

DIRECTORS

Shri A. K. Agarwala
Shri Biswajit Choudhuri
Shri J. C. Chopra
Shri P. P. Sharma
Shri K. K. Maheshwari
Shri L. S. Naik
Shri K. C. Jhanwar
Shri S. C. Mathur, Nominee of IDBI Bank Limited

MANAGING DIRECTOR

Shri S. S. Gupta

COMPANY SECRETARY

Shri Akash Mishra

BANKERS

IDBI Bank Limited
State Bank of India
Axis Bank Limited
HDFC Bank Limited

STATUTORY AUDITORS

M/s. Khimji Kunverji & Co.
Chartered Accountants
Mumbai

COST AUDITORS

M/s. Jaso & Co.
Ranchi

REGISTERED OFFICE

“Ghanshyam Kunj”
Garhwa Road, P.O. Rehla,
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CONTENTS

PAGE NO.

Directors' Report	3
Corporate Governance Report	11
Management Discussion and Analysis Report	21
Auditors' Report	25
Balance Sheet	28
Profit and Loss Account	29
Schedules to Accounts	30

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DIRECTORS' REPORT TO SHAREHOLDERS

Dear Shareholders,

Your Directors are pleased to present the report on the business and operations of your Company for the financial year ended 31st March 2010.

FINANCIAL PERFORMANCE

The performance of the Company for the Financial Year ended 31st March 2010 is summarised below :

	2009-2010	2008-2009
	Rs. in lacs	
Gross Turnover	<u>24107.63</u>	<u>23090.96</u>
Gross Profit/(Loss)	<u>9125.91</u>	<u>7431.63</u>
Depreciation	<u>(2003.57)</u>	<u>(1871.16)</u>
Profit before Tax	<u>7122.34</u>	5560.47
Provision for Fringe Benefit Tax	-	(20.51)
Provision for current tax	<u>(1234.34)</u>	(623.58)
Provision for deferred tax	<u>(130.26)</u>	(587.49)
MAT Credit Entitlement	<u>316.53</u>	279.32
Profit/(Loss)after Tax	<u>6074.27</u>	4608.21
Adjustment of Taxes for earlier years	<u>(724.81)</u>	55.49
Balance brought forward from previous year	<u>16880.56</u>	13008.11
Transferred to state capital subsidy	-	(150.42)
Balance available for Appropriation	<u>22230.02</u>	<u>17521.39</u>
APPROPRIATIONS :		
Proposed Dividend	<u>350.80</u>	350.80
Tax on Proposed Dividend	<u>58.26</u>	59.62
Transfer to General Reserve	<u>303.71</u>	230.41
Balance carried to Balance Sheet	<u>21517.25</u>	<u>16880.56</u>

DIVIDEND

In view of the sustained performance, your Directors are pleased to recommend dividend @ 15 % i.e. Rs. 1.50 per share on the paid up equity share of Rs. 10/- each of the Company.

OPERATING RESULTS & PROFITS

Your Company is continuously moving towards its journey of excellence by maintaining benchmark performance in the Chlor Alkali segments. Continuous import of Caustic Soda in India has affected our realization. Besides, your Company has faced pressure on realization of Chlorine and HCl, mainly due to mismatch of demand and supply. Despite overall challenging environment, the Company could be able to achieve superior performance in all spheres of its activities.

For the year under review, the gross turnover was higher by 4.40 % at Rs. 241.08 crores as compared to Rs. 230.91 crores in the previous financial year. Net sales during the year was Rs. 221.86 crores as compared to Rs. 204.07 crores in the previous year. Profit before tax stood at Rs. 71.22 crores as against previous year's profit of Rs. 55.60 crores. After adjustment of the taxes, the net profit stood at Rs. 60.74 crores in comparison to previous year's profit of Rs. 46.08 crores.

A more detailed discussion and analysis on the performance of your Company for the year under review as well as the outlook and focus for the coming year is contained under the chapter on Management Discussion and Analysis Report.

EXPANSION PROJECT :

We are pleased to inform that your Company is proposing to expand its Aluminium Chloride Plant capacity from 25 TPD to 50 TPD by putting up additional reactors, based on latest technology, with a capital investment of Rs.12.40 crores. The expanded capacity will be in operation by end of current Financial Year.

DIRECTORS' REPORT TO SHAREHOLDERS (Contd..)

Your Company is also exploring to expand its capacity of Caustic plant by another 150 TPD alongwith 30 MW power plant. The clearance from Ministry of Environment & Forests for the above expansion plan is already received. The coal linkage for the proposed Power Plant has also been sanctioned by the Ministry of Coal in January 2010. The estimated cost for carrying out this expansion would be around Rs.325 crores.

AWARDS AND ACCOLADES

Your Directors are pleased to share that in recognition of its continuous journey of Excellence, your Company has bagged the Award on "Social Mobilization & Women Empowerment" by Birsa Agriculture University, Ranchi, conferred by Govt. of Jharkhand for the Year 2009-10.

COMMUNITY SERVICES

Beyond our business, we are committed for upliftment of the society and social environment where we operate and transact our businesses. Your Company is sincerely working for the various noble causes in the form of promotion to rural education, women empowerment, self reliance and many more as outlined hereunder-

- Medical Camps in every week at Medical Centres of 40 villages adopted by the Company, where 17624 patients were given free treatment.
- Eye Camp, Eye Check up & Operation for 12 days in which 1038 Cataract operations conducted
- Artificial Limb camp conducted, where 59 handicapped persons benefited with Artificial Limbs.
- Family Planning camp, Mother-child health camp, immunization camp, Dental Check up camp, Homeopathic camp, AIDS awareness camp and other camps conducted, where the beneficiaries were more than 6403.
- NID Pulse Polio Programme organized in 29 booths, where the beneficiaries were more than 23473.
- 2059 blanket & woolen cloths distributed among poor and needy
- Old Age Monthly pension distribution for 31 poor and needy persons
- Scholarships were given to 110 poor girls, bicycle were distributed to 11 poor girls and Tailoring training was given to 40 needy girls.
- 26000 tree saplings distributed among farmers
- Wheat seeds distributed among 585 farmers
- 17809 cattles were provided vaccination for the benefit of 5300 villagers.
- 158 hand pumps repaired/ installed in our adopted villages.
- Construction of 2 Hydel Towers and repair of Check Dam to provide water to nereby society.

SAFETY, HEALTH, ENVIRONMENT PROTECTION AND POLLUTION CONTROL:

Your Company is conscious about safety of the employees vis-a vis all the stakeholders involved directly or indirectly in our activities. We are pleased to share that year 2009-10 has been a ZERO accident year.

Your Company has taken various steps for safety, health and pollution control, such as - commissioning of Auto liquid Chlorine filling stations, installation of Auto Control valves (on-off) in liquid Chlorine storage tanks, installation of Chlorine sensors, Pressure gauge and temperature sensors, Continuous monitoring of Mercury bearing hazardous waste earlier disposed in defined lagoon, Centralized control on emission of ancillary units through Calcium Hypo unit, Safe storage of solid waste of ancillary units in lined lagoon, Change in logic of cell load reduction from the rectifier cubicle directly instead of DCS which takes lesser time as compared to load reduction from DCS, Provision of explosion vent in boiler flue gas path to prevent over pressurization, automated vent in APH of boiler for safety against any entrapped combustible gasses inside; and mistake proofing against operational errors, Fail safe TG trip interlocking for turbine etc.

Your Company has also taken significant steps in its endeavor to protect the environment and maintain ecological balance in manufacturing of various Products.

DIRECTORS' REPORT TO SHAREHOLDERS (Contd..)

DIRECTORS

During the year under review, the Board has appointed Shri Lalitkumar Shantaram Naik as Additional Director in the Board w.e.f. 1st April 2010 and subject to approval of Shareholders of the Company in terms of the Companies Act, 1956, has re-appointed Shri S. S. Gupta as Managing Director of the Company w.e.f. 24th October 2009 to broaden the representation of the Group Chemical Business expertise. Shri S. C. Mathur was appointed as Nominee Director in the Board in place of Shri Subrajit Bhowmick w.e.f. 5th April 2010.

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Shri A. K. Agarwala and Shri J. C. Chopra, Directors retire by rotation and being eligible, offer themselves for re-appointment in the ensuing General Meeting.

The Board of the Company recommends the appointment / re-appointment of the eligible Directors.

CORPORATE GOVERNANCE

As required under clause 49 of the Listing Agreement with the Stock Exchanges, the Report on Corporate Governance and Management Discussion and Analysis Report form part of this Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Auditors' Certificate, confirming compliance, is attached to the Report on Corporate Governance.

LISTING OF SHARES

The Company's shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

This was not applicable for the year under review.

FIXED DEPOSITS

During the year under review, the Company did not raise funds by way of fixed deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

AUDITORS AND AUDITORS' REPORT

M/s. Khimji Kunvarji & Co., Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of section 226 of the said Act.

The Notes on Accounts referred to in the Auditors' Report are self explanatory and do not call for any further comments.

COST AUDIT

As per the requirement of the Central Govt. and pursuant to Section 233B of the Companies Act, 1956, the Company carries out an audit of cost accounts relating to its product every year. Subject to the approval of Central Govt., the Company has appointed M/s. S. Gupta & Co., Cost Accountants, Kolkata, to audit the cost accounts relating to its products for the financial year 2010-11.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

Details of energy conservation, technology absorption, foreign exchange earnings and outgo required to be disclosed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure forming part of this report.

DIRECTORS' REPORT TO SHAREHOLDERS (Contd..)

In accordance with the provisions of Section 217(2A) read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are to be set out in the Directors' report, as an addendum thereto. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and accounts as therein set out, are being sent to all members of the Company excluding the aforesaid information about the employees. Any member, who is interested in obtaining such particulars about employees, may write to the Company Secretary at the Registered Office of the Company.

CODE OF CONDUCT

In terms of requirement of Clause 49 of the Listing Agreement, the Board of Directors of Aditya Birla Chemicals (India) Limited has laid down a Code of Conduct for all Board Members and Senior Management of the Company, which is posted on the website of the Company. The Board Members and Senior Management have affirmed compliance with the Code of Conduct of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors wish to inform that the Audited Accounts containing Financial Statements for the financial year ended 31st March 2010 are in full conformity with requirements of the Companies Act, 1956. Your Directors believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and result of operations.

As stipulated in Section-217 (2AA) of the Companies Act, 1956, your Directors subscribe to the Directors' Responsibility statement and confirm that:

- i) in the presentation of the Annual Accounts, applicable accounting standards have been followed ;
- ii) the accounting policies have been consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of your Company as at 31st March 2010 and of the profit for the financial year ended 31st March 2010 ;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities ;
- iv) the annual accounts of your Company have been prepared on a going concern basis ;
- v) the Company's Internal Auditors had conducted periodic audits to provide reasonable assurance that the Company's established policies and procedures have been followed.

INDUSTRIAL RELATIONS

The industrial relations with the employees and workmen of the company continued to be cordial. Your Company continues to improve the manpower productivity.

ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance.

The Directors wish to thank to all the shareholders, customers, dealers, suppliers, bankers, financial institutions, Govt. authorities and all the other business associates for the continued support given by them to the Company and their confidence in its management.

For and on behalf of the Board of Directors

Camp : Mumbai
Dated : 30th April, 2010

A. K. Agarwala
Director

L. S. Naik
Director

DIRECTORS' REPORT TO SHAREHOLDERS (Contd..)

Information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988 and forming part of the Directors' Report for the year ending 31st March 2010.

A. CONSERVATION OF ENERGY :

(a) Energy conservation measures taken :

- Installation of VFD in new Cooling Water pumps and Cooling Tower Fans
- Installation of VFD in H₂SO₄ circulation pump.
- Replacement of old and inefficient Polished & filtered brine pump- motor set with energy efficient system.
- Installation of VFD in C.T fan in SBP
- Installation of Solar Water heater
- Installation of variable frequency drive in Secondary air Fan motor
- Installation of variable frequency drive in condensate extraction pump
- Installation of Capacitor bank in Aux. MCC A & B to improve power factor.
- Right sizing of dust extraction system motor by replacing 55 KW motor with 37 KW one & replacement of 30 KW ACW Pump motor by 22 KW one.
- Various initiatives taken for optimization of plant & office lighting viz. replacement of conventional lamps with CFL, energy efficient tube lights, Conventional chokes with electronic ones and automation in lighting control etc.

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

- Provision of VFD in CT Fans for aux. power reduction.
- Installation of fluid coupling in P.A. Fan.
- Right sizing of the equipments based on the outcome of energy mapping.
- Replacement of old and inefficient pump- motor set with energy efficient.
- Replacement of two cooling tower pumps with single pump to save energy.
- Replacement of two drinking water pumps with single pump for energy conservation.
- Installation of small capacity chilled water supply pump to be used in case of lower water requirement at low plant load.
- Installation of dedicated air compressor for nitrogen unit to facilitate common air compressor to operate at lower discharge pressure to save energy.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The above measures have resulted in energy saving and consequently led to reduction in cost of production.

(d) Total energy consumption and energy consumption per unit of production :

- As per Form "A" attached.

B. TECHNOLOGY ABSORPTION :

- Efforts made in technology absorption as per Form "B" attached.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(a) Activities relating to exports :

- The Company exports Chlorine, Hydrochloric Acid and Stable Bleaching Powder to Nepal and Stable Bleaching Powder to Bangladesh, Malaysia and Bhutan.
- The Company is exploring export markets for Aluminium Chloride.

(b) Total foreign exchange used and earned :

- Foreign exchange earned : Rs. 50.23 lacs
- Foreign exchanged used : Rs. 280.71 lacs

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

ANNEXURE FORM "A"

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. POWER AND FUEL CONSUMPTION		Current year 2009-10	Previous year 2008-09
1. Electricity			
(a) Purchase			
Unit (KWH in thousand)		44130	19034
Total amount (Rs. In lacs)		1361.45	653.35
Rate/ unit (Rs.) (Average Cost)		3.08	3.43
(b) Own generation (Net)			
(i) Through Diesel generator			
Unit (KWH in thousand)		27	13
Unit per Ltr. of diesel oil		2.52	2.69
*Cost/ unit (Rs.)		13.27	12.25
(* higher due to fuel consumption on regular test run of DG set)			
(ii) Through steam turbine/ generator (Net)			
Unit (KWH in thousand)		219855	206823
Total amount (Rs. In lacs)		4402.27	4531.89
Rate per unit (Rs.) (Average cost)		2.00	2.19
2. Coal used in Boiler of 'E' & 'F' Grade			
Quantity (Tonnes in thousand)		213.27	204.83
Total Cost (Rs. in lacs)		3037.81	2946.38
Average rate per tonne (Rs.) (Average cost)		1424.66	1438.45
3. Furnace Oil/ HSD			
Quantity (K. Ltr.)		195.78	187.04
Total Amount (Rs. in lacs)		65.61	64.97
Average rate/ Ltr. (Rs.) (Average cost)		33.51	34.73
4. Others/ internal generation (Please give details)			
Quantity		Nil	Nil
Total cost		Nil	Nil
Rate / unit		Nil	Nil
B. CONSUMPTION PER UNIT OF PRODUCTION			
Products (with details) Unit	Standards	Current Year 2009-10	Previous year 2008-09
Electricity (KWH/MT)	2511	2489	2489
Furnace oil (Ltr./ M.T)	-	-	-

FORM "B"

DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

RESEARCH & DEVELOPMENT

- | | |
|---|---|
| <p>1. Specific areas in which R & D carried out by the Company</p> | <ul style="list-style-type: none"> ● Power system stability & Harmonic study of entire plant electrical systems. ● Installation of HT Capacitor bank to maintain better power factor. ● Installation of one new Auxiliary Transformer to cater enhanced load of Caustic plant. ● Automation in the Chlorine tonner filling and Coal Handling Plant Operations. ● Blending of different types of coal for optimization of process parameters and cost economy. ● Modification in design of Boiler tubes protection plates for better protection against erosion. ● Modification in cyclone cross duct of Boiler for reduction in load on rotary equipments of boiler. ● Provision of Automated Vent Valve on APH outlet duct for escaping of unwanted gases from boiler APH. ● Provision of Explosion Doors to avoid over pressurization of Boiler furnace and duct. ● Provision of platforms at various elevations of boiler for ease in maintenance and reduction of maintenance times. ● Various other R&D works in the field of maintenance prevention of equipments. ● Alternative composition of fly ash bricks for maximum utilization of fly ash in brick manufacturing. ● In house make after cooler for air compressor successfully running ● Reactors and condensers fabrication, with in house facility, running smoothly at AlCl₃ plant. ● Implementation of Six Sigma Project, undertaken for reduction in cell power consumption. |
| <p>2. Benefits derived as a result of above R&D</p> | <ul style="list-style-type: none"> ● Plant performance improved and significant savings achieved as a result of uninterrupted operation of plant. ● Better operational control and safety in CPP & CP. ● Reduced specific power consumption in Caustic Soda Plant and Auxiliary power consumption in Power Plant. ● Overall down time of equipments reduced significantly resulting in higher availability of the plant. ● Increased Quality of product and productivity. ● Auto liquid Chlorine filling system facilitated for increasing number of tonner filling as and when required. ● Saving of Cell power consumption by about 8 KWH/MT of Caustic Soda production after implementation of Six Sigma Project as well as production of Caustic Soda beyond the designed capacity. |
| <p>3. Future plan of action</p> | <ul style="list-style-type: none"> ● Up gradation of GE-Fanuc PLC simplicity, software. |

- Up gradation of Distributed Control System in Power Plant for better control of operation.
- Installation of more VFDs and other energy saving schemes.
- Automation of Coal Handling Plant Operations and mechanization of coal unloading.
- Supply of liquid chlorine directly from the liquefier to CPW units to minimize generation of Sodium Hypochlorite
- Recovery of Sodium hypochlorite generated at SBP and Aluminum Chloride plants to main plant

4. Expenditure on R & D : ● Rs. 18.57 lacs – for system modification.
● Rs. 48.40 lacs – for various energy saving schemes.

TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION

- Modification of screen tube hanger support in Boiler
- Multiple source of power supply for critical equipments.
- Up-gradation of Sequential Event Recorder in Captive Power Plant.
- Thorough revision and up-gradation of Standard Operating Procedure of Captive Power Plant and Caustic Soda plant
- Modification in the incoming chute of bucket elevator
- Modification in the boiler tube protection sleeve design
- Modification at Coal Feeder Outlet chute for prevention of dust emission.
- Design modification in CW Pump impeller in CPP.
- Installation of bucket elevator parallel to chain conveyer at SBP plant for smooth transfer of material taking minimum time
- Change over of all reactors from FCR to NCR at $AlCl_3$ plant
- In-house design, fabrication and installation of Chlorine Vaporiser
- On line oil charging in screw compressors without stopping the equipments resulting in reduction of loss of Freon and oil.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is about commitment to values and about ethical business conduct. It is about how an organization is managed. This includes its corporate and other structure, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial performance, ownership and material development affecting the Company, is an integral part of Corporate Governance. Adoption of good Corporate Governance practices helps to develop a good image of the organization, attracts best talent and keeps stakeholders satisfied.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company believes that sound Corporate Governance is critical to enhance and retain investors' trust. Accordingly, your Company seeks to attain its performance with integrity and fairness. The Company's philosophy is based on Accountability, Ethical conduct, Compliance with statutes, Interest of all stakeholders, Transparency and Timely disclosure. The objective is to institutionalize Corporate Governance practices that go beyond adherence to the extant of regulatory framework.

The Company is in full compliance with the requirements under Clause 49 of the Listing Agreement with the Stock Exchanges.

BOARD OF DIRECTORS

The Board of Directors, as on 31st March 2010, comprises eight Directors out of which seven are non-executive Directors. Since the Company does not have a Chairman, Directors present in the meeting elect one of them to take the chair and a non-executive Director is appointed as Chairman of the meeting. The composition of the Board as on 31st March 2010, attendance at Board meetings held during the financial year under review and at the last Annual General meeting and number of Directorships and Memberships/Chairmanships in public companies held by Directors as on 31st March 2010 (including the Company) are given below :

Sl. No.	Name of Director	Nature of Directorship	No. of Board meetings held	No. of Board meetings attended	*No. of Other Directorships	**Committee Membership		Attendance at last AGM
						Member	Chairman	
1.	Shri A. K. Agarwala	Non-Executive, Promoter	4	4	4	-	-	No
2.	Shri K. K. Maheshwari	Non-Executive, Promoter	4	3	3	2	2	Yes
3.	Shri K. C. Jhanwar	Non-Executive, Promoter	4	4	-	-	-	Yes
4.	Shri Biswajit Choudhuri	Non-Executive, Independent	4	4	10	3	3	Yes
5.	Shri P. P. Sharma	Non-Executive, Independent	4	3	-	-	-	No
6.	Shri J. C. Chopra	Non-Executive, Independent	4	4	3	1	-	No
7.	Shri S. S. Gupta	Managing Director Promoter	4	4	-	1	-	Yes
8.	Shri Subrajit Bhowmick (upto 4th April 2010)	Non-Executive Nominee Independent	4	3	-	1	-	No
9.	Shri S. C. Mathur [w.e.f. 5th April 2010]	Non-Executive, Nominee Independent	N.A.	N.A.	-	1	-	N.A.
10.	Shri L. S. Naik [w.e.f. 1st April 2010]	Non-Executive Promoter	N.A.	N.A.	-	-	-	N.A.

* The Directorship held by Directors as mentioned above, does not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

** In accordance with Clause 49 of the Listing Agreement, Memberships/ Chairmanships of only the Audit Committee and Shareholders'/ Investors' Grievance Committee of all Public Limited Companies have been considered.

CORPORATE GOVERNANCE (Contd..)

During the year 2009-10, four (4) Board Meetings held, the details of which are given here-in-below:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	29.04.2009	8	8
2.	22.07.2009	8	7
3.	26.10.2009	8	8
4.	20.01.2010	8	6

During the year under review, Shri Lalitkumar Shantaram Naik has been appointed as Additional Director in the Board w.e.f. 1st April 2010, Shri S. S. Gupta has been re-appointed as Managing Director of the Company w.e.f. 24th October 2009 and Shri S. C. Mathur has been appointed as Nominee Director in the Board in place of Shri Subrajit Bhowmick w.e.f. 5th April 2010.

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Shri A. K. Agarwala and Shri J. C. Chopra, Directors retire by rotation in the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

As required by Clause 49 of the Listing Agreement, the brief details of Directors seeking appointment and re-appointment is appended to the notice convening the 34th Annual General Meeting of the Company.

The Code of Conduct, laid down by the Company, binds all the Board Members and Senior Management of the Company. A declaration by the Managing Director to this effect is appended to this report.

The Board reviews the Compliance Reports to ensure adherence to all applicable provisions of Law, Rules and Guidelines on regular basis. Post meeting follow-up, review and reporting on the actions taken on decisions of the Board and Committees are being regularly carried out.

AUDIT COMMITTEE :

The Audit Committee of the Board of Directors is constituted in compliance with Corporate Governance requirements. The three members out of total four members of the Committee are Independent Directors and all the members are non-Executive Directors and have relevant finance and audit exposure. The Committee is headed by an Independent Director. The head of Internal Audit and Statutory Auditors attend and participate in the meeting regularly on invitation.

The terms of reference and scope of the Committee includes :-

to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment/removal of Statutory/Internal Auditors, fixation of audit fees and approval of payments for any other services, to review and discuss with the Auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliances with accounting standards and listing agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Risk Management and Legal matters of the Company, to review the quarterly, half yearly and annual financial statements before submitting to the Board of Directors.

Minutes of the Audit Committee meetings are circulated to, discussed and noted by the members of the Board. The Committee held four (4) meetings during the year under review on 29.04.2009, 22.07.2009, 26.10.2009 and 20.01.2010. The attendance of members at the meetings was as follows :

Name of Member	Status	No.of meetings attended
Shri Biswajit Choudhuri	Chairman	4
Shri K.K. Maheshwari	Member	3
Shri J. C. Chopra	Member	4
Shri Subrajit Bhowmick	Member	3
Shri S. S. Gupta	Permanent Invitee	4

The Company Secretary acts as the Secretary of the Committee and the Managing Director of the Company is a permanent invitee to the said Audit Committee meetings.

CORPORATE GOVERNANCE (Contd..)**SHAREHOLDERS' GRIEVANCE COMMITTEE :**

The Shareholders' Grievance Committee of the Board, inter-alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non receipt of annual report/dividend warrants etc. and oversees the performance of Registrars & Transfer Agents and recommends measures for overall improvements in the quality of investor services.

The Shareholders' Grievance Committee comprises two Non-Executive Directors and the Managing Director and is headed by a Non-Executive Director. The Committee held four (4) meetings during the year under review on 29.04.2009, 22.07.2009, 26.10.2009 and 20.01.2010. The attendance of members at the meetings was as follows :

Name of Member	Status	No. of Meetings attended
Shri K.K. Maheshwari	Chairman	3
Shri Biswajit Choudhuri	Member	4
Shri S. S. Gupta	Member	4

Shri Akash Mishra, Company Secretary is the Compliance Officer under the relevant SEBI directions.

REMUNERATION COMMITTEE :

In continuation of practices of good corporate governance, the Board has constituted the Remuneration Committee of Directors of the Company on 17.10.2006 to recommend/review remuneration of the Managing Director and/ or Whole Time Directors, as per requirement.

The Remuneration Committee comprises three non-Executive Directors. The Committee held one (1) meeting during the year under review on 26.10.2009. The attendance of members at the meetings was as follows :

Name of Member	Status	No. of Meetings attended
Shri J. C. Chopra	Chairman	1
Shri K.K. Maheshwari	Member	1
Shri Biswajit Choudhuri	Member	1

The Non Executive Directors are paid only sitting fees for attending Board/Committee meetings. The amount of sitting fees paid to Non Executive Directors during the year under review are as follows :

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

CORPORATE GOVERNANCE (Contd..)

Name of Director	Sitting fee paid (Rs.)
Shri A.K. Agarwala	80,000/-
Shri K. K. Maheshwari	160,000/-
Shri K. C. Jhanwar	80,000/-
Shri Biswajit Choudhuri	210,000/-
Shri P. P. Sharma	60,000/-
Shri J. C. Chopra	170,000/-
Shri Subrajit Bhowmick (upto 4th April 2010)	120,000/-
Shri L. S. Naik (w.e.f. 1st April 2010)	N.A.
Shri S. C. Mathur (w.e.f. 5th April 2010)	N.A.

There was no other pecuniary relationship or transaction of the Non Executive Directors with the Company. The Company has not granted any stock option to any of its Directors. As on 31st March 2010, except Shri A. K. Agarwala and Shri Biswajit Choudhuri, Directors, who hold 11700 and 100 equity shares of the Company respectively, no other Directors of the Company hold any shares in the Company, as reported.

The aggregate value of salary and perquisites paid for the year 2009-10 to the Managing Director are as follows :

(all fig. in Rs. Lacs)

	Salary	Variable Pay	All other elements of the remuneration package*	Total
Shri S. S. Gupta	37.33	8.86	9.75	55.94

* excluding Gratuity and unencashed Earned Leave Salary.

Besides this, the Managing Director is also entitled to other facilities as per the rules of the Company and Agreement entered with him.

The re-appointment of Shri S. S. Gupta is for a period of two (2) years w.e.f 24.10.2009. In the event of cessation of employment of Shri Gupta for reasons attributable to him during the subsistence of service, he shall not be entitled to any remuneration on and from the date of termination of his employment. Subject to the provisions of Section 318 of the Companies Act 1956, the Company shall, in the event of the termination of the appointment of Shri Gupta as its Managing Director prior to the expiry of the said period, by the Company, pay compensation to Shri Gupta equivalent to six month's basic salary as prevailing immediately preceding the date he ceases to hold office of the Managing Director of the Company.

SHARE TRANSFER

The Registrar and Share Transfer Agent of the Company M/s. C. B. Management Services (P) Limited, Kolkata looks after physical as well as electronic transfer of Company's shares.

The Board of Directors have delegated the power of approving transfer of securities to the Registrar subject to notification of the same to the Company Secretary on a monthly basis and intimation to the Committee about such transfers in its meeting.

CORPORATE GOVERNANCE (Contd..)

The Status of total number of requests / complaints received during the year under review is as follows :

Sl. No.	Description	Nos. received				Total Received	Replied / addressed	Pending
		QT1	QT2	QT3	QT4			
A.	Letters received from Statutory bodies							
	SEBI	0	0	0	0	0	0	0
	Stock Exchange	0	0	0	0	0	0	0
B.	Complaints from Shareholders	0	0	0	0	0	0	0
C.	Queries/requests Issue of duplicate certificates/ change of address, Bank mandates, Transmission/ transfer of Shares query, Demat updation status/query, Dividend related query/revalidation, query on fully paid up etc.	31	60	36	30	157	157	0
	Total	31	60	36	30	157	157	0

General Shareholder Information :

Registered Office	Aditya Birla Chemicals (India) Limited Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand)
Annual General Meeting	Date and Time : 6th August, 2010 at 10:00 A.M. Venue : Aditya Birla Chemicals (India) Limited Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand) Dividend payment date : within 10th August, 2010 Date of Book Closure: 28th July, 2010 to 6th August, 2010.
Financial calendar (Tentative)	<ul style="list-style-type: none"> ● First Quarter's Results - By mid of August, 2010 ● Second Quarter's Results - By mid of November, 2010 ● Third Quarter's Results - By mid of February, 2011 ● Annual Results - By mid of May, 2011
Listing on Stock Exchanges and Stock Code	i) Bombay Stock Exchange Limited, Mumbai (Stock Code : 500057) ii) National Stock Exchange of India Ltd., Mumbai (Symbol - "ABCIL") Annual Listing Fee (as applicable) paid upto 2010-11
Demat ISIN in NSDL and CDSL for Equity shares	ISIN INE605B01016

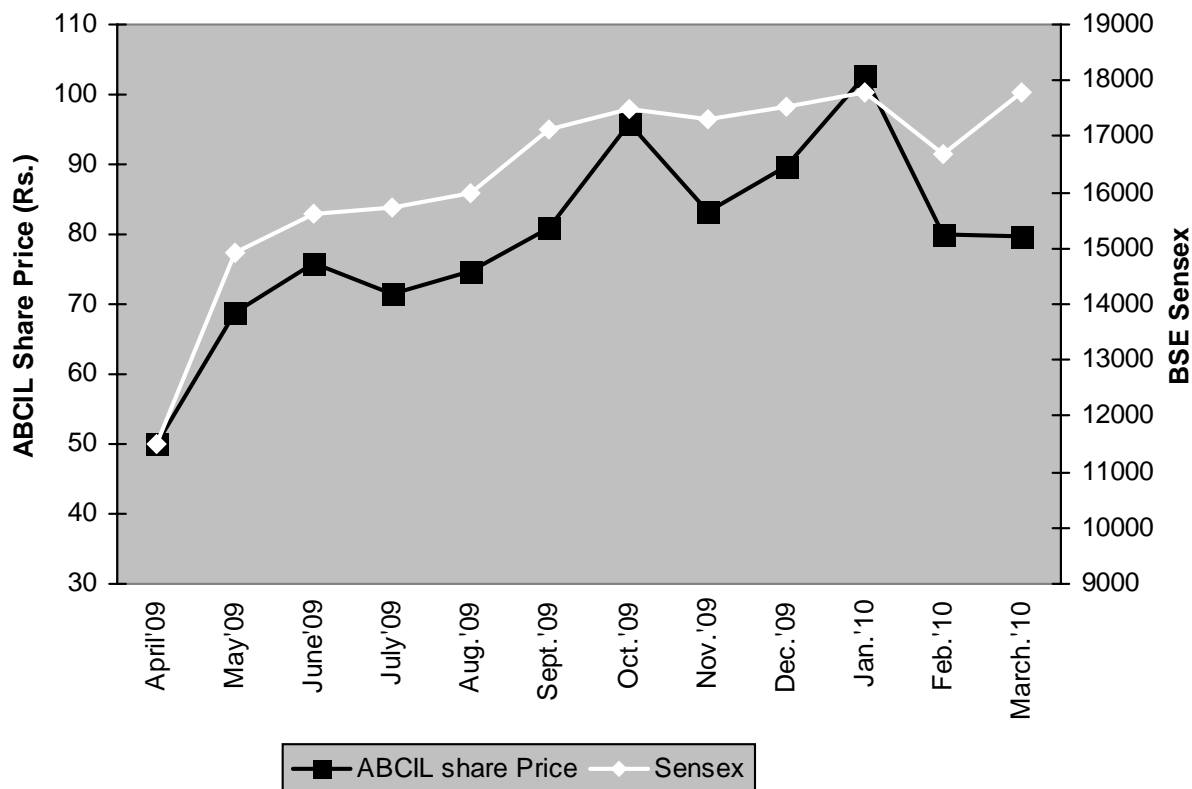
ADITYA BIRLA CHEMICALS (INDIA) LIMITED

CORPORATE GOVERNANCE (Contd..)

MARKET PRICE DATA : HIGH, LOW DURING EACH MONTH IN FINANCIAL YEAR 2009-10

Month	Bombay Stock Exchange		National Stock Exchange	
	High(Rs.)	Low(Rs.)	High(Rs.)	Low(Rs.)
April 2009	50.00	35.50	49.50	35.10
May 2009	68.70	43.25	68.80	42.50
June 2009	76.00	55.90	76.00	55.60
July 2009	71.50	50.00	74.35	50.05
August 2009	74.75	61.40	74.50	61.10
September 2009	81.00	71.00	80.50	71.20
October 2009	95.90	71.25	96.00	71.30
November 2009	83.30	73.15	83.00	72.50
December 2009	89.60	76.50	89.00	75.70
January 2010	102.55	71.00	102.70	70.70
February 2010	79.90	68.05	81.00	64.20
March 2010	79.60	69.60	79.35	69.80

Company's Share price performance in comparison to broad based indices - BSE Sensex



CORPORATE GOVERNANCE (Contd..)

Registrar and Transfer Agent	M/s. C. B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata - 700 019 Phone No.(s) : 033 - 4011 6728 / 4011 6717 / 2280 6692-93-94 / 2486 Fax No. 033 - 2287 0263 Email : rta@cbmsl.com		
Distribution of shareholding as on 31 st March 2010	Category	No. of shares	% of shareholding
	Promoters	13,169,987	56.31
	Mutual Funds and UTI	1,500	0.01
	Banks/Financial Institutions/Central Govt./ State Govt.(s) / Insurance Companies / Trust	2,034,850	8.70
	Corporate Bodies	995,853	4.26
	Individuals	6,752,266	28.88
	NRI/FII / OCB	253,401	1.08
	Clearing Member	178,643	0.76
	TOTAL	23,386,500	100.00
Holding of shares as on 31 st March 2010	i) NSDL : 8,371,343 ii) CDSL : 13,831,196 iii) Physical : 1,183,961 (5.06% of Company's Equity Shares in physical form)		
Plant location	Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand)		
Address for correspondence	Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand) Email : akash.mishra@adityabirla.com abcil.investors@adityabirla.com murari.prasad@adityabirla.com		

ANNUAL GENERAL MEETINGS:

Particulars	FY 2006- 2007	FY 2007-2008	FY 2008-2009
Date and Time	11.08.2007 at 11:30 A.M.	21.08.2008 at 10:30 A.M.	29.06.2009 at 10:30 A.M.
Venue	Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand)	Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand)	Garhwa Road, P.O. Rehla - 822 124 Distt. Palamau (Jharkhand)

CORPORATE GOVERNANCE (Contd..)

- No Special Resolution was passed in the previous 3 Annual General Meetings of the Company.
- No Special Resolution was passed through postal ballot at the last Annual General Meeting.
- No Special Resolution is proposed through postal ballot at the forthcoming Annual General Meeting.

DISCLOSURES

- (i) There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors, management, relatives except for those disclosed in the Annual Report for the year ended 31st March 2010.
- (ii) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it in the last 3 years.
- (iii) The Company has complied with mandatory requirements, as reflected in this report and has adopted the non mandatory requirement of constitution of Remuneration Committee.
- (iv) The Directors' Responsibility Statement has been stated in the Directors' Report.
- (v) Management Discussion and Analysis Report forms part of Directors' Report.
- (vi) The Company does not have any Subsidiary Company.
- (vii) The Certification under Clause 49(V) by Managing Director and Finance-in-charge to the Board is appended to this report.
- (viii) Notes on the Statement of Accounts referred to in the Auditors' Report are self explanatory, and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

MEANS OF COMMUNICATION

The quarterly/half yearly/yearly financial results were published in Business Standard / Financial Express (all editions) and Ranchi Express.

The Annual Report containing all of its required and important information is circulated to Members of the Company and others entitled thereto.

Annual Report, Quarterly Results, Shareholding Pattern etc. of the Company are also posted on the website : www.corpfilings.co.in

Website of the Company : www.adityabirlachemicalsindia.com

COMPLIANCE CERTIFICATE OF THE AUDITORS

The Company has obtained Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 and the same is annexed herewith.

For and on behalf of the Board of Directors

Camp : Mumbai
Dated : 30th April, 2010

A.K. Agarwala
Director

L. S. Naik
Director

DECLARATION FOR CODE OF CONDUCT IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES.

The Board of Directors of Aditya Birla Chemicals (India) Limited has laid down a Code of Conduct for all Board Members and Senior Management of the Company, which is posted on the website of the Company. The Board Members and Senior Management have affirmed compliance with the Code of Conduct of the Company.

For **ADITYA BIRLA CHEMICALS (INDIA) LIMITED**

S. S. GUPTA
[**Managing Director**]

★ ★ ★ ★ ★ ★ ★

CERTIFICATION IN TERMS OF CLAUSE 49 (V) OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

We hereby certify that :

- a) we have reviewed financial statements and the cash flow statement for the year ending 31st March 2010 and that to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) there are, to the best of our knowledge and belief , no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) we have indicated to the Auditors and the Audit Committee;
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

Brijesh Kumar
[**Finance In-charge**]

S. S. Gupta
[**Managing Director**]

AUDITORS' CERTIFICATE

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE - 49 OF THE LISTING AGREEMENT

AUDITOR'S CERTIFICATE

To

The Members of **Aditya Birla Chemicals (India) Limited**

1. We have examined the compliance of conditions of Corporate Governance by Aditya Birla Chemical (India) Limited ('the Company') for the year ended March 31, 2010 , as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. 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 and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No. 105146W

Dated : 30th April 2010
Place : Mumbai

Hasmukh B Dedhia
Partner (F-033494)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY AND DEVELOPMENT

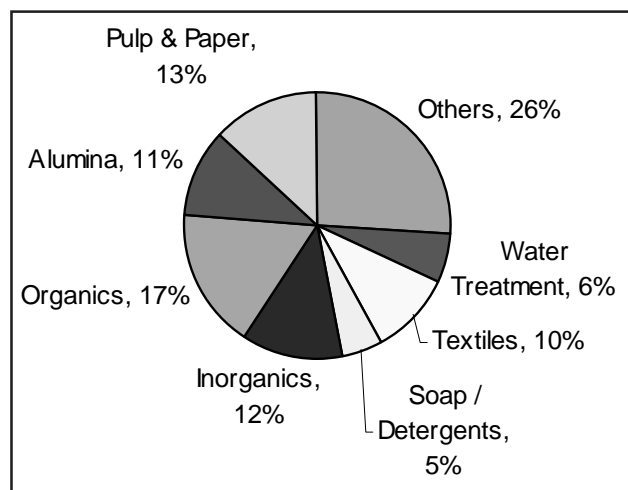
The Indian chemical industry is ranked as 12th largest in the world, having growth rate more than 10% yearly. The USD 40 billion chemical industry comprises basic chemicals & its products, petrochemicals, fertilizers, paints, gases and pharmaceuticals. The chemical sector contributes 17.6% in the output of the manufacturing sector, 13-14% in total exports and 8-9% in total imports of the country. It accounts for about 3% of the country's GDP. A lot of foreign players are encroaching into the Indian chemical market by way of joint venture to establish their presence. India has the potential and aptitude to become the top two exporters of specialty chemicals from developing country together with China, given that India has the necessary capabilities in chemistry and engineering fields.

In India new capacities in the Chlor alkali sector which came in the previous year have more or less settled in the market space. However the increased demand from key segments like Alumina will create opportunities and fuel further growth with new capacities.

SEGMENTWISE PERFORMANCE

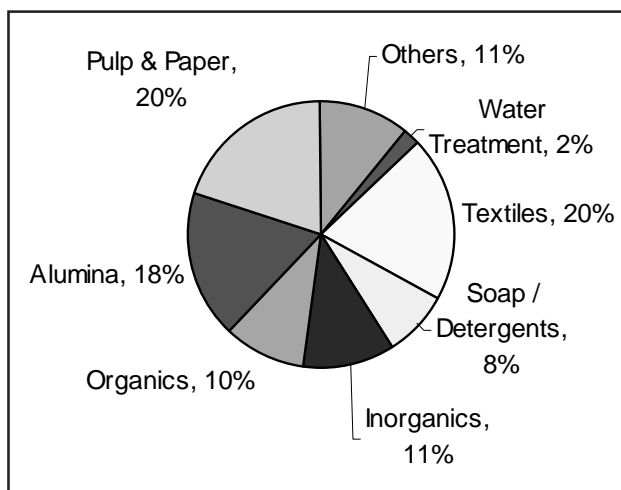
Caustic Soda:

Sector Wise Consumption of Caustic - 2009



Global

Total Demand 62.3 Million Dry MT



India

Total Demand 2.57 Million Dry MT

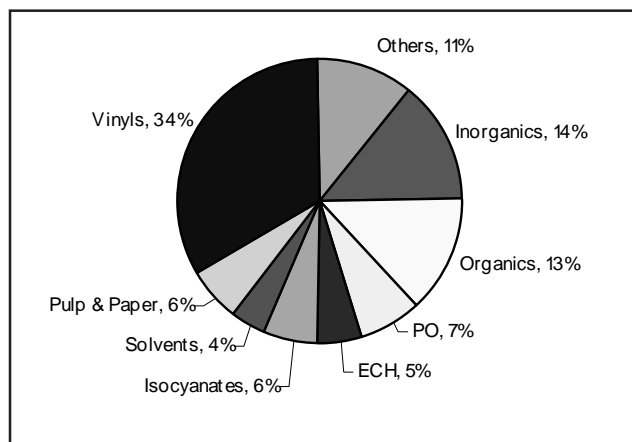
- Major drivers of caustic demand are Alumina and Pulp & Paper.
- In India, Textiles, Alumina and Pulp & paper are major consuming sectors.

For the year under review, the sales volume of Caustic Soda lye increased by 18.38% over the last year. The Company is planning to put up additional capacity of 150 TPD Caustic along with 30 MW Captive power plant in view of new capacity addition of alumina in the eastern region.

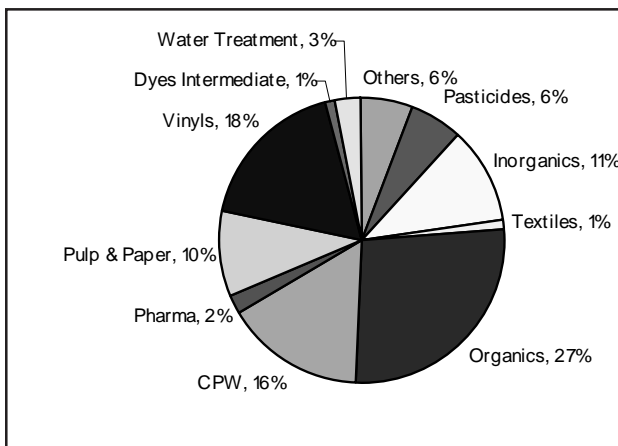
MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

Chlorine:

Sector Wise Consumption of Chlorine - 2009



Global



India

- Chlorine demand is driven by vinyl chain EDC - PVC
- In India CPW and Organics sector are the major consuming sectors
- Isocyanates production in India is limited - only one producer GNFC has 10,000 TPA capacity plant - GNFC is planning to put up another unit of 50,000 TPA plant in Gujarat

At the start of year under review, the chlorine price was on the negative side which subsequently improved towards the later half of year and the sales volume of Liquid Chlorine increased by 36.63% for the year under review over previous year.

Hydrochloric Acid:

Given the flexibility in our product mix, we were able to derive benefit of better HCL realization by increasing the production of Hydrochloric acid as and when Chlorine realization was lower, thereby maximizing our ECU realization.

OUTLOOK

Chlor Alkali industry growth is directly related to growth of economic activity in general and the Indian industry seems to have weathered the storm unleashed by the global economic crisis. After a subdued year the industry seems to return back to the path of growth. Demand for Caustic is expected to grow significantly driven by strong growth of end use segment (mainly Alumina).

RISKS AND CONCERNS

- Increase in price of Coal.
- Substantial reduction in the coal quantity in revised FSA.
- Import threat of Caustic Soda.
- Frequent bandhs (strikes) affecting movement of goods and Productivity.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a strong internal control system to ensure protection of its resources, to provide accurate and speedy financial statements, reports and to comply with policies, procedures and legal obligations.

The prime objective of the system of internal control is the management of business risks so as to safeguard assets of the Company and long term interest of all the stakeholders and to provide a reasonable assurance against any misstatement or loss.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

The Company has a balanced organization structure, well-defined authority levels and set guidelines and rules for conducting business transactions. The Company's internal auditors periodically conduct audits to ensure adequacy of internal control systems, adherence to management instructions and policies and compliance with the laws and regulations in force. The internal audit reports are circulated to the Management who initiates actions as required.

The Audit Committee, whose Chairman is an independent Director, meets periodically with the Management and the Auditors of the Company to review the process of internal audit, statutory audit, risk management and internal control systems.

FINANCIAL AND OPERATIONAL PERFORMANCE

Financial Performance Highlights :

Gross turnover for the year under review was higher by 4.40 % at Rs. 241.08 crores as compared to Rs. 230.91 crores in the previous year. The profit before interest, depreciation and tax was Rs. 94.83 crores. After providing Rs. 3.57 crores for interest, Rs. 20.04 crores for depreciation and Rs. 10.48 crores for taxes, the net profit for the year was at Rs. 60.74 crores which is higher by 31.81 % as compared to previous year.

The earning per share was higher at Rs. 25.97 compared with Rs. 19.70 in last year and return on shareholders' fund was higher at 20.99 % compared to 19.25 % last year.

Operational Performance Highlights :

The average production of Caustic and Chlorine for the year 2009-10 has been recorded as the ever highest at the level of 286 TPD of Caustic soda & 191 TPD of Liquid Chlorine. During the year, the average power generation was 28.32 MW with ever highest Plant Load factor of 94.4%. The Net Turnover at Rs. 221.86 crores as compared to Rs. 204.07 crores in the previous year had manifested a rise of 8.72%. During the year under review the Company had achieved various milestones including highest ever generation of power, significant improvement in production of Caustic Soda and other Co-products, stabilization of Aluminium Chloride and Stable Bleaching Powder plants and so more. However performance of the market was not supportive and Caustic prices remained under pressure. Demand of Co-products was also discouraging and during third quarter of the year, the Company was forced to dispose them at negative realization. As a result of all these, the ECU realization decreased to Rs. 18,887/- per MT as against Rs. 20,369/- per MT in the previous year. Despite all these odds, the Company had been able to achieve superior performance due to optimum utilization of plant capacity, optimization of process parameters and various cost reduction initiatives.

Interest cost has been lower at Rs. 3.57 crores as compared to Rs. 5.58 crores in the previous year due to scheduled repayment of term borrowings from Financial Institution.

The Company continues to pay MAT under Section 115 JB of the IT Act on account of Tax incentive under Section 80-IA and higher depreciation under Income Tax Act.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Human Resource plays a pivotal role in achieving sustainable competitive advantage and excellence in value creation through engaging and involving its workforce. The Human Resource function creates a healthy work environment and synchronizes the working of all departments to accomplish their objectives which in turn helps the Organization to build and achieve its vision, mission and goals & strategy. It also maintains excellent relations with the internal as well as external environment for smooth running of the Organization.

In recognition of the above, your Company is committed to recruit and retain suitable talent with focus on people development, paving the way for organizational excellence in the competitive and fast changing business environment, entrust the employees with challenging role for exposure to grow faster and building, developing and upgrading employee competencies through mapping 'CADD' & IDP process, in line with

business needs and strategies, with institutionalized processes, which is the key area of thrust of your Company for ensuring sustainable growth.

Managers and executives are nominated to customized training programs at Gayanodaya, the Aditya Birla Institute of Management Learning. Your Company also organizes Quality training in terms of behavioural as well as functional areas as per the need, which helps to develop competencies of employees. This is a very effective enabler as participants are exposed to the current trends and practices in their respective fields, thus upskilling them for higher responsibilities in the future.

Over the last few years, your Company has launched many new HR initiatives such as Organizational Health Survey, Organizational Health Survey - Pulse a dip-stick by third party, Employee Satisfaction Survey, HR - Vaad Learning through web-con, Talent Staffing with Psychometric Test, Employee Referral Scheme, well designed Send-Off process, Leadership development - Talent Management, Competency Assessment Development Discussion, and 360° Feedback for Managers, Kaizen & Suggestion scheme, Individual / Team Recognition at Unit / Business & Group Level and Grievance Handling Procedure with a view to create a 'Great Place to Work' and help employees to continuously add value for achieving superior performance.

Performance linked reward mechanism, compensation systems and Special recognition mechanisms are in place to acknowledge exceptional achievements of employees and to motivate them further. Individual Development Plan for managerial staff across the Company is yet another important step forward for human resource development so as to monitor the performance of the employees.

The Company has very congenial and healthy Industrial Relation atmosphere having no disputes upon it. There has not been any single day loss of production on account of any disturbance. The manpower productivity during the year was 277.5 MT/man.

The Company has a committed work force of about 361 employees as on 31.03.2010.

The Company continuously updates the infrastructural facilities and amenities for its employees and their families such as ATM facility within the premises for the first time, enhanced amenities at the Hospital, provision of good treatment and medical attention, health check-up on regular basis, development of the School, modification of houses to improve quality of life, addition of recreation facilities and etc.

Cautionary Statement

Statements in this Management Discussion and Analysis Report are based upon the data available with the Company and on certain assumptions having regard to the economic conditions, government policies, political developments within and outside the country, factors affecting the selling prices of finished goods etc. The management is not in a position to guarantee the accuracy of the assumptions and projected performance of the Company in future. It is, therefore, cautioned that the actual results may differ from those expressed or implied herein.

For and on behalf of the Board of Directors

Camp : Mumbai
Dated : 30th April, 2010

A.K. Agarwala
Director

L. S. Naik
Director

AUDITORS' REPORT

THE MEMBERS OF ADITYA BIRLA CHEMICALS (INDIA) LIMITED

- 1 We have audited the attached Balance Sheet of **Aditya Birla Chemical (India) Limited** as at March 31, 2010, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion
- 3 As required by the Companies (Auditor's Report) Order, 2003 (hereinafter referred to as "the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, (hereinafter referred to as "the Act") we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order
- 4 Further to our comments in the Annexure referred to above, we report that:
 - i We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.;
 - iii The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches;
 - iv In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in section 211 (3C) of the Act.
 - v On the basis of the written representations received from the directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of section 274 (1)(g) the Act.
 - vi In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the 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, 2010 ;
 - b in the case of the Profit and Loss account, of the profit of the Company for the year ended on that date; and
 - c in the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date

For and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No. 105146W

Place : Mumbai
Dated : April 30, 2010

Hasmukh B Dedhia
Partner (F-033494)

AUDITORS' REPORT (Contd..)

Annexure referred to in paragraph 3 of our Auditor's Report of Aditya Birla Chemicals (India) Limited of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a program for phased physical verification of all its fixed assets 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) The Company has not disposed off substantial part of its fixed assets during the year
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year
- (b) The procedure 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
- (iii) The Company has neither taken nor granted any Loans, secured or unsecured from/ to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, clause (iii)(b) to (iii)(g) of paragraph 4 of the order are not applicable to company for the year
- (iv) In our opinion and according to the information and explanations given, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further on the basis of examination of the books and records of the Company and according to the information and explanations given, and as per checking carried out in accordance with the auditing standards generally accepted in India, neither we have observed nor have we been reported of any continuing failure to correct major weakness in the internal control system relating to these areas
- (v) Based on the audit procedures applied and according to the information and explanations given, there are no contracts or arrangements referred to in section 301 of the Act that need to be entered in the register maintained under that section. Hence clause (v)(b) of para 4 of the Order is not applicable
- (vi) The Company has not accepted any deposits from public to which the provisions of sections 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public applies
- (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 accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been maintained
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty, Excise Duty, Cess, and other material statutory dues applicable to it. There were no arrears as at March 31, 2010 for a period exceeding six months from the date they became payable
- (b) According to the information and explanations given, there are no dues of sales-tax, income-tax, wealth-tax, service tax, custom duty, excise duty and cess, which have not been deposited on account of any dispute except as follows:

AUDITORS' REPORT (Contd..)

Name of the Statute	Nature of dues	Period	Amount (in lacs)	Forum where Dispute is pending
Income Tax Act 1961	Income tax and Interest	AY 1998-99	1.29	Referred to AO by ITAT Ranchi
		AY 2000-01	2.54	Referred to AO by ITAT Ranchi
		AY 2002-03	2.27	CIT(Appeal), Ranchi
		AY 2005-06	19.80	ITAT, Ranchi
		AY 2007-08	197.02	CIT (Appeals) and Petition u/s 154
Ranchi Industrial Area Development Authority (RIADA), Ranchi	Land Revenue Tax	FY 2004-05 to 2009-10	12.13	Development Officer, RIADA

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year
- (xi) Based on our audit procedures and as per the information and explanations given, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank
- (xii) According to the information and explanations given, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of para 4 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 para 4 of the Order are not applicable to the Company
- (xv) According to the information and explanations given, the Company has not given any guarantee for loans taken by others from banks or financial institutions
- (xvi) Based on information and explanations given to us, the term loans were applied by the Company during the year for the purposes for which the loans were obtained
- (xvii) According to the information and explanations given and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment
- (xviii) During the year the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act
- (xix) The Company has not issued any debentures during the year
- (xx) The Company has not raised any money through a public issue during the year
- (xxi) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have been informed of any such instance by the Management

For and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No. 105146W

Place : Mumbai
Dated : April 30, 2010

Hasmukh B Dedhia
Partner (F-033494)

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	Schedule	As at March 31, 2010	As at 31 March 31, 2009
SOURCES OF FUNDS :			
Shareholders' Funds :			
Share Capital	' 1 '	2,338.65	2,338.65
Reserves & Surplus	' 2 '	26,597.04	21,656.64
		<u>28,935.69</u>	<u>23,995.29</u>
LOAN FUNDS :			
Secured Loans	' 3 '	4,379.64	4,575.76
Unsecured Loans	' 4 '	25.80	41.40
		<u>4,405.44</u>	<u>4,617.16</u>
Deferred Tax Liabilities (Net)		<u>3,561.32</u>	<u>3,431.06</u>
	Total	<u>36,902.45</u>	<u>32,043.51</u>
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block	' 5 '	37,918.84	37,434.14
Less : Depreciation		<u>12,557.28</u>	<u>10,581.53</u>
Net Block		25,361.56	26,852.61
Capital Work-in-Progress		272.47	140.07
		<u>25,634.03</u>	<u>26,992.68</u>
Investments	' 6 '	3,093.74	30.00
CURRENT ASSETS, LOANS & ADVANCES :			
Inventories	' 7 '	2,081.11	1,113.25
Sundry Debtors	' 8 '	2,495.41	2,055.38
Cash & Bank Balances	' 9A '	4,524.67	2,997.12
Other Current Assets	' 9B '	196.99	79.58
Loans, Advances & Deposits	' 10 '	2,223.94	3,084.57
		<u>11,522.12</u>	<u>9,329.90</u>
Less : Current Liabilities & Provisions :			
Liabilities	' 11 '	2,312.27	3,550.25
Provisions	' 12 '	1,035.17	819.82
		<u>3,347.44</u>	<u>4,370.07</u>
Net Current Assets		<u>8,174.68</u>	<u>4,959.83</u>
Miscellaneous Expenditure (To the extent not written off or adjusted)	' 13 '	-	61.00
	Total	<u>36,902.45</u>	<u>32,043.51</u>
Significant Accounting Policies and Notes on Accounts	' 21 '		
Schedules referred to above form integral part of Balance Sheet			
As per our attached report of even date			
For Khimji Kunverji & Co			
Chartered Accountants			
Hasmukh B. Dedhia Partner	Akash Mishra Company Secretary	A. K. Agarwala Biswajit Choudhuri J. C. Chopra L. S. Naik K. C. Jhanwar S. C. Mathur S.S. Gupta	Director Director Director Director Director Director Managing Director
Place : Mumbai			
Dated : April 30, 2010			

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lacs)

	Schedule	For the year ended March 31, 2010	For the year ended March 31, 2009
INCOME :			
Income from Operation	' 14A '	24,354.56	23,172.99
Less : Excise duty		1,922.05	2,683.67
Net Income from Operation		22,432.51	20,489.32
Other Income	' 14B '	1,915.91	681.82
		24,348.42	21,171.14
EXPENDITURE :			
(Increase)/Decrease in stocks	' 15 '	75.21	5.37
Raw Materials consumed	' 16 '	9,084.48	8,794.92
Manufacturing and other expenses	' 17 '	3,517.49	2,196.02
Payment to and provisions for employees	' 18 '	1,268.78	1,266.20
Selling, Distribution, Administration and other expenses	' 19 '	919.40	918.94
		14,865.36	13,181.45
Profit before Interest, Depreciation & Tax		9,483.06	7,989.69
Interest and Financial Charges	' 20 '	357.15	558.06
Profit before Depreciation & Tax		9,125.91	7,431.63
Depreciation		2,003.57	1,871.16
Profit before Tax		7,122.34	5,560.47
Provision for Taxation (including Wealth Tax -Rs. 1.03 lac Previous year Rs. 1.28 lacs)		1,234.34	623.58
MAT Credit Entitlement		(316.53)	(279.32)
Provision for Deferred Tax (Net)		130.26	587.49
Provisions for Fringe Benefit Tax		-	20.51
Profit after Tax		6,074.27	4,608.21
Adjustment of Taxation for earlier years		(724.81)	55.49
Balance Brought forward from previous year		16,880.56	13,008.11
Less: Transferred to State Capital Subsidy			(150.42)
Balance available for Appropriation		22,230.02	17,521.39
APPROPRIATIONS :			
Proposed Dividend on Equity Shares		350.80	350.80
Tax on Proposed Dividend		58.26	59.62
Transferred to General Reserve		303.71	230.41
Balance Carried over to Balance Sheet		21,517.25	16,880.56
		22,230.02	17,521.39
Basic and diluted earning per Share (in Rupees)		25.97	19.70
Significant Accounting Policies and Notes on Accounts	'21'		
Schedules referred to above form integral part of Profit & Loss Account			
As per our attached report of even date			
For Khimji Kunverji & Co			
Chartered Accountants			
Hasmukh B. Dedhia Partner	Akash Mishra Company Secretary	A. K. Agarwala Biswajit Choudhuri J. C. Chopra L. S. Naik K. C. Jhanwar S. C. Mathur S.S. Gupta	Director Director Director Director Director Director Managing Director
Place : Mumbai Dated : April 30, 2010			

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	<u>As at March 31, 2010</u>	<u>As at March 31, 2009</u>	
SCHEDULE '1'			
SHARE CAPITAL :			
Authorised			
24,500,000	Equity Shares of Rs. 10/- each	2,450.00	2,450.00
50,000	11% Redeemable Cumulative Preference Shares of Rs. 100/- each (Free of Company's Tax but subject to deduction of tax at source at the prescribed rates and redeemable at par between 7 to 10 years from the date of allotment by giving three months notice in writing).	50.00	50.00
		<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed and Paid-up			
23,386,500	Equity Shares of Rs. 10/- each fully paid up in cash (12004987 shares are held by Hindalco Industries Limited (Holding Company), 775000 shares are held by Renuka Investment & Finance Limited (Subsidiary of Hindalco Industries Limited).	2,338.65	2,338.65
		<u>2,338.65</u>	<u>2,338.65</u>
SCHEDULE '2'			
RESERVES & SURPLUS :			
Capital Reserve		1,000.00	849.58
Add : Transferred from Profit & Loss Account		-	150.42
		<u>1,000.00</u>	<u>1,000.00</u>
Securities Premium Account		1.75	1.75
General Reserve :			
As per last Balance Sheet		3,774.33	3,543.92
Add : Transferred from Profit & Loss Account		303.71	230.41
		<u>4,078.04</u>	<u>3,774.33</u>
Balance as per Profit & Loss Account		<u>21,517.25</u>	<u>16,880.56</u>
		<u>26,597.04</u>	<u>21,656.64</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	<u>As at</u> <u>March 31, 2010</u>	<u>As at</u> <u>March 31, 2009</u>
SCHEDULE '3'		
SECURED LOANS		
A. Term Loans from IDBI Bank Ltd	3,340.00	4,460.00
<p>Secured against joint equitable mortgage by deposit of Title Deeds in respect of the company's immovable properties, present and future save and except book debts and first charge on all the remaining assets of the company subject to the prior charges created and/or to be created in favour of the company's bankers for borrowing, working capital requirements, on stock of raw materials, goods-in-process, finished goods, consumable stores, book debts and other movable as may be agreed upon by Financial Institutions. The mortgage of charge has been created in favour of IDBI Bank Ltd and participating banks pari-passu inter se. (Repayable withing one year – Rs. 1120 lacs, previous year Rs. 1120 lacs)</p>		
B. Term Loans from IDBI Bank Ltd	–	10.00
<p>Secured against joint equitable mortgage by deposit of Title Deeds in respect of the company's immovable properties, present and future and first charge on all the remaining assets of the company subject to the prior charges created and/or to be created in favour of the company's bankers for borrowing, working capital requirements, on stock of raw materials, goods-in-process, finished goods, consumable stores, book debts and other movable as may be agreed upon by Financial Institutions. The mortgage of charge has been created in favour of IDBI Bank Ltd and participating banks pari-passu inter se. (Repayable within one year nil, previous year Rs.10 lacs)</p>		
C. Short Term Demand Loan – IDBI	1,000.00	–
<p>Secured against present and future Current Assets and second charge on pari-passu basis on Fixed Assets</p>		
D. From State Bank of India	39.64	105.76
<p>Secured against pledge of Fixed Deposits of the Company</p>		
	<u>4,379.64</u>	<u>4,575.76</u>
SCHEDULE '4'		
UNSECURED LOANS		
Interest Free Sales Tax Loan From Bihar State Credit And Investment Corporation Limited	25.80	41.40
<p>(Repayable within one year Rs. 15.40 lacs,previous year Rs. 15.60 lacs)</p>		
	<u>25.80</u>	<u>41.40</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE '5'

FIXED ASSETS

(Rs. in lacs)

Sl. No.	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at April 1, 2009	Additions during the year	Less Sales/adjustment	Total Upto March 31, 2010	Total upto March 31, 2009	Provided for the year	Less adjust-ments	Total upto March 31, 2010	As at March 31, 2010	As at March 31, 2009
A.	Tangible Assets										
1	Land-Freehold	66.70	-	-	66.70	-	-	-	-	66.70	66.70
2	Land-Leasehold	140.96	-	-	140.96	19.40	1.57	-	20.97	119.99	121.55
3	Buildings	2,671.85	30.61	-	2,702.46	560.78	86.38	-	647.16	2,055.30	2,111.06
4	Plant & Machineries	31,756.54	313.10	17.22	32,052.42	8,574.06	1,659.17	4.31	10,228.92	21,823.50	23,182.48
5	Chlorine Tonners	1,371.46	147.77	15.87	1,503.36	838.15	172.04	12.90	997.29	506.07	533.32
6	Furniture & Fixtures	129.81	0.44	-	130.25	68.88	7.04	-	75.92	54.33	60.93
7	Computers, Office Equipments	279.16	6.45	2.28	283.33	143.48	19.41	1.91	160.98	122.35	135.66
8	Railway siding	736.29	-	-	736.29	242.93	34.98	-	277.91	458.38	493.36
9	Vehicles	182.72	35.80	30.74	187.78	38.81	17.40	8.70	47.51	140.27	143.93
		37,335.49	534.17	66.11	37,803.55	10,486.49	1,997.99	27.82	12,456.66	25,346.89	26,848.99
B	Intangible Assets										
	Computer Software	98.65	16.64	-	115.29	95.04	5.58	-	100.62	14.67	3.63
		98.65	16.64	-	115.29	95.04	5.58	-	100.62	14.67	3.63
	Total	37,434.14	550.81	66.11	37,918.84	10,581.53	2,003.57	27.82	12,557.28	25,361.56	26,852.62
	Previous Year	32,756.10	4,749.13	71.08	37,434.14	8,733.83	1,871.16	23.46	10,581.53	26,852.62	

Note : The useful life of computer software is considered 3 years.

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

		As at <u>March 31, 2010</u>	As at <u>March 31, 2009</u>	
SCHEDULE " 6 "				
INVESTMENTS :				
Long Term Investments				
	Face Value	Cost	Amortised Cost	
Quoted (other than trade)				
Investment in Bonds/Debt securities (Amortised Cost)				
7.60% Konkan Rlwy Corp Ltd 2010	20.00	19.84	19.84	-
7.6% IDBI BANK LTD OMNI 2011	10.00	9.89	9.89	-
7.4% HDFC SR-30 2012	30.00	29.25	29.25	-
7.3% IDBI BANK LTD 2012	80.00	77.69	77.69	-
9.25% IDBI BANK LTD 2014	200.00	204.60	204.18	-
10.20% TATA STEEL LTD. 2015	200.00	211.52	210.78	-
7.35% HUDCO TX SR-SD5 2013	90.00	87.35	87.35	-
6.75% IDBI BANK LTD OMNI-1 2013	40.00	38.05	38.05	-
8.4% ONGC VIDESH LTD 2014	20.00	20.04	20.04	-
10% IDBI BANK LTD OMNI-1 2012	5.00	5.17	5.16	-
11% IDBI BANK LTD OMNI S1-T2 2011	8.00	8.40	8.36	-
8.49% Power Finance Corporation 2011	50.00	50.45	50.42	-
8.60% Power Finance Corporation 2014	200.00	200.18	200.18	-
(Cost Rs.962.43 lacs, Market Value Rs.964.22 lacs, Face Value Rs.953.00 lacs)				
Unquoted (other than trade)				
11.5% Aditya Birla Nuvo Ltd 2011	500.00	529.80	520.45	-
6.9% MECON LTD 2013	88.00	85.14	85.14	-
10.75% IDBI BANK LTD 2011	10.00	10.49	10.44	-
10% IDBI BANK LTD 2012	35.00	36.24	36.18	-
(Cost Rs.661.67 lacs, Face Value Rs.633.00 lacs)				
300000 Units of Birla Sun Life FTP - Series BE - Retail Dividend Schemes of Birla Sun Life Mutual Fund of Rs.10 each				
			30.00	30.00
Market Value. Rs 35.76 lacs (Previous Year Rs.31.98 lacs)				
Current Investments				
Units of HDFC Cash Management Fund - Treasury Advantage Plan (Market Value Rs.1453.52 Lacs)				
			1,450.34	-
			<u>3,093.74</u>	<u>30.00</u>
SCHEDULE " 7 "				
INVENTORIES :				
(As taken, valued and Certified by the Management)				
Finished Goods		146.91	248.73	
Work-in-Progress		114.05	97.39	
Raw Materials		1,594.96	506.27	
Packing Materils		62.04	31.75	
Waste / Scrap		9.96	-	
Stores And Spares Parts		153.19	229.11	
		<u>2,081.11</u>	<u>1,113.25</u>	

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	<u>As at</u> <u>March 31, 2010</u>	<u>As at</u> <u>March 31, 2009</u>
SCHEDULE ' 8		
SUNDRY DEBTORS :		
(Unsecured)		
Exceeding six months:		
Considered good	7.15	-
Considered Doubtful	9.01	9.01
	<u>16.16</u>	<u>9.01</u>
Other debts		
Considered good	2,488.26	2,055.38
	<u>2,504.42</u>	<u>2,064.39</u>
Less: Provision for Doubtful Debts	9.01	9.01
	<u>2,495.41</u>	<u>2,055.38</u>
SCHEDULE ' 9A '		
CASH AND BANK BALANCES :		
Cash in hand	5.97	4.13
Cheques / Drafts in hand and remittance in transit	84.60	75.50
Balance with Scheduled Banks in:		
Current Accounts	235.55	22.17
Deposit Account	4,198.55	2,895.32
	<u>4,524.67</u>	<u>2,997.12</u>
SCHEDULE ' 9B '		
OTHER CURRENT ASSETS		
Interest Accrued but not due on		
Bank Deposits	130.66	79.58
Investments	66.33	-
	<u>196.99</u>	<u>79.58</u>
SCHEDULE ' 10 '		
LOANS, ADVANCES & DEPOSITS :		
(Unsecured, considered Good, unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received	593.52	631.15
Prepaid Expenses	8.87	21.81
Claims Receivable	147.86	333.47
Deposits with Government and Others	560.93	700.66
Balance with Central Excise Department	-	14.58
Taxation (Net of provision)	-	56.29
MAT Credit Entitlement	905.75	1,314.03
Advance to Employees	7.01	12.58
	<u>2,223.94</u>	<u>3,084.57</u>
SCHEDULE ' 11 '		
CURRENT LIABILITES :		
Sundry Creditors :		
For Goods		
Dues to Micro, Small & Medium Enterprises (refer note no.18 of schedule 21)	3.75	3.96
Other than Micro, Small & Medium Enterprises	364.35	262.27
For Expenses	1,569.94	2,759.95
For Other	132.38	51.76
Customers' Credit Balances and Advances from customers	25.83	253.52
Security and Other Deposits	201.26	209.25
Interest accrued but not due on Unsecured Loans	2.40	-
Unclaimed Dividend (Investors' Education and Protection Fund to be credited as and when due)	12.36	9.54
	<u>2,312.27</u>	<u>3,550.25</u>

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	As at <u>March 31, 2010</u>	As at <u>March 31, 2009</u>
SCHEDULE ' 12 '		
PROVISIONS		
Taxation (Net of Advance payments)	237.30	-
Retirement Benefits	241.01	261.60
Provisions for Others	147.80	147.80
Proposed Dividend on Equity Shares	350.80	350.80
Corporate Tax on Proposed Dividend	58.26	59.62
	<u>1,035.17</u>	<u>819.82</u>
SCHEDULE ' 13 '		
MISCELLANEOUS EXPENDITURE :		
Deferred Revenue Expenditure	61.00	162.57
Add : Addition during the year	0.00	8.79
Less :Written off during the year	61.00	110.36
	<u>0.00</u>	<u>61.00</u>
	For the year ended	For the year ended
	<u>March 31, 2010</u>	<u>March 31, 2009</u>
SCHEDULE ' 14A '		
INCOME FROM OPERATION :		
Gross Sales	24,107.63	23,090.96
Other Operating Income		
Rent on Hydrogen cylinders/Property at Veraval	27.77	9.52
Sale of Scrap	150.44	66.75
Insurance Claims (Net)	65.28	3.82
Recovery from Hydraulic Testing	3.44	1.94
	<u>24,354.56</u>	<u>23,172.99</u>
SCHEDULE ' 14B '		
OTHER INCOME :		
Liabilities No Longer Required, written back (refer note no 3 of Schedule 21)	1,453.83	61.70
Income From Investments		
On Current Investments		
Dividend Income	0.17	-
Profit on Sale of Investments	5.45	-
On Long Term Investments		
Dividend Income	-	47.43
Profit on Sale of Investments	-	1.28
Interest Income (Tax deducted at source Rs.0.12 lacs,previous year nil)	75.96	7.88
Interest Income on:		
Fixed deposit (Tax deducted at source Rs.42.78 lacs, previous year Rs.40.23 lacs)	330.51	172.89
Others	18.59	262.58
Miscellaneous Income	20.68	73.93
Rebate & Claims	-	14.68
Sundry Balance written off/back(Net)	10.72	36.62
Foreign Exchange Fluctuation	-	2.83
	<u>1,915.91</u>	<u>681.82</u>
SCHEDULE ' 15 '		
INCREASE/(DECREASE) IN STOCKS :		
Closing Stocks :		
Finished Goods	146.91	248.74
Work-in-Progress	114.05	97.39
Waste / Scrap	9.96	-
	<u>270.92</u>	<u>346.13</u>
Less : Opening Stocks :		
Finished Goods	248.74	261.30
Work-in-Progress	97.39	90.20
	<u>346.13</u>	<u>351.50</u>
	<u>(75.21)</u>	<u>(5.37)</u>

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
SCHEDULE ' 16 '		
RAW MATERIALS CONSUMED :		
Opening Stock	538.01	841.40
Add : Purchases	10,203.47	8,491.53
	10,741.48	9,332.93
Less : Closing Stock	1,657.00	538.01
	<u>9,084.48</u>	<u>8,794.92</u>
SCHEDULE ' 17 '		
MANUFACTURING AND OTHER EXPENSES :		
Job Work Expenses	4.00	-
Stores & Spares consumed	1,094.21	758.66
Packing Materials	241.93	162.61
Excise Duty Paid on Closing Stock of Finished Goods	(4.58)	(28.14)
Ash Handling Expenses	0.94	9.89
Power & Fuel	1,746.62	904.44
Raw Water charges and Cess	25.44	24.66
Repairs, Renewals & Replacements :		
Buildings	11.60	15.20
Plant & Machinery	303.01	273.29
Others	94.32	75.41
	<u>3,517.49</u>	<u>2,196.02</u>
SCHEDULE ' 18 '		
PAYMENT TO AND PROVISIONS FOR EMPLOYEES :		
Salaries, Wages including Variable Pay, Bonus and Ex-gratia	958.78	974.70
Contribution to Provident Funds and Other Funds	141.53	159.77
Welfare Expenses	168.47	131.73
	<u>1,268.78</u>	<u>1,266.20</u>
SCHEDULE ' 19 '		
SELLING, DISTRIBUTION, ADMINISTRATION AND OTHER EXPENSES :		
Rates & Taxes(Net)	14.10	31.33
Rent Paid	4.00	3.37
Lease rent Paid	0.07	0.16
Insurance	50.40	74.25
Business Head Office Expenses	130.80	94.70
Miscellaneous Expenses	211.85	251.38
Travelling & Conveyance	53.13	69.26
Donations	22.80	6.71
Auditors' Remunerations	8.48	5.97
Directors' Remuneration	55.94	50.46
Directors' Sitting fee	8.89	6.60
Commission on Sales	21.78	22.53
Foreign Exchange Fluctuation (Net)	1.36	-
Advertisement	4.48	5.19
Rebate & Claims	11.15	-
Freight & Forwarding(Net)	254.22	238.50
Previous year Adjustment(Net)	5.56	1.34
Loss on sale of Assets(Discarded)	3.60	1.85
Miscellaneous Expenditure written off	56.79	55.34
	<u>919.40</u>	<u>918.94</u>
SCHEDULE ' 20 '		
INTEREST AND FINANCIAL CHARGES		
Interest Charges on		
Term Loans	328.38	472.13
Others	9.06	30.91
Debt Restructuring Expenses	9.22	55.02
Premium / Discount Written Off	10.49	-
	<u>357.15</u>	<u>558.06</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE '21'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Preparation

The financial statements have been prepared under the historical cost convention on an accrual basis in compliance with all material aspect of the applicable Accounting Standards notified by Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956 (the Act). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(ii) USE OF ESTIMATES

The preparation of financial statements is in conformity with Indian Generally Accepted Accounting Principles, which require the management to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognized in the periods in which the results are known / materialize.

(iii) FIXED ASSETS

Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and is net of cenvat credit

Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular (Insurance Spares) are Capitalized during the year as an addition to the parent assets and written off over the remaining estimated useful life of the parent assets.

Capital Work in Progress is stated at cost and other relevant overheads incurred during construction period.

(iv) DEPRECIATION/ AMORTISATION

- a) Depreciation on Fixed Assets up to March 31, 1987 has been provided at the then prevailing rates on Straight Line Method pursuant to Circular No. 1/86 dated May 21, 1986 issued by the Department of Company Affairs, Government of India.
- b) For Fixed Assets added from April 1, 1987 onwards, the specified period has been recomputed according to the revised rates of depreciation as specified in schedule XIV to the Act as amended by Notification dated December 16, 1993 and the amount of depreciation has been calculated by allocating the unamortized value over the remaining part of the recomputed specified period.
- c) For Fixed Assets added from April 1, 1993 onwards, depreciation is provided on Straight Line Method at the rates, specified in Schedule XIV, as amended by Notification dated December 16, 1993 of the Act except in the case of the following assets, where depreciation is charged over the estimated useful lives of such assets:

Assets	Estimated useful life (Years)
Condensers (Plant & Machinery)	03
Heat Sealing Machine (Plant & Machinery)	01
Weighing Machine (Plant & Machinery)	01
Leasehold Land	Over the primary period of the lease
Insurance Machinery Spares	Over the remaining estimated useful life of the related parent assets
Computer Software	3 years from the date of their acquisition/ purchase

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

d) Depreciation on the Fixed Assets added/disposed off/ discarded during the year is provided on pro- rata basis with reference to the date of addition/ disposal/ discarding.

(v) INVESTMENTS

Current Investments are stated at lower of cost and fair value. Long term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value. Investments which are readily realisable and intended to be held for period less than one year are current investments. Other Investments are considered as long term investments. Long term debt securities are carried at amortized cost

(vi) 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 asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

(vii) INVENTORIES

- a) Finished Goods (including goods in transit), work-in-progress are valued at cost or net realizable value whichever is lower.
- b) Raw materials, components, stores and spares are valued at lower of weighted Average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used are expected to be sold at or above cost. Obsolete, defective and unserviceable inventory is duly provided for. Scrapped items of stock are valued at net realisable value.
- c) Cost comprises of all costs of purchases, costs of conversions and other costs incurred in bringing the inventory to their present location and conditions.
- d) The value of closing stock of finished goods lying at depot is exclusive of freight charges and inclusive of excise duty paid.

(viii) TRANSACTION OF FOREIGN CURRENCY ITEMS

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary items (except forward contract transactions) are reported using closing rate of exchange at the end of the year. The resulting exchange gain/ loss is reflected in the Profit and Loss Account. Other non-monetary items, like fixed assets are carried in terms of historical cost using the exchange rate at the date of transaction. Exchange rate difference arising on account of conversion/ translation of liabilities for acquisition of Fixed Assets is recognised in the Profit & Loss account.

(ix) RETIREMENT AND OTHER EMPLOYEE BENEFITS

Employee benefits of short term nature are recognized as expense as and when accrued.

Defined Contribution Plan

The Company makes defined contribution to Provident Fund and Superannuation schemes which are recognized in the Profit and Loss Account on accrual basis.

Defined Benefit Plan

The Company's liabilities under Payment of Gratuity Act (funded), and long term compensated absences (non funded) are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method except for short term compensated absences which are provided for based on estimates. Actuarial gains and losses are recognised immediately in the statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and tenure

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

of the Government bonds are consistent with the currency and estimated tenure of the defined benefit obligation.

(x) RECOGNITION OF INCOME & EXPENDITURE

Sales are recorded net of trade discounts, Sales Tax, VAT, and include excise duty. Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer .

Income and Expenditure are recognised on accrual basis but Sales claims under escalation clause, insurance and other claims are accounted on acceptance basis.

(xi) BORROWING COST

Borrowing Costs, attributable to acquisition and construction of qualifying assets, are capitalised as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Profit and Loss Account.

(xii) TAXATION

- a) Tax expense comprises of current and deferred tax.
- b) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.
- c) The deferred tax for timing differences is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.
- d) Deferred tax assets in case of unabsorbed losses and unabsorbed depreciation are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.
- e) Credit for entitlement of Minimum Alternate Tax (MAT) is recognized only if the same can be utilized within statutorily permissible time.

(xiii) INTANGIBLE ASSETS

Intangible Assets are recognized by the Company only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the same can be measured reliably.

Intangible Assets are amortized on a systematic basis over its useful life and the amortization for each period will be recognized as an expense.

(xiv) GOVERNMENT GRANTS/ CAPITAL SUBSIDY

- a) Capital subsidy/ Government grants are recognised when there is reasonable assurance that the same will be received. Revenue grants are recognised in the Profit & Loss Account.
- b) Capital subsidy/ Government grants relating to specific non depreciable fixed assets and in the nature of Promoter's Contribution are credited to capital reserve account.
- c) Capital subsidy/ Government grants related to specific depreciable assets are credited to capital reserve account and are recognized as income in profit and loss statement on a systematic and rational basis over the useful life of assets.

(xv) CONTINGENT LIABILITIES AND PROVISIONS

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence. Contingent Liabilities are not provided for in the accounts. These are disclosed by way of Notes to the Accounts.

Provisions are recognised when there is 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 determined based on best estimate required to settle the obligation at the Balance Sheet date.

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

B) NOTES ON ACCOUNTS

As at
March 31, 2010 As at
March 31, 2009
(Rs in Lacs)

1.	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	52.86	137.65
2.	CONTINGENT LIABILITIES & PROVISIONS		
A)	Contingent Liabilities not provided for in respect of the following:		
	Claims against the Company not acknowledged as debts:		
a)	i. Annual Minimum Guarantee Electricity charges & delayed payment surcharge thereon against which Rs.100 lacs (previous year Rs.100 lacs) has been deposited: refer note number 20	6408.05	6,356.46
	ii. Delayed payment surcharge on the amount of fuel surcharge arrears	479.13	651.80
b)	Bank Guarantees outstanding (Against which Rs.115.81 lacs has been deposited as FDR with Banks, Previous year Rs.207.00 lacs)	270.01	270.33
c)	Income Tax		
	i. AY 1998-99, 2000-01, ITAT (Appeals) effect Pending with A.O. (Against which Rs.9.32 lacs paid)	13.15	13.15
	ii. AY 2004-05 partial relief granted by CIT (Appeals) effect of which was pending with A.O. & for rest company has filed appeal with ITAT. ITAT Order has been received and the effect of ITAT order has been given by AO resulting in Nil demand	Nil	0.76
	iii. AY 2005-06 for which the Company had filed appeal with CIT (Appeals). CIT (Appeals) order partly allowed certain expenses disallowed earlier against which appeal before ITAT has been filed	19.80	42.20
	iv. AY 2002-03 for which the Company has filed appeal with CIT (Appeals)	2.27	2.27
	v. AY 2007-08 for which the Company has filed appeal with CIT (Appeals) and Petition u/s 154 has been filed for considering correct amount of TDS & Advance Tax	197.02	Nil
d)	Liquidated damage and interest claimed by BSIDC not acknowledged by the Company	115.14	30.40
e)	Compensation payable against various labour cases pending with various courts	156.00	156.00
f)	Land revenue and Maintenance charges payable to Ranchi Industrial Area Development Authority (RIADA), Ranchi	10.50	10.50

B) Provisions

(Rs in Lacs)

	Nature	Opening Balance	Addition	Utilisation	Closing Balance
	Various pending labour cases with court	147.80	0.00	0.00	147.80

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

3. Liabilities no longer required written back includes Rs1282.61 lacs, earlier provided, towards fuel surcharge for financial year 2002-03. The same has been written back based on the decision of Supreme Court in the case of Bihar State Electricity Board v/s Pulak Enterprises Limited, interpretation whereof is supported by legal opinion obtained by the Company.

4. **RETIREMENT BENEFITS**

The details of the Company's defined benefit plans for its employees are as under:

AMOUNTS RECOGNISED IN THE BALANCE SHEET IN RESPECT OF GRATUITY (FUNDED BY THE COMPANY):

Present value of the funded defined benefit obligation

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
A Status		
a) at the end of the period	544.44	454.04
b) Fair value of plan assets	415.20	300.78
c) Net Liability/ (Asset)	129.24	153.26

Amounts recognised in Salary, Wages and Employee Benefits in the Profit and Loss Account in respect of gratuity:

(Rs in Lacs)

	Current Year	Previous Year
A Components of Employer Expenses		
a) Current Service Cost	30.33	29.18
b) Interest on Defined Benefit Obligations	39.94	33.95
c) Expected Return on Plan Assets	(28.64)	(17.12)
d) Actuarial Losses/ (Gains)	38.71	32.81
e) Actuarial losses/ (gains) on Plan assets	(26.09)	4.71
f) Net Gratuity Cost	54.25	83.52

Actual Return on Plan Assets:

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
a) Expected Return on Plan Assets	28.64	17.12
b) Actuarial Gain/ (Loss) on Plan Assets	26.09	(4.71)
c) Actual Return on Plan Assets	54.73	12.41

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

Reconciliation of present value of the obligation and the fair value of the Plan Assets:

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
A Change in Defined Benefit Obligation		
a) Opening Present Value of Defined Benefit Obligation	454.04	394.74
b) Current Service Cost	30.33	29.18
c) Interest Cost	39.94	33.95
d) Actual (Gains)/ losses	38.71	32.81
e) Benefits Paid	(18.58)	(36.63)
f) Closing Present Value of Defined Benefit Obligation	544.44	454.04
B Change in Fair Value of Assets		
a) Opening Plan assets	300.78	127.32
b) Expected Return on plan assets	28.64	17.12
c) Actual Company contributions	78.27	197.68
d) Employee Contributions	0.00	0.00
e) Actuarial gains/ (losses) on Plan Assets	26.09	(4.71)
f) Benefits paid	(18.58)	(36.63)
g) Closing Plan assets	415.20	300.78

There are no amount included in the fair value of Plan Assets for:

- Company's own financial instrument
- Property occupied by or other assets used by the company

Expected rate of return on assets is based on the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

AMOUNTS RECOGNISED IN THE BALANCE SHEET IN RESPECT OF LEAVE ENCASHMENT (ACCRUED BUT NOT FUNDED):

Present value of the defined benefit obligation

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
A Status		
a) At the end of the period	111.77	108.34
b) Fair value of plan assets	0.00	0.00
c) Net Liability/ (Asset)	111.77	108.34

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

Amounts recognised in Salary, Wages and Employee Benefits in the Profit and Loss Account in respect of leave encashment:

(Rs in Lacs)

	Current Year	Previous Year
A Components of Employer Expenses		
a) Current Service Cost	14.60	4.51
b) Interest on Defined Benefit Obligations	8.80	7.99
c) Expected Return on Plan Assets	0.00	0.00
d) Actuarial Losses/(Gains)	10.59	49.09
e) Net Gratuity Cost	34.00	61.59

Reconciliation of present value of the obligation and the fair value of the Plan Assets:

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
A Change in Defined Benefit Obligation		
a) Opening Present Value of Defined Benefit Obligation	108.34	91.32
b) Current Service Cost	14.60	4.51
c) Interest Cost	8.80	7.99
d) Actuarial (Gains)/ Losses	10.59	49.09
e) Benefits Paid	(30.57)	(44.57)
f) Closing Present Value of Defined Benefit Obligation	111.77	108.34
B Change in Fair Value of Assets		
a) Opening Plan assets	0.00	0.00
b) Expected Return on plan assets	0.00	0.00
c) Actual Company contributions	30.57	44.57
d) Employee Contributions	0.00	0.00
e) Actuarial gains/ (losses) on Plan Assets	0.00	0.00
f) Benefits paid	(30.57)	(44.57)
g) Closing Plan assets	0.00	0.00

Principal Actuarial Assumptions at the Balance Sheet date

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
Discount Rate	8.00%	8.00%
Rate Of return on plan Assets (only in case of Gratuity)	8.00%	9.00%
Rate Of increase salaries	5.00%	5.00%
Expected Average remaining working lives of employees (years)	12.93	13.37
Withdrawal Rates	Varying between 2% per annum and 1% per annum depending on duration and age of the employees	

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

In respect of Defined contribution schemes-

The company contributes 12% of salary for all eligible employees towards Provident Fund managed by Approved Trust. The company also contributes a 15% of salary for eligible employees as per scheme towards Superannuation Funds managed by Approved Trusts.

The Company has recognised the following amount as an expense and included in the Schedule 18 "Contribution to Provident Fund and other Funds":

(Rs in Lacs)

	Current Year	Previous Year
Contribution to Employee Provident Fund	59.06	55.53
Contribution to Superannuation Fund	26.50	18.46
Contribution to Gratuity Fund	55.98	85.78
	141.54	159.77

The shortfall of interest on Trust Managed Funds compared to statutory rates (presently Nil), if any, arising in future is not recognized as the Guidance Note from Actuarial Society of India is yet to be issued in relation to this.

5. LOAN AND ADVANCES INCLUDES

Amount Receivable from	Balance as on March 31, 2010	Balance as on March 31, 2009	Maximum amount due at any time during the year ended March 31, 2010	Maximum amount due at any time during the year ended March 31, 2009
Managing Director	NIL	NIL	NIL	NIL
Dues from Employees	701,611	1,257,938	19,82,805	14,95,995

6. The Company is primarily engaged in Chlor Alkali Chemicals. Since the inherent nature of entire business activities is governed by the same act of risk and returns, there is no reportable segment. Company does not have reportable secondary segment.

7. RELATED PARTY DISCLOSURE :

Disclosure in respect of Related Parties pursuant to Accounting Standard 18

A. List of Related Parties

(i) Holding Company

Hindalco Industries Ltd.

(ii) Fellow Subsidiaries Company

1 Aditya Birla Minerals Limited	12 Birla Nifty Pty Limited
2 Al Dotcom Sdn. BHD.	13 Birla Resources Pty Limited
3 Albrasilis-Aluminio do Brasil Industria e Comercia Ltda	14 Dahej Harbour and Infrastructure Limited
4 Alcom Nikkei Specialty Coatings Sdn Berhad	15 East Coast Bauxite Mining Company Private Limited
5 Aluminum Company of Malaysia Berhad	16 Eurofoil, Inc.
6 Aluminum Upstream Holdings LLC	17 Evermore Recycling LLC
7 AV Aluminium Inc, Canada	18 HAAL (USA) Inc
8 AV Metals Inc, Canada	19 Hindalco - Almex Aerospace Limited
9 AV Minerals BV, Netherland	20 Indal Exports Limited
10 Birla Maroochydore Pty Limited	21 Logan Aluminium Inc.
11 Birla Mt Gordon Pty Limited	

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

22 Lucknow Finance Company Limited	41 Novelis Korea Ltd.
23 Mauda Energy Limited	42 Novelis Lamines France SAS
24 Minerals and Minerals Limited	43 Novelis Luxembourg SA
25 Novelis (India) Infotech Ltd.	44 Novelis Madeira, Unipessoal, Lda
26 Novelis AG	45 Novelis No. 1 Limited Partnership
27 Novelis Aluminium Beteiligungsgesellschaft mbH	46 Novelis PAE Corporation
28 Novelis Aluminium Holding Company	47 Novelis PAE SAS
29 Novelis Belgique SA	48 Novelis Services Limited
30 Novelis Benelux NV	49 Novelis South America Holdings LLC
31 Novelis Brand LLC	50 Novelis Switzerland SA
32 Novelis Cast House Technology Ltd	51 Novelis Technology AG
33 Novelis Corporation (Texas)	52 Novelis UK Ltd.
34 Novelis de Mexico SA de CV	53 Renuka Investments & Finance Limited
35 Novelis Deutschland GmbH	54 Renukeshwar Investments & Finance Ltd.
36 Novelis do Brasil Ltda	55 Suvas Holdings Limited
37 Novelis Europe Holdings Limited	56 Tubed Coal Mines Ltd
38 Novelis Foil France SAS	57 Utkal Alumina International Limited
39 Novelis Inc.	58 4260848 Canada Inc.
40 Novelis Italia SpA	59 4260856 Canada Inc.

(iii) Key Managerial Personnel
Mr. S. S. Gupta

B. During the year following transactions were carried out with the related parties in the ordinary course of business

(Rs in Lacs)

Sl. No.	Nature of relationship/ Transactions	Holding Company	Fellow Subsidiary	KMP	Total
1.	Managing Director Remuneration	-	-	55.94 (50.46)	55.94 (50.46)
2.	Purchase of goods/ licence	1,647.63 (2,054.33)	- -	- -	1,647.63 (2,054.33)
3.	Sale of goods	14,850.58 (15,645.53)	-	-	14,850.58 (15,645.53)
4.	Sale of Assets & Services	1.25 (1.64)	-	-	1.25 (1.64)
5.	Repayment of Unsecured Loan to Related Party	0.00 (1,300.00)	-	-	0.00 (1,300.00)
6.	Interest on unsecured loan	0.00 (26.71)	- -	- -	0.00 (26.71)
7.	Dividend paid	180.08 (180.08)	11.63 * (11.63)*	- -	191.71 (191.71)
8.	Sundry Debtors	647.33 (596.73)	- -	- -	647.33 (596.73)
9.	Sundry Creditors	98.37 (4.80)	- -	- -	98.37 (4.80)

* Paid to Renuka Investments & Finance Limited
Amounts in brackets represent corresponding amount of previous year.
There have been no write off/ write back in respect of the related parties during the year
Related party relationship have been identified by the management and relied upon by the auditors.

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

8. EARNINGS PER SHARE (EPS) IS CALCULATED AS UNDER:

(Rs in Lacs)

Particulars	Current Year	Previous Year
Net Profit after exceptional items as disclosed in Profit and Loss Account (Rs in Lacs)	6,074.27	4,608.21
Weighted average Number of Equity Shares outstanding during the year (In lacs)	233.86	233.86
Basic and Diluted EPS (Rs)	25.97	19.70

9. DEFERRED TAX LIABILITY/(ASSET) AT THE PERIOD END COMPRISE TIMING DIFFERENCES ON ACCOUNT OF:

(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
Deferred Tax Liability (A)		
Depreciation	3,624.50	3,534.26
Premium on Debt Restructuring	0	3.13
Total	3,624.50	3,537.39
Deferred Tax Asset (B)		
Retirement Benefit Expenses	36.96	88.92
Voluntary Retirement	20.75	12.77
Others	5.47	4.64
Total	63.18	106.33
Net Deferred Tax Liability (A-B)	3,561.32	3431.06

10. AUDITORS' REMUNERATION :

(Rs in Lacs)

Statutory Auditors :	Current Year	Previous Year
Audit Fees	3,50,000	3,25,000
Tax Audit Fees	75,000	20,000
Certification Work	2,81,999*	90,000
Reimbursement of Expenses	1,14,855**	1,34,000
Cost Auditors:		
Audit Fees	20,000	20,000
Reimbursement of Expenses	4,684	7,826

* Include Rs12,000 paid to erstwhile auditors

** Include Rs 42,733 paid to erstwhile auditors

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

11. Power (electricity) purchases as well as sale (supply) to JSEB has been accounted for in the accounts as sale/ purchase of power.
12. Realisation from generation of Power (Captive consumption) & cost of power Generation is charged to Profit & Loss Account in respective Division viz Power Plant Division and Caustic Division.
13. In the opinion of the management, Current Assets, Loan and Advances would realize, at least, at the value stated in the Balance Sheet, in the normal course of business.
14. Sundry Debtors include dues from Holding Company, Hindalco Industries Limited, Rs647.33 lacs (Previous year Rs596.73 lacs).
15. With a view to optimise the benefits of specialisation and minimise cost to the Company, its share of expenses towards business operations of Rs130.80 Lacs contributed to Aditya Birla Nuvo Limited and the same has been accounted under 'Business Head Office expenses in Schedule 19.

16. CAPITAL WORK-IN-PROGRESS INCLUDES PRE-OPERATIVE EXPENSES PENDING ALLOCATION:
(Rs in Lacs)

	As on March 31, 2010	As on March 31, 2009
Salary, wages, bonus & ex-gratia	0.00	0.13
Consultancy & Legal Charges	17.54	8.41
Insurance	0.00	2.53
Interest & Financial charges	0.00	1.25
Administrative & other Expenses	0.34	4.49
Power & Fuel	0.00	3.79
	17.88	20.60
Add: Brought forward from previous year	0.60	28.82
	18.48	49.42
Less: Allocated to Fixed Assets	0.00	48.82
	18.48	0.60

Note: The above noted revenue expenditures capitalized as a preoperative expense relates only up to the period the concerned Fixed assets have been put to use

17. REMUNERATION TO MANAGING DIRECTOR

(Rs in Lacs)

	Current Year	Previous Year
Basic Salary	22.34	18.66
Special allowance	14.99	12.01
Variable pay	8.86	10.27
Contribution to Provident and Other Funds *	6.03	4.50
Medical expenses	1.86	1.55
Other Perquisites **	1.86	3.47
Total	55.94	50.46

* Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall company basis at the end of each year and accordingly have not been considered in the above information

** In the determination of Manager's remuneration, certain perquisites have been valued in accordance with the Income Tax Rules, 1962

The Computation of net profit under section 349 of the Companies Act, 1956 has not been given as no commission is payable to the Managing Director and/or Whole Time Director(s) under Section 309 of the Companies Act, 1956 and the remuneration paid to the Managing Director and or Whole Time Director(s) is within the limit specified U/s 198, read with section 349 & 309.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

18. Based on the available information with the Company, the information related to Micro, Small and Medium Enterprises Development Act, 2006 is as under :

(Rs in Lacs)

	Current Year	Previous Year
a) i) Principal amount remaining unpaid to any supplier at the end of the accounting year	3.75	3.96
ii) Interest due on above	-	-
b) Amount of interest paid by the buyer in terms of Sec. 16 of the Act, along with amount of the payment made beyond the appointed date during the year	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	0.07
d) Amount of interest accrued and remaining unpaid at the end of financial year	-	0.07
e) Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	0.07	-

19. Stores & Spares consumed includes replacement of Spare parts of Plant & Machinery, as per consistent policy followed by the company.
20. The order of Consumer Grievance Redressal Forum relating to Annual Minimum Guarantee case was challenged by JSEB before Ranchi High Court. On hearing, the Ranchi High Court directed JSEB to raise the bill in accordance with the Forum's order subject to final adjudication of pending writ. Complying with Forum's order, JSEB has raised bill which involved a refund of Rs.17.80 Lacs to the Company. Since the writ is pending before the Court, contingent liability of Rs.64.08 crores has been disclosed in the accounts.
21. The Donation includes Rs20 Lac to "General Electoral Trust" for distribution to political parties/ persons
22. Other additional information as required under paras 3, 4C and 4D of Part II of Schedule VI to the Act:

a. CAPACITY AND PRODUCTION:

Product	Unit	Installed Capacity*		Production***	
		2009-10	2008-09	2009-10	2008-09
Caustic Soda (100% NaOH)	MT	105000	105000	99993	83562
Liquid Chlorine	MT	63000	63000	60487	44288
Hydrochloric Acid (HCL)	MT	43750	43750	58630**	65075**
Sodium Hypo Chlorite (Lye weight)	MT	18000	18000	15505	9760
Compressed Hydrogen	NM ³	-	1742400	-	254709
Aluminium Chloride	MT	8575	12000	7598#	8641
Stable Bleaching Powder (SBP)	MT	17520	17520	7543	4615##
Electricity (Thermal Power)	MW/H	30	30	28.32	26.65

* The installed capacity is as certified by the management and licensed capacity is not given as licensing has been abolished

** Production of HCL is made on 33% basis

*** Actual Production is net of Captive/ Auxiliary consumption except for generation of electricity

Production of Aluminium Chloride includes its production on job work basis by outside parties

Excludes trial run production

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

b. PARTICULARS OF SALES & STOCK

(Rs. in Lacs)

	Sales		Opening stock		Closing stock		Purchase	
	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value
Caustic Soda	100138 (84587)	19,255.66 (18,264.14)	210 (1235)	27.37 (133.73)	65 (210)	8.32 (27.37)	- -	- -
Liquid Chlorine (including export)	60450 (44243)	949.69 (617.19)	66 (21)	- (1.08)	103 (66)	1.36 (-)	- -	- -
Hydrochloric Acid(33%)	59269 (64658)	367.72 (588.46)	683 (266)	1.91 (0.40)	44 (683)	0.17 (1.91)	- -	- -
Sodium Hypo Chlorite(Lye)	15402 (9780)	312.28 (225.57)	10 (30)	0.21 (0.54)	113 (10)	2.36 (0.21)	- -	- -
Aluminium Chloride	7988 (8264)	2,493.59 (2,678.75)	760 (383)	198.51 (125.43)	370 (760)	116.10 (198.51)	- -	- -
Compressed Hydrogen	- (256998)	- (19.01)	- (2289)	- (0.12)	- (-)	- (-)	- -	- -
Stable Bleaching Powder (SBP)	7620 (4329)	646.50 (369.34#)	286 (-)	20.74 (-)	209 (286)	18.60 (20.74)	- -	- -
Electricity to/ from JSEB (KWH)	1757000 (7830000)	53.41 (250.34)	- -	- -	- -	- -	44130000 (19034000)	1361.46 (654.34)
Others	1660 (1401)	28.79 (51.98)	- -	- -	- -	- -	- -	- -
TOTAL		24,107.63 * (23,064.78)	- -	248.74 (261.30)	- -	146.91 (248.7)	- -	1361.46 (654.34)

* Excludes Excise + cess of Rs Nil (previous year Rs 26,18,679) realized on Sale/ transfer of fixed assets & Scrap

Sales exclude sale of product during trial period

Numbers in bracket () denote previous year's figures

c. DETAILS OF RAW MATERIALS CONSUMED :

(Rs. in Lacs)

Items	Unit	Qty.		Value	
		2009-10	2008-09	2009-10	2008-09
Salt	MT	164635	136210	3,600.70	3,090.08
Soda Ash	MT	244	236	41.57	42.67
Aluminium Ingots	MT	1601	1845	1,520.50	2,023.80
Barium Carbonate	MT	1601	1256	320.74	315.22
Coal	MT	213231	204831	3,037.81	2,946.38
Lime	MT	7177	* 3660	359.02	* 184.12
Others**	MT	-	-	204.14	192.65
Total				9,084.48	8,794.92

* Excludes consumption of raw material during trial run production

** It is not practicable to furnish quantitative information in view of the large number of items which differ in size and nature, each being less than 1% in value of the total

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

d. DETAILS OF IMPORTED & INDIGENOUS MATERIALS CONSUMED

(Rs. in Lacs)

	2009-10		2008-09	
	Amount	%	Amount	%
i) Consumption of Raw Materials :				
Imported	Nil	-	Nil	-
Indigenous	9,084.48	100.00	8,794.92	100.00
	9,084.48	100.00	8,794.92	100.00
ii) Consumption of Stores & Spares:				
Imported	300.39	27.45	4.79	0.63
Indigenous	793.82	72.55	753.87	99.37
	1094.21	100.00	758.66	100.00

(Rs. in Lacs)

CIF Value of Imports	2009-10	2008-09
i) Raw Materials	-	-
ii) Capital Goods & Components	297.52	1,513.44
Expenditure in Foreign Currency (Payment against purchase orders)	280.71	283.70
Export of goods on FOB basis	50.23	79.38

e. DIVIDEND TO NON-RESIDENT SHAREHOLDERS :

Year	No. of Shareholders	No. of Shares held	Amount of dividend remitted (Rs. in Lacs)
For F.Y. 07-08	6	1400	0.02
For F.Y. 08-09	6	1400	0.02

23. Information pursuant to part IV of schedule VI of the Companies Act, 1956, is annexed herewith.

24. Figures of previous year have been regrouped/ rearranged wherever necessary.

As per our attached report of even date

For Khimji Kunverji & Co
Chartered Accountants

Hasmukh B. Dedhia
Partner

Akash Mishra
Company Secretary

A. K. Agarwala
Biswajit Choudhuri
J. C. Chopra
L. S. Naik
K. C. Jhanwar
S. C. Mathur
S.S. Gupta

Director
Director
Director
Director
Director
Director
Managing Director

Place : Mumbai
Dated : April 30, 2010

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details		State Code	03					
Registration No./CIN	L24100JH1976PLC001255							
Balance Sheet Date	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 2px 10px;">31</td> <td style="padding: 2px 10px;">03</td> <td style="padding: 2px 10px;">2010</td> </tr> <tr> <td style="font-size: 8px;">Date</td> <td style="font-size: 8px;">Month</td> <td style="font-size: 8px;">Year</td> </tr> </table>	31	03	2010	Date	Month	Year	
31	03	2010						
Date	Month	Year						

II. Capital Raised during the year (Amount in Rs. Thousand)	
Public Issue	Rights Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil

III. Position of Mobilisation and Deployment of Funds (Amt. in Rs. Thousand)	
Total Liabilities	Total Assets
3690245	3690245
Sources of Funds :	Reserves & Surplus
Paid-up Capital	2659704
233865	Unsecured Loans
Secured Loans	2580
437964	Deferred Tax Liabilities
Application of Funds :	356132
Net Fixed Assets	Deferred Tax Assets
2563403	0
Net Current Assets	Investments
817468	309374
Accumulated Losses	Misc. Expenditure
Nil	0

IV. PERFORMANCE OF COMPANY(Amount in Rs. Thousand)	
	Total Expenditure
Turnover	1914813
2435456	++ Profit/Loss after Tax
Profit/Loss Before Tax	607427
712234	Dividend
Earning per share in Rs.	15.00%
25.97	

V. Generic Names of Three Principal Products/Services of Company As per Monetary Terms

Item Code No. (ITC Code)	281510
Product Description	Caustic
Item Code No. (ITC Code)	280110
Product Description	Liquid Chlorine
Item Code No. (ITC Code)	280610
Product Description	Hydrochloric Acid

Akash Mishra
Company Secretary

A. K. Agarwala
Biswajit Choudhuri
J. C. Chopra
L. S. Naik
K. C. Jhanwar
S. C. Mathur
S.S. Gupta

Director
Director
Director
Director
Director
Director
Managing Director

Place : Mumbai
Dated : April 30, 2010

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lacs)		
	Year ended March 31, 2010	Year ended March 31, 2009
A. Cash Flow from Operating Activities		
Net Profit/(loss) before tax	7,122.34	5,560.47
Adjustments for :		
Depreciation	2,003.57	1,871.16
Miscellaneous Expenditure written off	61.00	110.36
(Profit)/loss on sale of Investment	(5.45)	(1.28)
(Profit)/Loss on sale of Assets (Net)	3.60	1.85
Interest/Dividend Received	(425.23)	(490.78)
Interest charges	337.44	503.04
Operating Profit before working capital changes	9,097.27	7,554.82
Changes in Working Capital		
Decrease/(Increase) in Trade and Other receivables	(43.98)	(903.85)
Decrease/(Increase) in Inventories	(967.86)	265.98
Increase/(Decrease) in Trade payables	(1263.78)	(35.73)
Cash generated/(Used in) from Operating Activities	6,821.65	6,881.22
Direct taxes paid	(940.75)	(639.05)
Cash flow before non-recurring items	5,880.90	6,242.17
Increase in Deferred Miscellaneous Expenditure	0.00	(8.79)
Net Cash generated/(Used in) from Operating Activities	5,880.90	6,233.38
B. Cash Flow from Investment Activities		
Purchase of Fixed Assets	(683.21)	(3504.24)
Sale of Fixed Assets	34.69	45.77
Purchase of Investments (Net)	(3178.34)	(130.00)
Sale of Investments	120.05	2,601.28
Dividend Received	0.17	47.43
Interest Received	307.65	391.17
Net Cash generated/(Used in) from Investment Activities	(3398.99)	(548.59)
C. Cash Flow from Financing Activities		
Dividend Paid (including Corporate Tax on Dividend)	(410.42)	(410.42)
Proceeds/Repayment of Long Term Borrowings	(1145.60)	(3350.04)
Proceeds/Repayment of Short Term Borrowings	933.88	(2.93)
Interest paid	(335.04)	(507.80)
Net Cash generated/(Used in) from Financing Activities	(957.18)	(4271.19)
Net Increase/(Decrease) in cash and Cash Equivalents(A+B+C)	1,524.73	1,413.60
Cash and Cash Equivalents (Opening Balance)	2,987.58	1,573.98
Cash and Cash Equivalents (Closing Balance)	4,512.31	2,987.58

Notes:

- Cash and cash equivalents include cheques/drafts in hands and remittance in transit and balance with Banks.
- Previous years figures have been regrouped/rearranged wherever necessary.

As per our attached report of even date

For Khimji Kunverji & Co Chartered Accountants	A. K. Agarwala Biswajit Choudhuri J. C. Chopra L. S. Naik K. C. Jhanwar S. C. Mathur S.S. Gupta	Director Director Director Director Director Director Managing Director
Hasmukh B. Dedhia Partner	Akash Mishra Company Secretary	

Place : Mumbai
Dated : April 30, 2010

COMPANY SECRETARY'S RESPONSIBILITY STATEMENT

The Company Secretary confirms that, for the financial year 2009-10, the Company has :

1. maintained all the books of accounts and statutory registers,
2. filed all forms and returns and furnished all necessary particulars to the Registrar of Companies and/or Authorities as required under the Companies Act, 1956,
3. registered all the charges, if any, created in favour of financial institutions, banks and others with the Registrar of Companies and/or Authorities as required under the Companies Act, 1956,
4. issued all Notices required to be given for Board Meetings and General Meetings within the time limit prescribed by law,
5. conducted the Board Meetings and Annual General Meeting as per the Companies Act, 1956,
6. effected share transfers and despatched the certificates within the time limit prescribed by various authorities,

No unpaid dividend was due for transfer to the Investor Education and Protection Fund, constituted by the Central Government during the year under review.

The Company has complied with the rules and regulations prescribed by the Stock Exchanges, SEBI and other Statutory Authorities and the statutory requirements under the Companies Act, 1956 and other applicable statutes in force.

Akash Mishra
Company Secretary

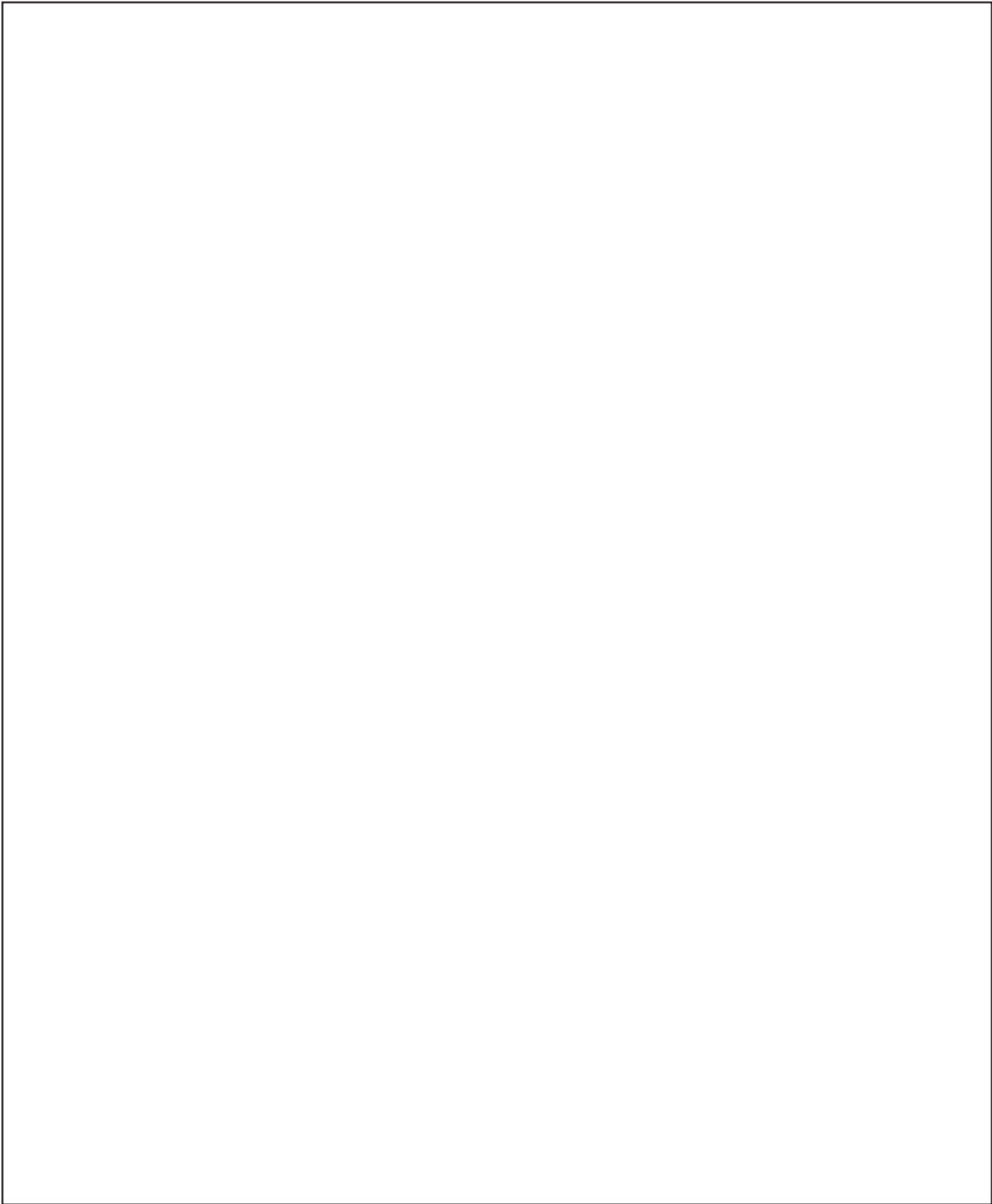
Place : Mumbai

Date : April 30, 2010

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

Parameters	Unit	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10
Financial Results											
Gross Turnover	Rs.in crores	86.22	90.78	104.27	107.84	124.83	129.05	166.31	202.51	230.91	241.08
PBDIT	Rs.in crores	1.81	28.85	36.82	37.96	50.88	55.31	71.30	85.01	79.90	94.83
PBDT	Rs.in crores	(1.78)	13.60	21.96	25.78	41.95	47.52	60.58	75.81	74.32	91.26
PBT	Rs.in crores	(4.47)	6.38	13.95	16.06	29.70	38.12	44.76	58.45	55.60	71.22
PAT	Rs.in crores	(4.47)	3.93	7.51	8.63	26.45	26.15	33.76	49.27	46.08	60.74
Net Worth	Rs.in crores	22.64	30.45	36.86	56.64*	81.53	108.56	146.13	195.79	239.34	289.36
Current Ratio	Numbers	0.76	0.95	1.04	1.42	1.34	0.98	1.66	1.56	2.13	3.44
Debt Equity Ratio	Numbers	4.74	3.64	2.64	1.37	0.73	1.02	0.76	0.40	0.19	0.15
Earning per share	Rs/Share	(5.73)	5.04	9.63	4.84*	11.31	11.18	14.43	21.07	19.70	25.97
Return on Capital Employed	%	(0.68)	15.31	21.46	21.07	27.39	32.00	21.25	23.04	19.62	23.15
Book Value/Share	Rs/Share	29.03	39.04	47.26	24.21*	34.84	46.42	62.49	83.72	102.34	123.73
Return on Net worth	%	(19.74)	12.91	20.37	15.24*	32.44	27.51	23.10	25.16	19.25	20.99
Dividend	%	Nil	Nil	Nil	5%	8%	10%	15%	15%	15%	15%

*Due to increase in equity capital on account of rights-issue @ 2:1



ADITYA BIRLA CHEMICALS (INDIA) LIMITED

“Ghanshyam Kunj” Garhwa Road, P.O. Rehla - 822 124, Distt. Palamau (Jharkhand)

ATTENDANCE SLIP

34th Annual General Meeting

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on Friday, the August 6, 2010 at 10:00 A.M. at the Registered Office of the Company.

Folio No.		Full Name of the shareholder (In Block Letter)	Signature
DP ID*			
Client ID *		Full Name of Proxy (In Block Letter)	Signature

*Applicable for investors holding shares in electronic form

Tear here

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

Garhwa Road, P.O. Rehla - 822 124, Distt. Palamau (Jharkhand)

PROXY FORM

DP ID*		Regd. Folio No.	
Client ID*			

Folio No/Client ID No....., DP ID No.....

I/We.....
of.....being a Member/ Members of Aditya Birla Chemicals (India) Limited hereby appoint.....
ofor failing him.....
of.....as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Friday, the August 6, 2010 at 10:00 A.M. and at any adjournment thereof.

As Witness my/our hand/hands this.....day of.....2010.

Signature (s).....

Revenue Stamp

*Applicable for investors holding shares in electronic form

Note : The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Tear here