controlling interest was sold to Atul Ltd of Lalbhai Group in 1985-86.

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Amal Ltd, together with the audited statement of accounts for the year ended March 31, 2014.

Financial Results

(₹ '000)

	2013-14	2012-13
Revenue from operations	162,437	171,610
Other income	2,104	1,492
Total revenue	164,541	173,102
Profit (Loss) from operations before tax and exceptional items	4,284	(6,047)
Exceptional items - (expense) income	24,884	6,178
Profit for the year after exceptional items	29,168	131
Tax adjustments	-	-
Profit after tax	29,168	131
Balance brought forward	(457,589)	(457,720)
Balance carried forward	(428,421)	(457,589)

Performance

Net sales decreased by 7% from ₹ 1,523 lacs to ₹ 1,414 lacs; volumes decreased by 8% and prices increased by 1%. Sales income from steam, a by-product, increased by 11% from ₹ 176 lacs to ₹ 195 lacs; because of better price realisation. Revenue from operations decreased by 5% from ₹ 1,716 lacs to ₹ 1,624 lacs. Profit before tax (PBT) from operations improved from loss of ₹ 61 lacs to profit of ₹ 43 lacs. There was a non-recurring income of ₹ 62 lacs (write-back of provisions) in 2012-13 and ₹ 242 lacs (sale of scrap of a closed plant) in 2013-14. The total PBT therefore increased from ₹ 1 lac to ₹ 292 lacs.

Dividend

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

Management Discussion and Analysis

Management Discussion and Analysis covering performance is given at page no 4.

Corporate Governance

A Report on Corporate Governance along with the certificate from the Statutory Auditors regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the Listing Agreement is given at page no 5 to 18.

Status of Draft Rehabilitation Scheme (DRS) at the Board for Industrial and Financial Reconstruction (BIFR)

The BIFR vide its order dated July 16, 2009 had

sanctioned a revival scheme for the Company and the same was modified vide order dated June 18, 2010. As per the sanctioned scheme, the following steps were taken:

- Settled majority of unsecured creditors at 30% of the Principal dues
- Issued Redeemable Preference Shares of ₹ 1,000 lacs to Atul Ltd
- Enhanced capacity of Sulphuric Acid plant to 140 MT per day

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

The BIFR appointed IDBI Bank Ltd (IDBI) as the OA vide order dated October 11, 2011. IDBI has reviewed the new Draft Rehabilitation Scheme (DRS) and subsequently submitted the same to the BIFR on February 16, 2012 for its review and approval. An Asset Sale Committee was constituted vide BIFR order dated December 06, 2012 and sale of obsolete plant at Atul site was confirmed to the highest bidder at ₹ 242 lacs which was completed during the year and funds realised were utilised for working capital. DRS submitted by the Company (with March 31, 2013 as cut-off date) was sanctioned as Modified Sanctioned Scheme (MS - 13) on July 01, 2013. The Company has initiated actions as per MS - 13.



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

Information required under Section 217 (1) (e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, forms a part of this Report. However, as per the provisions of Section 219 (1) (b) (iv), the Report and Accounts are being sent to all the Members excluding the information relating to conservation of energy, technology absorption. Any Member interested in obtaining such particulars may write to the Company Secretary for a copy. During the year, there were no foreign exchange earnings and outgo.

The Company is not required to disclose information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time as there were no employees during the year drawing remuneration exceeding the limit specified there under.

Insurance

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

Fixed Deposits

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

Safety, Health and Environment (SH&E)

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

Directors' Responsibility Statement

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

- (i) In the preparation of the annual accounts, the applicable Accounting Standards were followed
- (ii) Such Accounting Policies were selected and applied consistently and such judgements and estimates were made that were reasonable and prudent so as to give a true and fair view

of the state of affairs of the Company as on March 31, 2014 and of the profit of the Company for the year ended on that date

- (iii) Proper and sufficient care was taken to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- (iv) The attached annual accounts for the year ended March 31, 2014 were prepared on a going concern basis.

Directors

According to Article 134 of the Articles of Association of the Company, Mr Sunil Lalbhai retires by rotation and being eligible offers himself for reappointment at the forthcoming Annual General Meeting (AGM) scheduled on August 01, 2014. As per the provisions of the Companies Act, 2013, Independent Directors, Mr Naresh Singhal, Mr Sujal Shah and Mr Abhay Jadeja are proposed to be reappointed for a term of five years till March 31, 2019.

Auditors

Haribhakti & Co, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing AGM. They have given their consent to continue to act as the Auditors for 2014-15, if reappointed.

The relevant notes forming a part of the accounts are self explanatory and give full information and explanation in respect of the observations made by the Auditors in their Report.

The Board appointed R. Nanabhoy & Co as the Cost Auditors for 2014-15 on April 25, 2014.

Acknowledgements

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

For and on behalf of
the Board of Directors

Mumbai
April 25, 2014

(Sunil Lalbhai)
Chairman

Management Discussion and Analysis

The Company manufactures Sulphuric Acid, Oleum 25%, Sulphur Trioxide and Sulphur Dioxide in its manufacturing site at Ankleshwar, Gujarat, India. These products are bulk chemicals which are used by customers mainly belonging to Dyes, Fertiliser, Personal Care, Petrochemical, Pharmaceutical and Textile industries and are generally sold locally within a radius of 150 km from the manufacturing site.

During 2013-14, sales decreased by 5% from ₹ 1,699 lacs to ₹ 1,610 lacs.

The current demand of Sulphuric Acid in India is estimated at 8 mn mt per annum and at an average growth of 7% per annum, the demand for Sulphuric Acid is projected to be about 8.6 mn mt per annum valued at ₹ 38 bn by 2015* with Fertiliser industry contributing to 65% of the consumption. There are about 45 manufacturers of Sulphuric Acid in India accounting for 7.90 mn mt per annum of production. The western region accounts for 44%, followed by eastern region at 30%, southern region at 22% and northern region at 4%.

The manufacturing plant of the Company has an installed capacity of 140 mt per day. It will also be able to generate more steam which will be supplied to a neighbouring plant. In addition, it will also explore new value added products which will utilise Sulphur Trioxide and Sulphur Dioxide.

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

Internal Control Systems

The Internal Control Systems of the Company are commensurate with the nature of its business and size and complexity of its operations. These are routinely tested, certified and upgraded wherever required by Statutory as well as Internal Auditors covering all key areas of business. Significant audit observations and follow up actions and

recommendations thereon are reported to the higher Management and Audit Committee for their review.

The Company is working with reputed firms specialising in internal audit function. The combined efforts are helping it to introduce best practices required to manage its business.

Human Resources

The Company continued with its drive to institutionalise and upgrade its HR processes. In particular, it focused on improving its processes relating to Performance Management (Training and Development, Key Initiatives: identification and review, Competencies, 360 degree feedback and fixed and variable pay).

The training need is identified based on self assessment and L+1 assessment; in addition, there are certain standard courses which everyone is expected to go through, depending upon his (her) grade. The identification and review process of Key Initiatives has become more robust and is continuously upgraded.

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



1. Philosophy

Transparency and accountability are the two basic tenets of Corporate Governance.

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

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

2. Board

2.1 Board business

The normal business of the Board comprises:

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

2.2 Appointment and tenure

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

2.3 Composition, name, other directorships | committee memberships

The Board comprises experts drawn from diverse fields | professions. At this time, it consists of six Members, comprising three Independent Directors, two Non-executive Directors and one Managing Director. The Independent Directors account for 50% of the strength of the Board, thereby complying with the Listing Agreements. The Independent Directors are eminent professionals, drawn from amongst persons with skill, experience and knowledge in one or more fields of finance, law, management, corporate governance or any other discipline related to the business of the Company.

Number	Name	Directorship(s) in other company (ies) ¹	Membership(s) of the Committee(s) of the Board(s) ²	Chairmanship(s) of the Committee(s) of the Board(s) ²
Chairman				
1	Mr Sunil Lalbhai * **	5	3	-
Managing Director				
2	Mr Vasudev Koppaka *	-	-	-
Non-executive Director				
3	Mr Gopi Kannan Thirukonda *	6	3	-
Independent Directors				
4	Mr Naresh Singhal	10	4	4
5	Mr Sujal Shah	8	2	4
6	Mr Abhay Jadeja	-	1	-

* Promoter

** Non-Executive Director

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

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

2.4 Board meetings

The Board meeting dates were normally determined well in advance. During 2013-14, the Board met four times:

Number	Day	Date	Venue
1	Friday	April 26, 2013	Mumbai
2	Thursday	July 18, 2013	Mumbai
3	Saturday	October 12, 2013	Mumbai
4	Friday	January 10, 2014	Mumbai



2.5 Attendance at the Board meetings and at the AGM

Number	Name	Board meetings		AGM on August 02, 2013
		Total	Attended	
1	Mr Sunil Lalbhai	4	4	-
2	Mr Vasudev Koppaka	4	4	Present
3	Mr Gopi Kannan Thirukonda	4	3	Present
4	Mr Naresh Singhal	4	4	Present
5	Mr Sujal Shah	4	3	Present
6	Mr Abhay Jadeja	4	3	Present

2.6 Appointment | Cessation

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

2.7 Remuneration

Number	Name	Remuneration during the year			
		Sitting fees	Salary and perquisites	Commission	Total
		₹	₹	₹	₹
	Chairman				
1	Mr Sunil Lalbhai	-	-	-	-
	Managing Director				
2	Mr Vasudev Koppaka	-	8,80,000	-	8,80,000*
	Non-executive Director				
3	Mr Gopi Kannan Thirukonda	-	-	-	-
	Independent Directors				
4	Mr Naresh Singhal	1,20,000	-	-	1,20,000
5	Mr Sujal Shah	60,000	-	-	60,000
6	Mr Abhay Jadeja	60,000	-	-	60,000

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

* Represents lower of 10% of the remuneration paid by Atul Ltd to the Managing Director (being an employee of Atul Ltd) or an amount allowable under Section I or Section II of Part II of the Schedule XIII of the Companies Act, 1956. Accordingly, an amount of ₹ 8,80,000 was paid to Atul Ltd for the year 2013-14.

3. Committees of the Board

The Board has constituted the following Committees:

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

3.1 Audit Committee

3.1.01 Role

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



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

3.1.02 Composition

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

Number	Name	Designation
1	Mr Naresh Singhal	Chairman
2	Mr Sujal Shah	Member
3	Mr Abhay Jadeja	Member

3.1.03 Meetings and attendance

During 2013-14, four meetings were held:

Number	Name	Total	Attended
1	Mr Naresh Singhal	4	4
2	Mr Sujal Shah	4	3
3	Mr Abhay Jadeja	4	3

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

The Board notes the minutes of the Audit Committee meetings.

3.2 Remuneration Committee

3.2.01 Role

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

3.2.02 Composition

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

Number	Name	Designation
1	Mr Sujal Shah	Chairman
2	Mr Naresh Singhal	Member
3	Mr Sunil Lalbhai	Member

3.2.03 Meetings and attendance

No meeting was held during 2013-14.

The Board notes the minutes of the Remuneration Committee meetings.

3.3 Share Transfer and Shareholders' | Investors' Grievance Committee

3.3.01 Role

- i) Reviewing redressal of complaints of the Shareholders and the Investors like transfer of shares (physical and demat), non-receipt of Annual Report, non-receipt of declared dividend, etc
- ii) Reviewing any other related matter which the Committee may deem fit in the circumstances of the case including the following:
 - Change name(s) of the Members on share certificates
 - Consolidate share certificates
 - Delete name(s) of guardian(s)
 - Delete name(s) from share certificates
 - Dematerialise shares
 - Issue duplicate share certificates
 - Rematerialise shares
 - Replace shares
 - Split-up shares
 - Transfer shares
 - Transmit shares
 - Transpose names



3.3.02 Composition

The Committee comprises two Members:

Number	Name	Designation
1	Mr Naresh Singhal	Chairman
2	Mr Gopi Kannan Thirukonda	Member

3.3.03 Meetings and attendance

During 2013-14, four meetings were held:

Number	Name	Total	Attended
1	Mr Naresh Singhal	4	4
2	Mr Gopi Kannan Thirukonda	4	4

During 2013-14, 2 complaints were received from the Investors. All the grievances were solved to the satisfaction of the Investors:

Number	Nature of Complaint	Received	Redressed
1	Non-receipt of share certificates	-	-
2	Non-receipt of duplicate share certificates	-	-
3	Non-receipt of Dividend Interest Redemption warrant	1	1
4	Others	1	1
Total		2	2

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

4. Subsidiary companies registered in India

The Company does not have any subsidiary company.

5. Company policies

5.1 Compliance

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

5.2 Code of conduct

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

5.3 Prevention of sexual harassment

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed policy on Prevention of Sexual Harassment of Women at Workplace. During 2013-14, no complaint was received by the Committee set up pursuant to the aforesaid policy.

6. Affirmation and disclosure

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

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

7. Shareholders' information

7.1 General Body meetings

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

Year	Location	Date	Time
2010-11	Walchand Hirachand Hall 4 th Floor, LNM - IMC Building, IMC Marg Churchgate, Mumbai 400020, Maharashtra India	August 09, 2011	03.00 p.m.
2011-12	Kilachand Conference Room 2 nd Floor, LNM - IMC Building, IMC Marg Churchgate, Mumbai 400020, Maharashtra India	July 24, 2012	11.00 a.m.
2012-13	Kilachand Conference Room 2 nd Floor, LNM - IMC Building, IMC Marg Churchgate, Mumbai 400020, Maharashtra India	August 02, 2013	11.00 a.m.

No Special Resolution was passed in last three AGMs.

7.1.02 Resolutions passed through postal ballot

None

7.2 AGM 2014

Details of the 40th AGM are as under:

Year	Location	Date	Time
2013-14	Kilachand Conference Room 2 nd Floor, LNM - IMC Building, IMC Marg Churchgate, Mumbai 400020, Maharashtra India	August 01, 2014	04.00 p.m.

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

No Resolution is proposed to be passed through postal ballot in ensuing AGM.



7.3 Financial year

April 01 to March 31

7.4 Date of book closure

July 01, 2014 to July 03, 2014

7.5 Date of dividend payment

N/A

7.6 Listing on the Stock Exchanges

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

The Company has paid listing fees for the year 2014-15 to all the Stock Exchanges where securities are listed. Pursuant to a circular of Securities and Exchange Board of India (SEBI), custody charges were also paid to the Depositories namely National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number of the Equity Shares of the Company is INE841D01013. The Corporate Identity Number (CIN) is L24100MH1974PLC017594.

7.7 Stock code

ASE: 03310 and BSE: 506597

7.8 Share price data and comparison with BSE sensex

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

Month	Share price of the Company at BSE		BSE Sensex	
	High ₹	Low ₹	High	Low
April 2013	14.40	12.00	19,622.68	18,144.22
May 2013	12.35	11.26	20,443.62	19,451.26
June 2013	11.75	10.05	19,860.19	18,467.16
July 2013	11.07	9.58	20,351.06	19,126.82
August 2013	10.60	9.63	19,569.20	17,448.71
September 2013	10.23	9.25	20,739.69	18,166.17
October 2013	16.00	9.14	21,205.44	19,264.72
November 2013	14.25	12.88	21,321.53	20,137.67
December 2013	15.00	12.36	21,483.74	20,568.70
January 2014	16.50	12.75	21,409.66	20,343.78
February 2014	15.55	13.00	21,140.51	19,963.12
March 2014	16.95	13.55	22,467.21	20,920.98

7.9 Registrar and transfer agent

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

C 13 Pannalal Silk Mills Compound, LBS Marg

Bhandup, Mumbai 400078, Maharashtra, India

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

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

7.10 Share transfer system

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

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

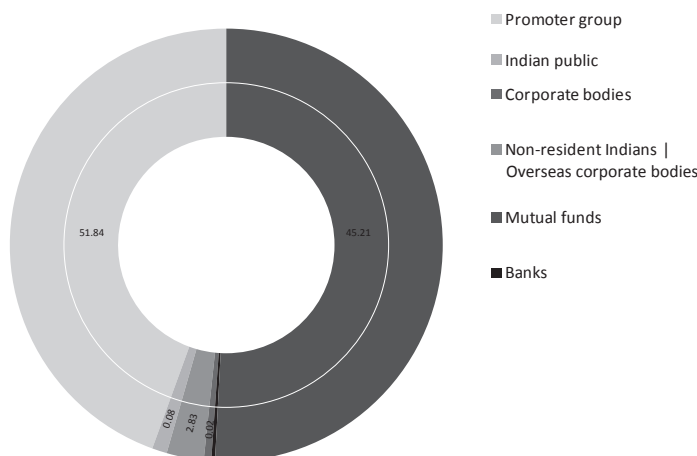
7.11 Distribution of shareholding as on March 31, 2014

i) Shareholding-wise:

Holding	Shareholders		Shares	
	Numbers	% of Total	Numbers	% of Total
1- 5,000	11,076	91.99%	14,08,581	20.05%
5,001-10,000	592	4.92%	4,50,749	6.42%
10,001-20,000	198	1.64%	2,88,370	4.10%
20,001-30,000	67	0.56%	1,65,128	2.35%
30,001-40,000	28	0.23%	97,306	1.39%
40,001-50,000	18	0.15%	84,968	1.21%
50,001-1,00,000	31	0.26%	2,12,844	3.03%
1,00,001 and above	30	0.25%	43,17,054	61.45%
	12,040	100.00%	70,25,000	100.00%

ii) Category-wise:

Category	Shares (Numbers)	Shareholding (%)
Promoter group	36,41,493	51.84%
Indian public	31,77,099	45.21%
Corporate bodies	1,98,800	2.83%
Non-resident Indians Overseas corporate bodies	5,425	0.08%
Mutual funds	1,100	0.02%
Banks	1,083	0.02%
Total	70,25,000	100.00%



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

7.12 Dematerialisation of shares and liquidity

Electronic holding by the Members comprises 77.65% (54,54,949 shares) of the paid-up Equity Share Capital of the Company and 22.35% (15,70,051 shares) were in physical form as on March 31, 2014.

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

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

7.14 Equity Shares held by the Non-executive Directors

Number	Name	Shares
1	Mr Sunil Lalbhai	3,750
2	Mr Gopi Kannan Thirukonda	-
3	Mr Naresh Singhal	-
4	Mr Sujal Shah	-
5	Mr Abhay Jadeja	-

7.15 Location of plants

- Atul 396020, District Valsad, Gujarat, India
- GIDC, Ankleshwar 393002, District Bharuch, Gujarat, India

H-Acid plant at Atul and Dye intermediate plants (NIP-I and NIP-II) at Ankleshwar have been scrapped. Sulphuric Acid plant at Ankleshwar is the only plant in operation.

7.16 Address of Mumbai office

Atul House, 310B Veer Savarkar Marg, Mumbai 400028, Maharashtra, India

7.17 Address for correspondence

Secretarial and Legal Department, Amal Ltd, Atul 396020, Gujarat, India

E-mail address: sec@amal.co.in

7.18 E-mail address of grievance redressal office

igc@amal.co.in

7.19 Nomination facility

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

7.20 Tentative Board meeting dates for consideration of results for 2014-15

Number	Particulars	Date
1	First quarter results	July 17, 2014
2	Second quarter and half-year results	October 11, 2014
3	Third quarter results	January 10, 2015
4	Fourth quarter and annual results	April 24, 2015

7.21 Communication

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



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

i) Compliance with the mandatory requirements

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

ii) Extent of compliance with the non-mandatory requirements

The Company complies with the following non-mandatory requirements:

- Remuneration Committee set up by the Board
- Moving towards Unqualified Financial Statements

9. Role of the Company Secretary in overall governance process

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

10. Certification by the Chief Executive Officer and the Chief Financial Officer

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

The said certificate was placed before the Board at the meeting held on April 25, 2014 in which the accounts for the year ended March 31, 2014 were considered and approved by the Board.

11. Certification by the Statutory Auditors

Certificate from the Statutory Auditors of the Company, Haribhakti & Co, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements is forming a part of the Annual Report.

12. Declaration by the Managing Director

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

(Note: This report is for the period ended on March 31, 2014)

For Amal Ltd

Mumbai
April 25, 2014

(Vasudev Koppaka)
Managing Director

Auditors' Certificate on Corporate Governance

To the Members of Amal Ltd

We have examined the compliance of conditions of Corporate Governance by Amal Ltd ('the Company') for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representations by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For **Haribhakti & Co**
Chartered Accountants

Firm Registration Number 103523W

Mumbai
April 25, 2014

Atul Gala
Partner
Membership Number 048650



NOTICE is hereby given that the 40th Annual General Meeting (AGM) of the Members of Amal Ltd will be held on August 01, 2014, Friday, at 04.00 p.m. at Kilachand Conference Room, 2nd Floor, LNM-IMC Building, IMC Marg, Churchgate, Mumbai 400020, Maharashtra, India to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended as on March 31, 2014 including the Balance Sheet as on March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Sunil Lalbhai (holding DIN 00045590) who retires by rotation under Article 134 of the Articles of Association of the Company and being eligible, offers himself for reappointment.
3. To appoint Haribhakti & Co, Chartered Accountants (Firm Registration Number 103523W) as the Statutory Auditors from the conclusion of this AGM until the conclusion of the next AGM of the Company and fix their remuneration.

Special Business:

4. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

'RESOLVED that pursuant to the provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 and any other applicable provisions (including any statutory modification(s) or re-enactment thereof), Mr Naresh Singhal (holding DIN 00004916), in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019.'
5. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

'RESOLVED that pursuant to the provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 and any other applicable provisions (including any statutory modification(s) or re-enactment thereof), Mr Sujal Shah (holding DIN 00058019), in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019.'
6. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

'RESOLVED that pursuant to the provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 and any other applicable provisions (including any statutory modification(s) or re-enactment thereof), Mr Abhay Jadeja (holding DIN 03319142), in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019.'
7. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

‘RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 14,000/- plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending March 31, 2015 as approved by the Board of Directors of the Company, to be paid to R. Nanabhoy & Co, Cost Accountants, for the conduct of the Cost Audit of the products in the category of Speciality Chemicals, be and is hereby ratified and confirmed.’

8. To consider and, if thought fit, pass, with or without modifications, the following resolution as a Special Resolution:

‘RESOLVED that pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, for the time being in force and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors (Board) to create mortgages and | or charges on all or any of the immovable and | or movable properties, the whole or substantially the whole undertaking or undertakings of the Company both present and future, wherever situated, on such terms and conditions as the Board may deem fit, for the purpose of business including for money borrowed | to be borrowed from lenders, banks, institutions, debenture holders and any other entity | authority.’

9. To consider and, if thought fit, pass, with or without modifications, the following resolution as a Special Resolution:

‘RESOLVED that pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors (Board) to borrow moneys by way of loans, debentures or otherwise from time to time for the purposes of the business upon such terms and conditions as the Board may in its absolute discretion deem fit even if the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in the ordinary course of business) may exceed the aggregate of the paid-up share capital and free reserves of the Company. PROVIDED however that the total amount of moneys so borrowed shall not exceed ₹ 25 crores over and above the paid-up share capital and free reserves.’

Notes

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself | herself and the proxy need not be a Member.
2. Printed copies of the Balance Sheet, the Statement of Profit and Loss, the Directors’ Report, the Auditors’ Report and every other document required by law to be annexed or attached to the Balance Sheet for the year ending March 31, 2014 are annexed | attached.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from July 01, 2014 to July 03, 2014 (both days inclusive).
4. The Members holding shares in electronic form may please note that instructions regarding change of address, nomination and power of attorney must be given directly to the Depository Participants (DPs).
5. The Members desirous of any information about the accounts of the Company are requested to write to the Company at least 7 days prior to the date of meeting so that required information can be made available at the meeting.



6. The Company appointed Link Intime India Pvt Ltd as Registrar and transfer agent for physical and dematerialised shares. The Members are requested to take note and deal with the aforesaid agency when necessary.
7. Electronic copy of the Annual Report for 2013-14 is being sent to all the Members whose e-mail addresses are registered with the Company | DPs; however, print copy is being sent in the permitted mode to such Members who may have so requested and to the Members who have not registered their e-mail addresses.
8. Electronic copy of the Notice of the 40th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose e-mail addresses are registered with the Company | DPs for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copy of the Notice of the 40th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. The Members may also note that the Notice of the 40th Annual General Meeting and the Annual Report for 2013-2014 will also be available on the website of the Company, www.amal.co.in, which can be downloaded. The physical copies of the aforesaid documents will also be available at the Registered office of the Company in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, the Members are entitled to receive such communication in physical form (upon making a request for the same), by post free of cost.

10. Voting through Electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members facility to exercise their right to vote at the 40th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depositories Ltd:

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL [this applies to Members whose e-mail addresses are registered with the Company | DPs]:
 - (i) Open e-mail and open PDF file viz.; "Amal e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains Member's user ID and password | PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password | PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password | PIN with new password of your choice with minimum 8 digits | characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep it confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Amal Ltd.

- (viii) The screen becomes ready for e-voting as "Cast Vote" page opens.
 - (ix) Cast vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once voted on the Resolution, Member will not be allowed to modify vote.
 - (xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF | JPG Format) of the relevant Board Resolution | Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, by e-mail to the Scrutiniser whose e-mail address is *scrutiniser@amal.co.in* and to the Company at e-mail address, *sec@amal.co.in* with a copy marked to the NSDL at the e-mail address, *evoting@nsdl.com*
- B. In case a Member receives physical copy of the Notice of AGM [this is applicable to the Members whose e-mail addresses are not registered with the Company | DPs or the Members who have requested for a physical copy]:
- (i) Following initial details are provided at the bottom of the separate sheet attached which forms part of this AGM Notice: EVEN (E Voting Event Number), USER ID, PASSWORD | PIN
 - (ii) Please follow all steps from Sl. No. A (ii) to A (xii) above, to cast vote.
- C. In case of any queries, please refer to the Frequently Asked Questions for the Shareholders and e-voting user manual for the Shareholders available at the Downloads section of www.evoting.nsdl.com.
- D. If a Member is already registered with NSDL for e-voting then he | she can use his | her existing user ID and password | PIN for casting the vote.
- E. A Member can also update his | her mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).
- F. The e-voting period commences on July 19, 2014 (9:00 a.m.) and ends on July 21, 2014 (6:00 p.m.). During this period the Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of June 30, 2014, may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, he | she will not be allowed to change it subsequently.
- G. The voting rights of the Members will be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of June 30, 2014.
- H. Mr Nilesh A Pradhan, Practising Company Secretaries (Certificate of Practice Number 3659) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- I. The Scrutiniser shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, and forward it to the Chairman of the Company.
- J. The results will be declared on or after the AGM of the Company. The results declared along with the Scrutiniser's Report will be placed on the website of the Company www.amal.co.in and on the website of NSDL within two days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Ltd and Ahmedabad Stock Exchange of India Ltd.



11. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered office of the Company during normal business hours on all working days up to and including the date of the Annual General Meeting.
12. Reappointment of the Director: At the ensuing Annual General Meeting, Mr Sunil Lalbhai who retires by rotation and being eligible offers himself for reappointment. The information or details required as per Clause 49 of the Listing Agreements pertaining to him is as under:

Name	Mr Sunil Lalbhai
Date of birth	March 15, 1960
Brief résumé	Mr Sunil Lalbhai is the Chairman of Amal Ltd since January 21, 2010. Mr Lalbhai is the Chairman and Managing Director of Atul Ltd; he has been working with Atul Ltd since 1983. He is a Member of Governing Council of Shree Vallabh Shikshan Ashram and a Trustee on the Board of BAIF Development Research Foundation and some of other social institutions established by Lalbhai Group. He holds MS Degree in Chemistry from the University of Massachusetts and MS Degree in Economic Policy and Planning from Northeastern University.
Directorship in other companies	Public Companies: Atul Bioscience Ltd - Chairman Atul Ltd - Chairman and Managing Director Atul Rajasthan Date Palms Ltd Navin Fluorine International Ltd Wyeth Ltd
Membership in committees of other companies	Chairman of Committee: Navin Fluorine International Ltd - Remuneration Committee Members of Committee: Atul Ltd - Investment Committee Atul Ltd - Shareholders' Investors' Grievance Committee Navin Fluorine International Ltd - Audit Committee Wyeth Ltd - Shareholders' Investors' Grievance Committee
Number of shares held in the Company	3,750

Registered office:

Atul House
310B Veer Savarkar Marg
Mumbai 400028, Maharashtra
India
CIN: L24100MH1974PLC017594
June 25, 2014

By order of the Board of Directors

(Vasudev Koppaka)
Managing Director

EXPLANATORY STATEMENT

The following Explanatory Statement, as required by Section 102 of the Companies Act, 2013 sets out material facts including the nature and concern or interest of the Directors in relation to the items of Special Business under Item Nos 4, 5, 6, 7, 8 and 9 mentioned in the accompanying Notice dated June 25, 2014.

Item No 4

Mr Naresh Singhal is an Independent Director of the Company. Mr Singhal is also the Chairman of the Audit and the Stakeholders' Relationship Committee of the Board.

Name	Mr Naresh Singhal
Date of birth	August 10, 1936
Brief résumé	Mr Naresh Singhal is a Director of the Company since July 22, 2010. Mr Singhal is a Member of Advisory board of International Chamber of Commerce - Financial Investigations Services, London. He has vast experience in the fields of Management, Banking and Finance of over five decades. Mr Singhal holds post graduate degree in Economics, Statistics and Administration.
Directorship in other companies	Public Companies: Binani Industries Ltd Birla Sun Life Asset Management Company Ltd Capital First Ltd Deepak Fertilisers & Petrochemicals Corporation Ltd Essar Bulk Terminal Ltd Essar Ports Ltd Essar Shipping Ltd Max India Ltd SCI Forbes Ltd - Chairman Tolani Shipping Company Ltd
Membership in committees of other companies	Chairman of Committee: Deepak Fertilisers & Petrochemicals Corporation Ltd - Audit Committee Max India Ltd - Audit Committee Tolani Shipping Company Ltd - Audit Committee Members of Committee: Binani Industries Ltd - Audit Committee Investors Relation Committee Remuneration Committee Birla Sun Life Asset Management Company Ltd - Remuneration Committee Capital First Ltd - Audit Committee Nomination Committee Remuneration Committee Max India Ltd - Remuneration Committee Shareholders & Investors Grievance Committee Tolani Shipping Company Ltd - Remuneration Committee
Number of shares held in the Company	Nil



Mr Singhal is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr Singhal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice has been received from a Member proposing Mr Singhal as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr Singhal fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the Management. A copy of the draft letter for appointment of Mr Singhal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered office of the Company during normal business hours on any working day.

Mr Singhal does not hold by himself or together with his relatives two percent or more of the total voting power of the Company.

The Board considers that his continued association would be of immense benefit to the Company. Accordingly, the Board recommends the Resolution in relation to the appointment of Mr Singhal as an Independent Director, for the approval by the Members of the Company.

Except Mr Singhal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No 4.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges.

Item No 5

Mr Sujal Shah is an Independent Director of the Company. Mr Shah is also the Chairman of the Nomination and Remuneration Committee and a Member of the Audit Committee of the Board.

Name	Mr Sujal Shah
Date of birth	September 23, 1968
Brief résumé	Mr Sujal Shah is a Director of the Company since September 24, 2010. Mr Shah is the founder partner of SSPA & Co, Chartered Accountants and heads the Corporate Consultancy practice of the firm specialising in the areas of Restructuring, Financial Due Diligence, Mergers & Acquisitions, Valuations etc. Mr Shah is a Fellow of Institute of Chartered Accountant of India.
Directorship in other companies	Public Companies: Bhishma Realty Ltd Capricon Realty Ltd Hindoostan Mills Ltd Hindoostan Technical Fabric Ltd Key Note Corporate Services Ltd Reliance Asset Reconstruction Co Ltd Reliance Media Works Ltd Rudolf Atul Chemicals Ltd

Membership in committees of other companies	Chairman of Committee: Bhishma Realty Ltd - Remuneration Committee Hindoostan Mills Ltd - Audit Committee Key Note Corporate Services Ltd - Audit Committee Reliance Asset Reconstruction Co Ltd - Audit Committee Remuneration Committee Reliance Media Works Ltd - Audit Committee Members of Committee: Hindoostan Mills Ltd - Remuneration Committee Reliance Media Works Ltd - Remuneration Committee Rudolf Atul Chemicals Ltd - Audit Committee
Number of shares held in the Company	Nil

Mr Shah retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr Shah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice has been received from a Member proposing Mr Shah as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr Shah fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the Management. A copy of the draft letter for appointment of Mr Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered office of the Company during normal business hours on any working day.

Mr Shah does not hold by himself or together with his relatives two percent or more of the total voting power of the Company.

The Board considers that his continued association would be of immense benefit to the Company. Accordingly, the Board recommends the Resolution in relation to the appointment of Mr Shah as an Independent Director, for the approval by the Members of the Company.

Except Mr Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No 5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges.

Item No 6

Mr Abhay Jadeja is an Independent Director of the Company. Mr Jadeja is also a Member of the Audit Committee of the Board.

Name	Mr Abhay Jadeja
Date of birth	December 26, 1982
Brief résumé	Mr Abhay Jadeja is a Director of the Company since September 24, 2010. Mr Jadeja is a Partner of Crawford Bayley & Co., a firm of Solicitors and Advocates. His areas of expertise involves litigation and advisory roles for a wide spectrum of legal laws ranging from Drug Legislation, Alternate Dispute Resolution, Trademark, Patent, Copyright, Economic Offence, Company Law, Mergers & Acquisitions, Buy back etc. Mr Jadeja holds a graduate degree in law from the University of Mumbai.



Directorship in other companies	Public Companies: None
Membership in committees of other companies	None
Number of shares held in the Company	Nil

Mr Jadeja retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr Jadeja being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice has been received from a Member proposing Mr Jadeja as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr Jadeja fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the Management. A copy of the draft letter for appointment of Mr Jadeja as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered office of the Company during normal business hours on any working day.

Mr Jadeja does not hold by himself or together with his relatives two percent or more of the total voting power of the Company.

The Board considers that his continued association would be of immense benefit to the Company. Accordingly, the Board recommends the Resolution in relation to the appointment of Mr Jadeja as an Independent Director, for the approval by the Members of the Company.

Except Mr Jadeja, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No 6.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges.

Item No 7

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the appointment of the Cost Auditor and their remuneration as recommended by the Audit Committee requires approval by the Board of Directors (the Board). The remuneration also requires ratification by the Shareholders | Members.

On the recommendation of the Audit Committee, the Board considered and approved appointment of Cost Auditor, R. Nanabhoy & Co, Cost Accountants, for conduct of Cost Audit of the products in the category of Specialty Chemicals at a remuneration of ₹ 14,000/- plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending March 31, 2015.

The Resolution is set out as an Ordinary Resolution for ratification by the Members.

The Board recommends the above Ordinary Resolution for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

Item No 8

The Members is requested to pass a Special Resolution to grant their consent for creation of security through mortgage or pledge or hypothecation or otherwise for securing the borrowing limits as may be sanctioned by the lenders.

With effect from April 01, 2014, Section 180 (1) (a) of the Companies Act, 2013 requires passing of Special Resolution instead of Ordinary Resolution for creation of such security.

Accordingly, the matter is being placed before the Members for passing of Special Resolution for the purposes narrated in the Resolution.

The Board recommends the above Special Resolution for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

Item No 9

The Members is requested to pass a Special Resolution according their consent for borrowing moneys up to a limit of ₹ 25 crore over and above the paid-up shares capital and free reserves of the Company.

With effect from April 01, 2014 Section 180 (1) (c) of the Companies Act, 2013 requires passing of Special Resolution instead of Ordinary Resolution for the borrowing in excess of paid-up share capital and free reserves.

Taking into account the future finance requirements for growth plans and expansion programs being contemplated and undertaken by the Company and to cater to the working capital needs, a fresh Resolution is proposed in line with the requirements of Section 180 (1) (c) of the Companies Act, 2013.

Accordingly the proposal for borrowing moneys up to a limit of ₹ 25 crore over and above the paid-up shares capital and free reserves of the Company is being placed for approval by way of Special Resolution by the Members.

The Board recommends the above Special Resolution for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

Registered office:

By order of the Board of Directors

Atul House

310B Veer Savarkar Marg

Mumbai 400028, Maharashtra

India

CIN: L24100MH1974PLC017594

June 25, 2014

(Vasudev Koppaka)

Managing Director

Important Communication to the Members

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

Three Year Review



(₹ in lacs)

Particulars	2013-14	2012-13	2011-12
OPERATING RESULTS:			
Sales and other income	1,645.41	1,731.02	1,355.52
Gross profit (PBDT)	255.08	124.75	(148.65)
Depreciation	31.92	34.86	31.63
Profit (Loss) from operations	42.84	(60.47)	(340.21)
Sale of plant scrap	(241.78)	-	-
Write back of prior period provisions	(9.71)	46.75	18.75
Write off of prior period short provisions	2.65	3.13	-
Taxation	-	-	-
Deferred tax (liability) asset (net)	-	-	-
Profit (Loss) after tax	291.68	1.31	(321.46)
FINANCIAL POSITION:			
Gross block	3,522.24	6,559.06	6,548.62
Net block	545.06	563.29	588.09
Net current and other assets	(316.97)	(626.49)	(892.21)
Capital employed	228.10	(63.20)	(304.13)
Equity Share Capital	702.50	702.50	702.50
0% Redemable Preference Share Capital	1,000.00	1,000.00	1,000.00
Reserves and Surplus	(3,382.88)	(3,674.17)	(3,675.10)
Advance towards Share Capital	240.00	240.00	-
Shareholders' Funds	(1,440.38)	(1,731.67)	(1,972.60)
Borrowings	1,668.47	1,668.47	1,668.47
KEY RATIO:			
Dividend (%)	-	-	-
Earning per Share ₹	4.15	0.02	(4.58)
Book Value per Share ₹	(20.50)	(24.65)	(28.08)

Financial Statements

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Independent Auditors' Report

To the Members of Amal Ltd



Report on the Financial Statements

We have audited the accompanying Financial Statements of Amal Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of Accounting Policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 33 of the Financial Statements, wherein as stated, the Board for Industrial and Financial Reconstruction (BIFR), in its meeting held on July 01, 2013, has approved the modified sanctioned scheme of the Company and necessary steps, as envisaged under the Scheme for revival, are being taken. In view of above, books of account have been prepared on going concern basis. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227 (3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For Haribhakti & Co

Firm Registration Number: 103523W

Chartered Accountants

Atul Gala

Partner

Mumbai

April 25, 2014

Membership Number: 048650

Annexure to the Report of the Auditors

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Amal Limited on the Financial Statements for the year ended March 31, 2014]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) During the year, certain fixed assets have been physically verified by the management and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) As informed, the Company has neither granted nor taken any loan, secured or unsecured, from any company, firm or other party covered in the register maintained under Section 301 of the Act. Accordingly, provisions of clause 4 (iii) (b) (c) (d) (f) and (g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct any major weaknesses in the aforesaid internal control system of the Company.
- (v) According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year that need to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Annexure to the Report of the Auditors



- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ '000)	Period to which the amount relates	Forum where dispute is pending
The Gujarat Sales Tax Act, 1969	Sales Tax	1,039	1999-00	Gujarat VAT Tribunal, Ahmedabad
The Gujarat Sales Tax Act, 1969	Sales Tax	5,629*	2001-02 to 2003-04	Joint Commissioner, Vadodara

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

- (x) In our opinion, the accumulated losses of the Company as at March 31, 2014 are more than 50% of its net worth as at the end of the year. Further, the Company has not incurred cash losses during the financial year covered by our audit and in 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 financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi | mutual benefit fund | society. Therefore, the provisions of clause 4 (xiii) of the Order 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 Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) The Company has not obtained any term loans.
- (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 funds raised on short term basis during the year have been used for long term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co

Firm Registration Number: 103523W
Chartered Accountants

Atul Gala
Partner

Mumbai
April 25, 2014

Membership Number: 048650

Balance Sheet as at March 31, 2014

(₹ '000)

Particulars	Note	As at March 31, 2014	As at March 31, 2013
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	170,250	170,250
(b) Reserves and surplus	3	(338,288)	(367,417)
		(168,038)	(197,167)
2 Share application money pending allotment	4	24,000	24,000
3 Non-current liabilities	5		
(a) Long-term borrowings		166,847	166,847
(b) Long-term provisions		146	118
		166,993	166,965
4 Current liabilities	6		
(a) Trade payables		23,388	31,385
(b) Other current liabilities		31,893	70,697
(c) Short-term provisions		113	108
		55,394	102,190
		78,349	95,988
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	7	54,506	56,329
(b) Non-current investments	8	210	210
(c) Deferred tax assets (net)	29	—	—
(d) Long-term loans and advances	9	7,218	8,163
		61,934	64,702
2 Current assets			
(a) Inventories	10	10,819	10,224
(b) Trade receivables	11	1,640	1,970
(c) Cash and bank balances	12	820	12,841
(d) Short-term loans and advances	13	142	53
(e) Other current assets	14	2,994	6,198
		16,415	31,286
Significant Accounting Policies and Notes to the Financial Statements	1 - 38	78,349	95,988

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co

Chartered Accountants

Firm Registration Number: 103523W

Naresh Singhal

Sunil Lalbhai

Chairman

Gopi Kannan Thirukonda

Sujal Shah

Atul Gala

Partner

Membership Number: 048650

Mumbai

April 25, 2014

Arvind Chhajer

Company Secretary

Abhay Jadeja

Directors

Vasudev Koppaka

Managing Director

Mumbai

April 25, 2014

Statement of Profit and Loss for the year ended March 31, 2014



(₹ '000)

Particulars	Note	2013-14	2012-13
REVENUE			
Revenue from operations (gross)	15	180,108	190,575
Less: Excise duty		(17,671)	(18,965)
Revenue from operations (net)		162,437	171,610
Other income	16	2,104	1,492
		164,541	173,102
EXPENSES			
Cost of materials consumed	17	88,729	122,995
Changes in inventories of finished goods and work-in-progress	18	(1,109)	(210)
Manufacturing expenses	19	51,412	37,841
Employee benefit expenses	20	7,373	5,802
Administration and other expenses	21	10,652	9,224
Finance costs	22	8	11
Depreciation and amortisation expenses	7	3,230	3,524
Less: Transfer from revaluation reserve		(38)	(38)
		160,257	179,149
Profit (Loss) before exceptional items and tax		4,284	(6,047)
Exceptional items (Expenses) Income	23	24,884	6,178
Profit before tax		29,168	131
Tax expense			
Current tax		—	—
Deferred tax		—	—
Profit for the year		29,168	131
Earnings ₹ per Equity Share (face value of ₹ 10 per share):	31		
Basic		4.15	0.02
Diluted		3.09	0.02
Significant Accounting Policies and Notes to the Financial Statements	1 - 38		

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co

Chartered Accountants

Firm Registration Number: 103523W

Naresh Singhal

Sunil Lalbhai

Chairman

Gopi Kannan Thirukonda

Sujal Shah

Abhay Jadeja

Directors

Vasudev Koppaka

Managing Director

Atul Gala

Partner

Membership Number: 048650

Mumbai

April 25, 2014

Arvind Chhajer

Company Secretary

Mumbai

April 25, 2014

Cash Flow Statement for the year ended March 31, 2014

(₹ '000)

Particulars	2013-14	2012-13
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	29,168	131
Adjustments for:		
Add:		
Depreciation and amortisation expenses	3,192	3,486
Finance costs	1	8
Bad debts and irrecoverable balances written off	-	8
Provision for doubtful advances	258	-
	3,451	3,502
	32,619	3,633
Less:		
Dividend received	32	32
Interest received	544	128
Provisions no longer required	621	6,358
Miscellaneous credit balance written back	113	133
Surplus on sale of fixed assets	17,470	-
	18,780	6,651
Operating profit before working capital changes	13,839	(3,018)
Adjustments for:		
Inventories	(595)	(5,266)
Trade receivables	330	(401)
Short-term loans and advances	(89)	(44)
Other current assets	2,987	(736)
Long-term loans and advances	1,445	(592)
Long-term provisions	28	36
Trade payables	(7,884)	(1,280)
Other current liabilities	(38,184)	25,008
Short-term provision	5	9
	(41,957)	16,734
Cash generated from operations	(28,118)	13,716
Less:		
Direct taxes (refund) paid	41	44
Net cash flow from operating activities	A (28,159)	13,672

Cash Flow Statement for the year ended March 31, 2014 (contd)



(₹ '000)

Particulars	2013-14	2012-13
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(1,407)	(1,043)
Investment in fixed deposits	(518)	-
Capital advances	(500)	-
Sale of fixed assets	17,470	-
Interest received	544	128
Dividend received	32	32
Net cash used in investing activities B	15,621	(883)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(1)	(8)
Net cash used in financing activities C	(1)	(8)
Net change in cash and cash equivalents A+B+C	(12,539)	12,781
Opening balance - cash and cash equivalents	12,841	60
Closing balance - cash and cash equivalents - See note 3	302	12,841
	(12,539)	12,781

Notes

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 'Cash Flow Statement' referred to in The Companies Accounting Standard Rules, 2006.
- 2 Cash and cash equivalent represent cash and bank balances only.
- 3 Closing balance includes balance ₹ 188,780 (Previous year ₹ 12,566,203) with IDBI bank in No lien account which can be utilised after the BIFR approval.
- 4 Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

As per our attached report of even date

For Haribhakti & Co

Chartered Accountants

Firm Registration Number: 103523W

Atul Gala

Partner

Membership Number: 048650

Mumbai

April 25, 2014

Arvind Chhajer

Company Secretary

For and on behalf of the Board of Directors

Naresh Singhal

Gopi Kannan Thirukonda

Sujal Shah

Abhay Jadeja

Directors

Sunil Lalbhai

Chairman

Vasudev Koppaka

Managing Director

Mumbai

April 25, 2014

Notes to the Financial Statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Corporate information

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

Basis of preparation

These Financial Statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable Accounting Principles in India, the applicable Accounting Standards notified under Section 211 (3C) and the relevant provisions of the Companies Act, 1956. The significant Accounting Policies adopted by the Company are detailed below.

Summary of significant Accounting Policies

A. Presentation and Preparation of the Financial Statements :

These Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Revised Schedule VI, applicable Accounting Standards, other applicable pronouncements and regulations.

B. Use of Estimates :

The preparation of the Financial Statements in conformity with generally accepted Accounting Principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known | materialised.

C. Fixed Assets:

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

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

D. Leased Assets:

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

E. Depreciation and Amortisation:

1. Cost of leasehold land is amortised over the period of the lease.
2. Other fixed assets :
 - i) Depreciation on fixed assets is being provided on 'Straight Line Method' basis in accordance with provisions of Section 205 (2) (b) of the Companies Act, 1956 in the manner and at



NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (contd)

the rates specified in Schedule XIV to the said Act. The assets have been shown at the net value after deducting the amortisation, impairment and depreciation funds. The difference between depreciation on revalued amount and that calculated on original cost of assets revalued is transferred from revaluation reserve to the Statement of Profit and Loss.

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

F. Impairment of Assets:

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

G. Borrowing Costs:

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

H. Investments:

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

I. Inventories:

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

J. Foreign Currency Transaction:

- i) Initial recognition:

Transactions denominated in foreign currencies are recorded at the rate prevailing on the date of the transaction.

Notes to the Financial Statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (contd)

ii) Conversion:

At the year end, monetary items denominated in foreign currencies remaining unsettled are converted into rupee equivalents at the year end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange differences:

All exchange differences arising on settlement and conversion of foreign currency transactions are included in the Statement of Profit and loss.

K. Revenue Recognition:

i) Sale of goods and services:

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

ii) Lease rental income is recognised on accrual basis.

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

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

L. Provisions, Contingent Liabilities and Contingent Assets:

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

No provision is recognised for –

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

M. Research and Development Expenditure:

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



NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (contd)

N. Employee Benefits:

i) Defined contribution plan:

Contribution paid | payable by the Company during the period to provident fund, employees' deposit link insurance scheme, officer superannuation fund, employees' state insurance corporation and labour welfare fund are recognised in the Statement of Profit and Loss.

ii) Defined benefit plan:

Gratuity:

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

Long-term leave encashment:

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

iii) Short-term employees benefits:

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

iv) Voluntary retirements:

Compensation payable under the voluntary retirement scheme is being charged to the Statement of Profit and Loss.

O. Taxation:

i) Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

ii) The company is declared sick under Section 17 (1) of SICA (Special Provisions), 1985 and hence the MAT under Section 115JB of the Income Tax Act, 1961 is not applicable.

iii) Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets are reviewed at each Balance Sheet date to reassure realisation.

P. Earnings Per Share:

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

Notes to the Financial Statements

(₹ '000)

NOTE 2 SHARE CAPITAL		As at March 31, 2014	As at March 31, 2013
Authorised			
1,50,00,000 (1,50,00,000)	Equity Shares of ₹ 10 each	150,000	150,000
1,00,00,000 (1,00,00,000)	0% Redeemable Preference Shares of ₹ 10 each	100,000	100,000
Issued, Subscribed and fully paid up			
70,25,000 (70,25,000)	Equity Shares of ₹ 10 each	70,250	70,250
1,00,00,000 (1,00,00,000)	0% Redeemable Preference Shares of ₹10 each	100,000	100,000
		170,250	170,250

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

Particulars	Equity Shares			
	As at March 31, 2014		As at March 31, 2013	
	Number	(₹ '000)	Number	(₹ '000)
Shares outstanding at the beginning of the year	7,025,000	70,250	7,025,000	70,250
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	7,025,000	70,250	7,025,000	70,250

Particulars	Preference Shares			
	As at March 31, 2014		As at March 31, 2013	
	Number	(₹ '000)	Number	(₹ '000)
Shares outstanding at the beginning of the year	10,000,000	100,000	10,000,000	100,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000,000	100,000	10,000,000	100,000

b) Terms | rights attached to Preference Shares

The Company has only one class of 0% Redeemable Preference Shares having a par value of ₹ 10 per share. These shares are redeemable at par over a period of 7 years, starting ₹ 100 lacs every year from financial year 2013-14 to 2016-17 and ₹ 200 lacs every year from financial year 2017-18 to 2019-20 as per the modified sanctioned scheme (MS - 13) approved by BIFR. Extension of 3 years was granted by Board of Aul Ltd as per the request of monitoring committee formed under the scheme whereby the repayment will now start from 2016-17.

c) Terms | rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

Notes to the Financial Statements



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

Name of the Shareholder	Preference Shares			
	As at March 31, 2014		As at March 31, 2013	
	Holding %	No of Shares	Holding %	No of Shares
Atul Ltd	100%	10,000,000	100%	10,000,000

Name of the Shareholder	Equity Shares			
	As at March 31, 2014		As at March 31, 2013	
	Holding %	No of Shares	Holding %	No of Shares
Ameer Trading Corporation Ltd	30.87	2,168,824	30.87	2,168,824
Aagam Holding Private Ltd	12.13	852,143	–	–
Atul Ltd	5.87	412,453	5.87	412,453

(₹ '000)

NOTE 3 RESERVES AND SURPLUS	As at March 31, 2014	As at March 31, 2013
(a) Securities premium account	87,688	87,688
(b) Revaluation reserve:		
Balance as at the beginning of the year	2,484	2,522
Less: Transferred to the Statement of Profit and Loss	(38)	(38)
Balance as at the end of the year	2,446	2,484
(c) Surplus (Deficit) in the Statement of Profit and Loss:		
Balance as at the beginning of the year	(457,589)	(457,720)
Add: Profit for the year	29,168	131
Balance as at the end of the year	(428,422)	(457,589)
	(338,288)	(367,417)

(₹ '000)

NOTE 4 SHARE APPLICATION MONEY PENDING ALLOTMENT	As at March 31, 2014	As at March 31, 2013
Advance towards Share Capital - See note	24,000	24,000
	24,000	24,000

Note :

Advance towards Share Capital amounting to ₹ 240 lacs refers to the amount received from the Promoter company towards Share Capital during the year 1996-97 which has not been refunded. The Company has to issue the shares of ₹ 10/- each to the Promoter company at par as per the modified sanctioned scheme (MS - 13) approved by the BIFR on July 01, 2013. The company has applied for in-principal approval from ASE | BSE | SEBI, which is pending. Considering the above, the advance has been shown as Share application money pending allotment and the relevant re-grouping has been done for the previous year as well.

Notes to the Financial Statements

NOTE 5 NON-CURRENT LIABILITIES

(₹ '000)

(a) Long-Term Borrowings	As at March 31, 2014	As at March 31, 2013
Secured:		
Loan and advances from related parties - See note (i)	112,889	112,889
Unsecured:		
Loans and advances from related parties	53,958	53,958
	166,847	166,847

Note :

- (i) The Company had reached One Time Settlement with the secured creditors comprising of Corporate | Term loans availed from the banks and financial institutions under which the payments were made directly by the lender Company (Atul Ltd) to them. By way of execution of deed of Assignment of debts owed by the company, the lender company has now acquired from these banks and financial institutions the debts and rights, title and interest in encumbrances, facility and underlying securities including inter alia comprised of all movable and immovable properties that have been charged by the Company in favour of these banks and financial institutions pursuant to the original deed of hypothecation entered into by the Company. The entire dues | debts against the banks and financial institutions have been fully satisfied for which 'No dues | debts certificates' have been obtained from them and the charges have been modified and stands in favour of the lender company (Atul Ltd) as Secured loans.
- (ii) Terms of repayment of term loans :-
- Secured loan from Atul Ltd does not carry any interest and shall be repaid in three installments, first installment will be of ₹ 200.00 lacs in FY 2017-18, second installment will be of ₹ 300.00 lacs in FY 2018-19 and third installment will be of ₹ 628.89 lacs in FY 2019-20 as per the approved modified sanctioned scheme (MS - 13).
 - Unsecured loan which does not carry any interest is repayable after March 31, 2015 upon terms and conditions which will be mutually decided between the Company and the lender company (Atul Ltd) subject to the prior approval of the BIFR.

(₹ '000)

(b) Long-Term Provisions	As at March 31, 2014	As at March 31, 2013
Provision for leave entitlement (unfunded) - See note 35	146	118
	146	118

Notes to the Financial Statements



NOTE 6 CURRENT LIABILITIES

(₹ '000)

(a) Trade Payables	As at March 31, 2014	As at March 31, 2013
Trade payables	23,388	31,385
	23,388	31,385

(₹ '000)

(b) Other Current Liabilities	As at March 31, 2014	As at March 31, 2013
Interest accrued and due	110	194
Commission payable	328	960
Security deposits	100	400
Advances received from customers others	25,912	65,038
Employee benefit payable	478	325
Statutory dues	821	517
Provision for expenses	4,144	3,263
	31,893	70,697

(₹ '000)

(c) Short-Term Provisions	As at March 31, 2014	As at March 31, 2013
Provision for leave entitlement (unfunded) - See note 35	28	22
Provision for wealth tax	85	86
	113	108

Notes to the Financial Statements

NOTE 7 FIXED ASSETS

Particulars	Gross Block			Accumulated Depreciation			Impairment		Net Block	
	As at: March 31, 2013	Additions: -	Disposals: -	Other: adjustment: -	As at: March 31, 2014	As at: March 31, 2013	As at: March 31, 2014	As at: March 31, 2013	As at: March 31, 2014	As at: March 31, 2013
a Tangible assets										
Land	553	-	-	-	553	-	-	-	553	553
Buildings	27,428	-	-	-	27,428	14,134	99	9,360	3,835	3,934
Plant and equipment	171,710	1,278	-	-	172,988	91,276	2,758	32,322	46,632	48,112
Furniture and fixtures	794	129	-	-	923	769	1	-	153	25
Vehicles	608	-	-	-	608	134	92	-	382	474
Office equipment	2,279	-	-	(984)	1,295	2,150	7	-	20	129
Total (i)	203,372	1,407	-	(984)	203,795	108,463	2,957	41,682	51,575	53,227
b Tangible assets (taken under lease)										
Land	4,297	-	-	-	4,297	1,320	46	-	2,931	2,977
Total (ii)	4,297	-	-	-	4,297	1,320	46	-	2,931	2,977
c Tangible assets retired from active use										
Buildings	42,950	-	-	-	42,950	11,494	-	31,456	-	-
Plant and equipment	402,535	-	301,353	-	101,182	250,508	-	152,027	-	-
Furniture and fixtures	1,671	-	1,671	-	-	1,585	86	-	-	86
Office equipment	1,081	-	2,065	984	-	1,042	141	-	-	39
Total (iii)	448,237	-	305,089	984	144,132	264,629	227	183,483	36,726	125
d Capital work-in-progress										
Total (iv)										
Total as at 31 March 2014 (i+ii+iii+iv)	655,906	1,407	305,089	-	352,224	374,412	3,230	225,165	78,408	56,329
Total as at 31 March 2013	654,863	1,043	-	-	655,906	370,888	3,524	225,165	225,165	56,329

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

(₹ '000)	
Particulars	April 01, 1985
Leasehold land	3,553
Building	6,482
Plant and machinery	23,129
	33,164

Notes to the Financial Statements



NOTE 8 NON-CURRENT INVESTMENTS

(₹ '000)

Particulars	As at March 31, 2014	As at March 31, 2013
Unquoted Investments (Refer below)		
Investment in Equity instruments	1,719	1,719
Less: Provision for diminution in the value	1,509	1,509
Total	210	210

Details of Other Investments

Sr No	Particulars	Face Value (₹)	No. of Shares Units		Partly paid Fully paid	Amount (₹) '000		Basis of Valuation*
			2014	2013		2014	2013	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Investment in Equity Instruments

1	Gujarat Synthwood Ltd	10	100,000	100,000	Fully paid	1,000	1,000	Cost *
2	Aakar Performance Plastics Ltd	10	880	880	Fully paid	9	9	Cost *
3	Valmiki Poly Products Ltd	10	40,000	40,000	Fully paid	400	400	Cost *
4	Zoroastrian Co-operative Bank Ltd	25	4,000	4,000	Fully paid	100	100	Cost *
5	Bharuch Enviro Infrastructure Ltd - See note (i)	10	21,000	21,000	Fully paid	210	210	Cost
6	Bharuch Eco Aqua Infrastructure Ltd (₹ 2/- per share paid-up) - See note (ii)	10	369,715	369,715	Partly paid	-	-	
	Total					1,719	1,719	

Note :

Particulars	Book Value as at March 31,		Market Value as at March 31,	
	2014	2013	2014	2013
i) Aggregate of unquoted investments	210	210	210	210

ii) Cost of shares of Bharuch Eco Aqua Infrastructure Ltd added as a part of deferred revenue expenditure and charged off as per Accounting Policy over 5 years starting from financial year 2000-01 to 2004-05.

* Fully Impaired

(₹ '000)

NOTE 9 LONG-TERM LOANS AND ADVANCES	As at March 31, 2014	As at March 31, 2013
Security deposits - Unsecured, considered good	4,321	4,041
Other loans and advances - Unsecured, considered good	2,397	4,122
Capital advances	500	-
Interest receivable - Doubtful	-	878
Less: provision	-	(878)
	7,218	8,163

Notes to the Financial Statements

(₹ '000)

NOTE 10 INVENTORIES	As at March 31, 2014	As at March 31, 2013
Raw materials and components	3,473	652
Work-in-progress	2,500	1,462
Finished goods	1,113	1,042
Stores and spares	3,733	7,068
	10,819	10,224

Note: Inventories are stated at lower of cost and net realisable value.

(₹ '000)

NOTE 11 TRADE RECEIVABLES	As at March 31, 2014	As at March 31, 2013
Trade receivables outstanding for more than six months (Unsecured, considered good)	-	-
Trade receivables outstanding for less than six months (Unsecured, considered good)	1,640	1,970
	1,640	1,970

(₹ '000)

NOTE 12 CASH AND BANK BALANCES	As at March 31, 2014	As at March 31, 2013
Cash and Cash equivalents		
Balances with banks in current accounts	101	264
Balance with banks in saving account - See note (i)	189	12,566
Cash on hand	12	11
	302	12,841
Other bank balances		
Fixed deposit with bank with original maturity of 12 months - See note (ii)	518	-
	820	12,841

Note:

(i) The amount is lying with IDBI bank in No lien account which can be utilised after the BIFR approval.

(ii) The above fixed deposit placed with Axis bank towards bank guarantee given by it.

(₹ '000)

NOTE 13 SHORT-TERM LOANS AND ADVANCES	As at March 31, 2014	As at March 31, 2013
Advances to staff - Unsecured, considered good	142	53
	142	53

(₹ '000)

NOTE 14 OTHER CURRENT ASSETS	As at March 31, 2014	As at March 31, 2013
Balance with excise and service tax	647	1,608
Income tax paid in advance TDS	94	53
Prepayments Accrued income	1,151	1,039
Advances to creditors	973	
Less : Provision for doubtful advances	(258)	
TCS refundable	387	402
	2,994	6,198

Notes to the Financial Statements



(₹ '000)

NOTE 15 REVENUE FROM OPERATIONS	2013-14	2012-13
Sale of products	159,118	171,300
Sale of steam	19,527	17,608
Other operating revenue:		
Sale of scrap	1,463	1,667
	180,108	190,575
Less: Excise duty	17,671	18,965
	162,437	171,610

(₹ '000)

NOTE 16 OTHER INCOME	2013-14	2012-13
Dividend on non-current investments	32	32
Interest	544	128
Service charges	1,130	1,233
Miscellaneous income	398	99
	2,104	1,492

(₹ '000)

NOTE 17 COST OF MATERIALS CONSUMED	2013-14	2012-13
Raw materials and components consumed		
Stocks at commencement	652	175
Add: Purchases	91,550	123,472
	92,202	123,647
Less: Stocks at close	3,473	652
	88,729	122,995

(₹ '000)

NOTE 18 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS	2013-14	2012-13
Stocks at close		
Finished goods	1,113	1,042
Work-in-progress	2,500	1,462
	3,613	2,504
Less: Stocks at commencement		
Finished goods	1,042	979
Work-in-progress	1,462	1,315
	2,504	2,294
	(1,109)	(210)

(₹ '000)

NOTE 19 MANUFACTURING EXPENSES	2013-14	2012-13
Power, fuel and water	22,113	21,553
Consumption of stores and spares	15,651	4,732
Plant operation charges	4,674	4,043
Repairs to buildings	43	-
Repairs to machinery	6,866	5,725
Material handling charges	932	791
ETP expenses	1,133	997
	51,412	37,841

Notes to the Financial Statements

(₹ '000)

NOTE 20 EMPLOYEE BENEFIT EXPENSES	2013-14	2012-13
Salaries, wages and bonus	6,903	5,458
Contribution to provident and other funds	310	289
Staff welfare expenses	160	55
	7,373	5,802

(₹ '000)

NOTE 21 ADMINISTRATION AND OTHER EXPENSES	2013-14	2012-13
Security service charges	2,066	2,107
Business and auxiliary service charges	1,758	1,829
Legal and professional charges	713	768
Directors' remuneration	880	880
Directors' sitting fees	240	280
Operating agency fees charges	514	2
Commission and cash discount	799	630
Advertisement publicity	272	58
Freight and forwarding	291	101
Rent	8	8
Rates and taxes	575	459
Insurance premium	149	178
Internet software	94	49
Printing and stationery	167	265
Postage and telephone	169	164
Payment to Statutory and Tax Auditors	598	592
Payment to Internal VAT and Cost Auditors	256	253
Garden maintenance and house keeping	167	139
Listing, depository and membership fees	105	89
Travelling	238	180
Meeting expenses	38	37
Sales tax, service tax and excise duty expenses	371	61
Doubtful interest receivable written off 878		
Less : provision no longer required reversed (878)	-	-
Miscellaneous expenses	184	95
	10,652	9,224

(₹ '000)

NOTE 22 FINANCE COSTS	2013-14	2012-13
Interest expenses	1	8
Bank charges	7	3
	8	11

Notes to the Financial Statements



(₹ '000)

NOTE 23 EXCEPTIONAL ITEMS	2013-14	2012-13
Income		
Sundry balance written back	-	133
Excess provision of previous year written back	621	6,358
Claim received on litigation settlement	350	-
Sale of H-acid plant scrap	17,470	-
Sale of H-acid plant raw-material and packing material scrap	6,708	-
	25,149	6,491
Expenses		
Sundry balance written off	-	8
Previous year expenses	7	305
Provision for doubtful advances	258	-
	265	313
	24,884	6,178

(₹ '000)

NOTE 24 CONTINGENT LIABILITIES AND COMMITMENTS	2013-14	2012-13
(a) Claims against the Company not acknowledged as debts in respects of:		
Sales tax	6,668	6,668
Service tax Excise duty	123	-
Labour matter	1,500	-
Unsecured creditors	4,152	-
(b) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	2,258	-

(₹ '000)

NOTE 25 PAYMENT TO AUDITORS *	2013-14	2012-13
(a) As Auditors		
- Audit fees	300	300
- Limited review	150	150
(b) For Taxation matters	100	100
(c) For other services (certification)	20	20
(d) For reimbursement of out-of-pocket expenses	28	22
	598	592

* excluding service tax

(₹ '000)

NOTE 26 CIFVALUEOFIMPORTS,EXPENDITURE,REMITTANCES AND EARNINGS IN FOREIGN CURRENCY	2013-14	2012-13
(a) CIF value of imports:		
Raw materials	-	-
(b) Expenditure in foreign currency	-	-
(c) Earnings in foreign currency	-	-

Notes to the Financial Statements

(₹ '000)

NOTE 27 DETAILS OF RAW MATERIALS, STORES AND SPARES CONSUMPTION	2013-14	2012-13
(a) Raw materials consumption:		
Sulphur	86,014	121,321
Other raw materials	2,715	1,674
	88,729	122,995

(b) Imported and indigenous raw material, spare parts and components consumption

Category	2013-14		2012-13	
	(₹ '000)	%	(₹ '000)	%
Imported	–	–	–	–
Indigenous	104,380	100	127,727	100
	104,380	100	127,727	100

(₹ '000)

NOTE 28 STOCK AND TURNOVER

Class of Goods	Stocks at commencement		Stocks at close	
	2013-14	2012-13	2013-14	2012-13
Goods manufactured:				
Sulphuric Acid 98% (H ₂ SO ₄)	210	476	554	210
Oleum 25% (O25%)	273	487	178	273
Sulphur Trioxide (SO ₃)	229	–	130	229
Sulphur Dioxide (SO ₂)	330	137	251	330
	1,042	1,100	1,113	1,042

(₹ '000)

Class of Goods	Turnover	
	2013-14	2012-13
Goods manufactured:		
Sulphuric Acid 98% (H ₂ SO ₄)	41,728	74,665
Oleum 25% (O25%)	13,751	12,668
Sulphur Trioxide (SO ₃)	67,427	45,301
Sulphur Dioxide (SO ₂)	36,212	38,666
Steam	19,527	17,608
	178,645	188,908

(₹ '000)

NOTE 29 DEFERRED TAX	As at March 31, 2014	(Charge) Credit during the year	As at March 31, 2013
Deferred tax liabilities:			
on account of timing difference in Depreciation Impairment loss	2,154	6,781	(4,627)
Deferred tax assets:			
on account of timing difference in			
a) Provision for leave encashment	54	11	43
b) Unabsorbed depreciation	87,180	–	87,180
Net deferred tax assets	85,080	(6,770)	91,850

In view of prudence, no deferred tax assets has been recognised as on March 31, 2014

Notes to the Financial Statements



NOTE 30 RELATED PARTY DISCLOSURES

a) Name of the related party and nature of relationship

Sr No	Name of the related party	Description of relationship
1	Ameer Trading Corporation Ltd	Investing Company
2	Atul Ltd	Investing Company
3	Key management personnel Mr Vasudev Koppaka	Managing Director

(₹ '000)

(b) Transactions with related parties		2013-14	2012-13
Sales and income			
1	Sale of goods		
	Atul Ltd	110,311	124,701
2	Service charges		
	Atul Ltd	1,130	1,233
Purchases and expenses			
1	Purchase of goods		
	Atul Ltd	95	142
2	Purchase of capital goods		
	Atul Ltd	-	90
3	Service charges		
	Atul Ltd	1,200	1,250
4	Reimbursement of expenses		
	Ameer Trading Corporation Ltd	13	17
	Atul Ltd	195	-
Other transactions			
1	Lease rent		
	Atul Ltd	8	8
2	Managing Directors' Remuneration		
	Atul Ltd	880	880
Outstanding balances as at year end			
1	Loans payable		
	Atul Ltd	166,847	166,847
2	Share application money pending allotment		
	Ameer Trading Corporation Ltd	24,000	24,000
3	Preference shares		
	Atul Ltd	100,000	100,000
4	Payables		
	Advance from customers		
	Atul Ltd	18,667	46,780
	Other payables		
	Ameer Trading Corporation Ltd	298	298
	Atul Ltd	11,735	17,836

Notes to the Financial Statements

NOTE 31 EARNING PER SHARE

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

Particulars		2013-14	2012-13
Profit for the year attributable to the Equity Shareholders	₹ '000	29,168	131
Weighted average number of Equity Shares outstanding for Basic earning per share	Number	7,025,000	7,025,000
Basic Earning per Equity Share	₹	4.15	0.02
Weighted average number of Equity Shares outstanding	Number	7,025,000	7,025,000
Add : Potential Equity Shares due to Share application money pending allotment*	Number	2,400,000	-
Weighted average number of Equity Shares outstanding during the year	Number	9,425,000	7,025,000
Diluted Earning per Equity Share	₹	3.09	0.02
Nominal value of Equity Share	₹	10	10

* The share application money pending allotment of ₹ 240 lacs has been considered as dilutive item from April 01, 2013 consequent to approval of Scheme.

NOTE 32 LEASE

The Company has taken land on cancellable lease at Atul from Atul Ltd for 97 years from February 03, 1996 on annual lease rent of ₹ 8,000/-.

NOTE 33 GOING CONCERN

The Company was declared sick by the Board for Industrial and Financial Reconstruction (BIFR) on July 20, 2006 and the BIFR, vide its order dated July 16, 2009, sanctioned the revival scheme for the Company which was further modified in June 2010. Relevant adjustments as required by the scheme including recasting of creditors had been carried out in the books of account. Subsequently, the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) vide its order dated March 22, 2011 allowed the appeal filed by one of the unsecured creditors and remanded the case back to the BIFR for considering revival scheme through Operating Agency (OA). IDBI Bank Ltd (IDBI), appointed as OA by the BIFR, reviewed the Draft Rehabilitation Scheme (DRS) prepared by the Company and submitted it to the BIFR on February 16, 2012. The Company revised the DRS with cut-off date as March 31, 2013 and the same was approved by the BIFR in its meeting held on July 01, 2013 as modified sanctioned scheme (MS - 13). The salient features of MS - 13 include implementation of project, settlement of unsecured creditors at 30% of principal dues (as approved under earlier scheme) and issue of shares to promoter company towards advance received against share application money. Further, the Company has applied to Central Board of Direct Taxes for carry forward of business losses beyond eight years.

MS - 13 envisages revival plan which is a multi faceted approach for improving the operational and financial strength of the Company. The Management believes that MS - 13 will further facilitate the revival and will have no adverse effects on the state of affairs of the Company. Further, necessary steps for revival as envisaged under the Scheme are being taken. In view of above, the books of account have been prepared on going concern basis.

Notes to the Financial Statements



NOTE 34 MICRO, SMALL AND MEDIUM ENTERPRISE DUES

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

(₹ '000)

Sr No	Particulars	As at March 31, 2014	As at March 31, 2013
(a)	Principal amount due to supplier under MSMED Act, 2006		
(b)	Interest accrued, due to supplier under MSMED Act, 2006 on above amount, and unpaid	-	-
(c)	Payment made to suppliers (other than interest) beyond the appointed day due date during the year	-	-
(d)	Interest paid to suppliers under MSMED Act, 2006 (other than Section 16)	-	-
(e)	Interest paid to suppliers under MSMED Act, 2006 (Section 16)	-	-
(f)	Interest due and payable towards suppliers under MSMED Act, 2006 for payments already made	-	-
(g)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-
(h)	Amount of further interest remaining due and payable in succeeding years	-	-

Above disclosures have been made based on information available with the Company, for suppliers who are registered as Micro, Small and Medium Enterprise under 'The Micro, Small and Medium Enterprise Development Act, 2006' as at March 31, 2014. The auditors have relied upon in respect of this matter.

NOTE 35 EMPLOYEE BENEFITS

(a) Defined contribution plans:

- (i) Provident fund
- (ii) State defined contribution plans
 - Employers' contribution to employees' state insurance
 - Employers' contribution to employees' pension scheme 1995

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

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

(₹ '000)

Sr No	Particulars	2013-14	2012-13
1	Contribution to provident fund	185	140
2	Contribution to employees pension scheme 1995	73	72
3	Contribution to employees state insurance	52	74

(b) Defined benefit plans:

- (i) Gratuity
- (ii) Leave encashment

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

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

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

Sr No	Particulars	Gratuity		Leave encashment	
		2013-14	2012-13	2013-14	2012-13
1	Discount rate (per annum)	9.29%	8.00%	9.29%	8.00%
2	Rate of increase in compensation levels	8.00%	7.00%	8.00%	7.00%
3	Rate of return on plan assets	8.70%	8.70%	N.A.	N.A.

(₹ '000)

Sr No	Particulars	Gratuity		Leave encashment	
		2013-14	2012-13	2013-14	2012-13
(i)	Changes in present value of obligation				
	Opening balance of present value of obligation	445.86	217.45	139.58	90.88
	Liability on transfer in (out) of employees (net)	-	-	-	-
	Interest cost	35.67	19.03	11.17	7.95
	Current service cost	51.42	50.59	41.61	36.50
	Benefits paid	-	(164.80)	(8.85)	(34.05)
	Actuarial (gain) loss	(155.76)	323.59	(9.25)	38.30
	Closing balance of present value of obligation	377.19	445.86	174.26	139.58
(ii)	Changes in fair value of plan assets				
	Opening balance of present value of plan assets	1,059.24	1,130.85	-	-
	Planned assets on transfer in (out) of employees (net)	-	-	-	-
	Expected return on plan assets	92.15	97.26	-	-
	Contributions	-	2.14	-	-
	Benefits paid	-	(164.80)	-	-
	Actuarial gain (loss) on plan assets	0.53	(6.21)	-	-
	Closing balance of fair value of plan assets	1,151.92	1,059.24	-	-
(iii)	Percentage of each category of plan assets to total fair value of plan assets as at March 31				
	Administered by LIC of India	100%	100%	-	-



(₹ '000)

Sr No	Particulars	Gratuity		Leave encashment					
		2013-14	2012-13	2013-14	2012-13				
(iv)	Reconciliation of present value of defined present obligation and the fair value of assets								
	Closing balance of present value of obligation	377.19	445.86	174.26	139.58				
	Closing balance of fair value of plan assets	1,151.92	1,059.24	-	-				
	(Asset) Liability recognised in the Balance Sheet	(774.73)	(613.38)	174.26	139.58				
(v)	Net asset (liability) recognised in the Balance Sheet as at March 31								
	Closing balance of present value of obligation	377.19	445.86	174.26	139.58				
	Closing balance of fair value of plan assets	1,151.92	1,059.24	-	-				
	Funded (asset) liability recognised in the Balance Sheet	(774.73)	(613.38)	-	-				
	Unfunded (asset) liability recognised in the Balance Sheet	-	-	174.26	139.58				
(vi)	Expenses recognised in the Statement of Profit and Loss								
	Current service cost	51.42	50.59	41.61	36.50				
	Interest cost	35.67	19.03	11.17	7.95				
	Expected return on plan assets	(92.15)	(97.26)	-	-				
	Net actuarial loss (gains)	(156.29)	329.80	(9.25)	38.30				
	Expenses recognised in the Statement of Profit and Loss	(161.35)	302.16	43.53	82.75				
(vii)	Experience adjustments								
	On plan liabilities (gain) loss	(149.96)	294.38	(6.74)	12.77				
	On plan assets gain (loss)	0.53	(6.21)	-	-				
	Total experience adjustments	(150.49)	300.59	(6.74)	12.77				
(viii)	Expected employer's contribution for the next year	Nil	Nil	-	-				
(ix)	Disclosure as required under para 120(n):	2013-14	2012-13	2011-12	2010-11	2013-14	2012-13	2011-12	2010-11
	(i) Present value of defined benefit obligation	377.19	445.86	217.45	326.27	174.26	139.58	90.88	125.75
	(ii) Fair value of plan assets	1151.92	1059.24	1130.85	1037.48	-	-	-	-
	(iii) Surplus (deficit) in the plan	774.73	613.38	913.40	711.21	(174.26)	(139.58)	(90.88)	(125.75)
	(iv) Experience adjustments on plan liabilities (gain) loss	(149.96)	294.38	(9.87)	-	(6.74)	12.77	(22.04)	-
	(v) Experience adjustments on plan assets gain (loss)	0.53	(6.21)	10.37	-	-	-	-	-

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

NOTE 36

The Company operates in a single segment i.e. manufacturing of Speciality Chemicals. Further, it's operations are confined with in India. Accordingly, there are no separate reportable segment as per Accounting Standard - 17 on 'Segment Reporting' and no further disclosures are required.

NOTE 37

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

NOTE 38

Figures for previous year have been regrouped | reclassified | rearranged wherever necessary to make them comparable to those for the current year.

For and on behalf of the Board of Directors

Naresh Singhal

Sunil Lalbhai
Chairman

Gopi Kannan Thirukonda

Sujal Shah

Abhay Jadeja

Directors

Arvind Chhajer

Company Secretary

Vasudev Koppaka

Managing Director

Mumbai
April 25, 2014



Notes

[illegible]

[illegible]



Amal Ltd

Registered office: Atul House, 310B Veer Savarkar Marg, Mumbai 400028, Maharashtra, India

ATTENDANCE SLIP

40th Annual General Meeting

August 01, 2014, Friday

DP ID		Folio Client ID No.	
-------	--	-----------------------	--

Full name of the Shareholder | Proxy attending the meeting

.....
(First name)

(Middle name)

(Surname)

First holder | Joint holder | Proxy

(Strike out whichever is not applicable)

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

.....
(First name)

(Middle name)

(Surname)

Signature of the Shareholder | Proxy



Amal Ltd
Form No MGT-11
Proxy form

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]
CIN: L24100MH1974PLC17594

Name of the Company: **Amal Ltd**

Registered office: Atul House, 310B Veer Savarkar Marg, Mumbai 400028, Maharashtra, India

Name of the Member(s):

Registered Address:

E-mail Address:

Folio No | Client ID:

DP ID:

I | We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name:
Address:
E-mail address:
Signature:, or failing him
2. Name:
Address:
E-mail address:
Signature:, or failing him
3. Name:
Address:
E-mail address:
Signature:

as my | our Proxy to attend and vote (on a poll) for me | us and on my | our behalf at the 40th Annual General Meeting of the Company, to be held on August 01, 2014 at 04.00 p.m. at Kilachand Conference Room, 2nd Floor, LNM-IMC Building, IMC Marg, Churchgate, Mumbai 400020, Maharashtra, India and at any adjournment thereof in respect of such Resolutions as are indicated below:

Sr No	Resolutions
1	Adoption of the Financial Statements for the year ended on March 31, 2014
2	Reappointment of Mr Sunil Lalbhai as Director
3	Appointment of Haribhakti & Co as the Statutory Auditors and fix their remuneration
4	Appointment of Mr Naresh Singhal as an Independent Director
5	Appointment of Mr Sujal Shah as an Independent Director
6	Appointment of Mr Abhay Jadeja as an Independent Director
7	Ratification of remuneration of R Nanabhoy & Co for Cost Audit
8	Approval under Section 180 (1) (a) of the Companies Act, 2013 for creation of mortgages and or charges on all or any of the immovable and or movable properties
9	Approval under Section 180 (1) (c) of the Companies Act, 2013 to borrow funds

Signed this ___ day of 2014

Signature of the Member

Signature of the Proxy holder(s)

Note:

This form of proxy in order to be effective must be duly completed and deposited at the Registered office of the Company not less than 48 hours before commencement of the meeting.

Affix Revenue
Stamp here

Corporate Information

Directors

Mr Sunil Lalbhai
(Chairman)

Mr Vasudev Koppaka
(Managing Director)

Mr Gopi Kannan Thirukonda

Mr Naresh Singhal

Mr Sujal Shah

Mr Abhay Jadeja

Company Secretary

Mr Arvind Chhajer

Auditors

Haribhakti & Co

Cost Auditors

R Nanabhoy & CO

Registered Office

Atul House, 310B Veer Savarkar Marg
Mumbai 400028, Maharashtra
India

Head Office

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

Bankers

Axis Bank
State Bank of India
IDBI Bank

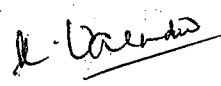
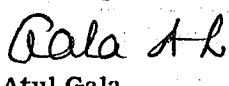
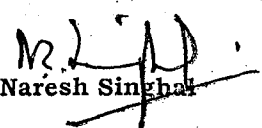
Amal Ltd

Atul House, 310B Veer Savarkar Marg
Mumbai 400028, Maharashtra
India

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

(Pursuant to Clause 31 of the Equity Listing Agreement)

1	Name of the Company:	Amal Limited
2	Annual financial statements for the year ended	31-Mar-2014
3	Type of Audit observation	Matter of Emphasis
4	Frequency of observation	Since March'2004
5	To be signed by	
	CEO / Managing Director	 Vasudev Koppaka <i>Managing Director</i>
	CFO	 Arvind Chhajjar <i>Senior Manager Finance and Company Secretary</i>
	Auditor of the Company	For Haribhakti & Co. <i>Chartered Accountants</i> Firm Registration No. 103523W  Atul Gala <i>Partner</i> Membership No. 048650
	Audit Committee Chairman	 Naresh Singh

