



**ALLIANCE  
INTEGRATED METALIKS LIMITED**

**24TH ANNUAL REPORT  
2012-2013**

# ALLIANCE INTEGRATED METALIKS LIMITED

## 24TH ANNUAL REPORT 2012-2013

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### BOARD OF DIRECTORS

Mr. Ashish Pandit	<i>Chairman</i>
Mr. Mahesh Ochani	<i>Managing Director</i>
Mr. Sunil Kumar	<i>Director</i>
Mr. Avijit Banerjee	<i>Director</i>
Mr. D.S Chahal	<i>Director</i>

### Company Secretary

Mr. Rakesh Vij

### Auditors

M/s A.C. Gupta & Associates  
*Chartered Accountants*  
New Delhi

### Registered & Corporate Office:

910, Ansal Bhawan  
16, K.G. Marg  
New Delhi – 110001  
Ph: +91-11-41525361  
E-mail : [info@aiml.in](mailto:info@aiml.in)  
Website : [www.aiml.in](http://www.aiml.in)

### Works:

Village - Sarai Banjara,  
P.O. - Basant Pura,  
Tehsil - Rajpura,  
Distt. - Patiala  
Punjab - 140401

### Registrar & Share Transfer Agent

Beetal Financial & Computer Services (P) Limited  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,  
Behind Local Shopping Centre  
Near Dada Harsukhdas Mandir,  
New Delhi-110062  
Tel.: 011-29961281-83, Fax: 011-29961284  
E-mail: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

### Banker

Indian Overseas Bank

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**NOTICE**

**NOTICE** is hereby given that the Twenty-Fourth Annual General Meeting of the Company will be held on Monday, the 30<sup>th</sup> day of December, 2013 at 12:30 p.m. at Mapple Emerald Rajokari, NH-8, New Delhi-110038 to transact the following business as:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30<sup>th</sup> June, 2013 and the Statement of Profit & Loss for the year ended on that date together with the Reports of Directors and the Auditors thereon.
2. To declare dividend @ 1% on Fully Paid-up Redeemable Non Cumulative Preference Shares.
3. To appoint a Director in place of Mr. Sunil Kumar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board  
**For Alliance Integrated Metaliks Limited**

Place : New Delhi  
Date : 5th December, 2013

Sd/-  
**(Mahesh Ochani)**  
Managing Director

**NOTES:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) An instrument appointing proxy, in order to be effective, must be received at the registered office of the Company not later than 48 hours before the commencement of the Annual General Meeting.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 26<sup>th</sup> December, 2013 to Monday, 30<sup>th</sup> December, 2013 (both days inclusive).
- 4) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
- 5) M/s Beetal Financial & Computer Services (P) Limited, Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 are the Registrar and Share Transfer Agent (RTA) of the Company to handle transfers both in physical and electronic segments and other related matters. Shareholders are requested to address all their correspondence to the Registrar and Share Transfer Agent at the above address.
- 6) Members who hold shares in electronic mode are requested to quote their Client Id and DP Id number and those who hold shares in physical form are requested to write their Folio number in all correspondence with the Company/Registrar for facilitating quick disposal of the matters.
- 7) Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in form No. 2B in duplicate (which will be made available on request) to the R & T Agents of the Company.
- 8) The Members/Proxies attending the Annual General Meeting are requested to bring the enclosed attendance slip and deliver the same after filling in their Folio number at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip.



## ALLIANCE INTEGRATED METALIKS LIMITED

Duplicate Attendance Slip will be issued at the Registered Office of the Company up to a day preceding the day of Annual General Meeting during business hours.

- 9) The members are requested to bring their copies of Annual Report to the Meeting, as the same will not be redistributed at the venue of Annual General Meeting.
- 10) The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a '**Green Initiative in Corporate Governance**' and allowed Companies to share documents with its shareholders through electronic mode. To support this green initiative of the Government in full measure, members who have not registered their E-mail addresses so far are requested to register their E-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their E-mail address with M/s Beetal Financial & Computer Services (P) Limited, Registrar and Share Transfer Agent of the Company.

### INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING:

<b>Name of Director</b>	Mr. Sunil Kumar
<b>Date of birth</b>	08.08.1970
<b>Qualification</b>	B. Com
<b>Date of appointment</b>	31.12.2011
<b>Expertise in specific functional areas</b>	Marketing
<b>List of other Companies* in which Directorships held (excluding foreign companies, private companies and alternate Directorships)</b>	Nil
<b>Shareholding in the Company</b>	Nil

By Order of the Board  
**For Alliance Integrated Metaliks Limited**

Sd/-

Place : New Delhi  
Date : 5th December, 2013

(**Mahesh Ochan**)  
Managing Director

**DIRECTORS' REPORT**

TO  
 THE MEMBERS,  
**ALLIANCE INTEGRATED METALIKS LIMITED**

Your Directors take pleasure in presenting the Twenty-Fourth Annual Report together with the Audited Annual Accounts of the Company for the financial year ended 30<sup>th</sup> June, 2013.

**FINANCIAL RESULTS**

(Rupees in Lacs)

<b>PARTICULARS</b>	<b>2012-2013</b>	<b>2011 -2012</b>
Revenue from Operations	17203.22	2726.43
Expenditures	17180.63	2718.50
Profit before Taxation	22.59	7.93
Tax Expenses	(7.29)	3.74
Profit after Tax	29.88	4.19
ADD:-Accumulated Profits	10.94	6.75
Balance available for appropriation	<b>40.82</b>	<b>10.94</b>
APPROPRIATIONS		
Dividend on Preference Shares	9.08	—
Tax on Dividend of Preference Shares	1.40	—
Net Profit Transferred to Balance Sheet	30.34	10.94

**PERFORMANCE**

During the year under review, the Company has earned revenue from Operations of Rs. 17203.22 lacs as compared to Rs. 2726.43 lacs in the previous year. Profit after tax (PAT) stood at Rs 29.88 lacs as against Rs. 4.19 lacs in the previous year.

**CHANGE IN CAPITAL STRUCTURE**

During the year under review, the Authorised share capital of your Company was increased from Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- each and 2,50,00,000 (Two Crores Fifty Lacs) Preference Shares of Rs. 10/- each to Rs.1,00,00,00,000 (Rupees One Hundred Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- each and 7,00,00,000 (Seven Crores) Preference Shares of Rs. 10/- each.

The company has allotted 6,50,00,000 (Six Crore and Fifty Lacs) fully paid 1% Redeemable Non Cumulative Preference Shares of face value of Rs. 10/- each at a premium of Rs. 90/- per share to M/s W.L.D. Investments Private Limited.

**DIVIDEND**

For the year ended 30th June, 2013, the Board of Directors recommends dividend @ 1% on Fully Paid-up Redeemable Non Cumulative Preference Shares for the year ended 30<sup>th</sup> June, 2013. However, in view of the ongoing expansion projects of the Company no dividend is recommended on Equity Shares of the Company. The total outgo on account of dividend on Preference Shares will be Rs. 10.48 lacs (including dividend tax of Rs.1.40 lacs).

**DIRECTORS**

Mr. Sunil Kumar retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.



## AUDITOR REPORT

The Auditor's Report attached hereto is self explanatory and therefore, does not call for any further comments.

## AUDITORS

M/s A.C. Gupta & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office if re-appointed. The Audit Committee and your Directors recommend the re-appointment of M/s A.C. Gupta & Associates.

The Company has received letter from M/s A.C. Gupta & Associates, Chartered Accountants, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified from such appointment in terms of Section 226 of the Companies Act, 1956.

## COST AUDITOR

Pursuant to the Companies (Cost Accounting Records) Rules, 2011 issued by the Ministry of Corporate Affairs, Mr. Yash Pal Sardana (membership No. 17996) Practicing Cost Accountant, was appointed to conduct audit of cost records of Company's Plant for the year ended 30<sup>th</sup> June, 2013. Cost Auditor Reports would be submitted within prescribed time.

## PUBLIC DEPOSITS

During the year under review, the Company has not accepted any public deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Hence no information is required to be furnished in this respect.

## DE- MATERIALISATION OF SHARES

Company's Equity Shares are available for de- materialization on both the depositories 'viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatorily in de-materialized form. As on 30<sup>th</sup> June, 2013, 11,672,000 Equity Shares representing 75.49% of your Company's Equity Share capital have been de-materialized.

## LISTING AT STOCK EXCHANGES

The shares of Company are listed on Bombay Stock Exchange Limited, Delhi Stock Exchange Limited, Jaipur Stock Exchange Limited and Ahmedabad Stock Exchange Limited.

The Company has paid the annual listing fee to the Stock exchanges for the year 2013- 2014.

## STATUTORY INFORMATION

- Particulars of Employees under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are Nil.
- Statutory details of Energy Conservation and Technology Absorption, R & D activities and Foreign Exchange Earnings & Outgo as required under Section 217(1) (e) of the Companies Act, 1956 and rules prescribed there under i.e. the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 are given in the Annexure and form part of this Annual Report.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned – Nil

Foreign Exchange outgo – 70.82 Lacs

## BUY BACK

In accordance with the provisions of Section 77A, 77AA and 77B of the Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations, 1998, the shareholders of the Company have approved the Buy Back of 38,50,000 fully paid Equity Shares for a price not exceeding Rs. 171/- through postal ballot.

**CORPORATE GOVERNANCE**

A separate section on Corporate Governance forms part of Directors' Report and the certificate from the Managing Director and Auditors confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange's is included in this Annual Report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report as required under clause 49 of the Listing Agreement with Stock Exchanges is presented in a separate section forming part of this Annual Report.

**INDUSTRIAL RELATIONS**

During the year under review, the relations between the management and the workmen were highly cordial.

**INVESTOR RELATIONS**

Your Company always endeavors to promptly respond to shareholder's requests / grievances. Each and every issue raised by the shareholder's is taken up with utmost priority and every effort is made to resolve the same at the earliest. The Shareholders' and Investors' Grievances Committee of the Board periodically reviews the status of the redressal of investors' grievances.

**EMPLOYEE'S WELFARE**

The Company continued to implement the employee welfare programmes and schemes with utmost zeal. The welfare programmes were constantly reviewed and improvements were made wherever necessary.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, as amended by Companies (Amendment) Act, 2000 with respect to Directors' Responsibility Statement, it is hereby confirmed:-

- that in the preparation of the annual accounts for the year ended 30<sup>th</sup> June, 2013, the applicable Accounting Standards have been followed;
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year (30<sup>th</sup> June, 2013) and of the profit or loss of the Company for the period under review (2012-2013);
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors had prepared the annual accounts on a going concern basis.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation to all the stakeholders including all the employees of the Company for their dedicated efforts. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Authorities for their continued support.

By Order of the Board  
**For Alliance Integrated Metaliks Limited**

Place : New Delhi  
Date : 5th December, 2013

Sd/-  
**(Ashish Pandit)**  
Chairman

**ANNEXURE – I TO THE DIRECTORS’ REPORT 2012-13**

**INFORMATION PURSUANT TO SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS’ REPORT FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE, 2013:**

**1. Research & Development (R&D)**

- |    |   |   |  |   |
|----|---|---|--|---|
| a) | Specific area in which (R&D) carried out by the Company | : | i)   | Product design & development                      |
|    |   |   | ii)  | Process design & improvement for various products |
| b) | Benefits derived as result                              | : | 1.   | Reduction in process time                         |
|    |   |   | 2.   | Higher productivity                               |
|    |   |   | 3.   | Consistent quality                                |
| c) | Future plan of action in Mfg. process & operation       | : | To achieve better yield by way of cost reduction through higher level of production. |   |

**2. Technology Absorption:**

- |    |   |   |   |   |
|----|---|---|---|---|
| a) | Efforts in brief towards technology absorption  | : | The Company has indigenized and absorbed Technological changes. |   |
| b) | Benefits derived as a result of above efforts e.g. product  | : | (i)   | Cost reduction due to saving in raw material & power & Fuel |
|    |   |   | (ii)  | Increase in Productivity & better quality.                  |
| c) | In case of imported technology (import) during the last 6 years reckoned from the beginning of the financial year | : | N.A   |   |

**3. Foreign Exchange Outgo:**

Foreign Exchange Used (Rs. in Lacs)	Current Year	Previous Year
	70.82	2307.23

**4. Conservation of Energy:****A. Power & Fuel consumption**

	Current Year	Previous Year
1. Electricity Purchased		
Units	366, 643.00	100,700.00
Total Amt. (In Rs.)	3,978,737.00	1,268,185.00
Rate/Unit	10.85	12.59
2. Own generation through Generator		
Units	390,950.69	98,576.00
Unit/Ltr	2.89	2.30
Rate/Unit	16.36	17.38
Total Amt. (In Rs.)	6,397,220.00	1,713,034.00

**B. Consumption Per Unit of Production**

Production (In MT)	3855.84	971.99
Cost/MT	2690.97	3067.14

## REPORT ON CORPORATE GOVERNANCE

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to doing business in an efficient, fair, honest and ethical manner. Good Corporate Governance goes beyond compliances and requires strong commitment to adopt best practices being followed. It starts with the Board of Directors and percolates down the order throughout the Organization and seeks to raise the standards of corporate management, strengthens the Board systems, significantly increases its effectiveness and ultimately serves the objective of maximizing the shareholder's value. The philosophy of the Company is in consonance with the accepted principles of good governance.

### II. BOARD OF DIRECTORS

The Company is in compliance with clause 49 of the Listing Agreement pertaining to Composition of Board of Directors. More than 50% of the Directors of the Company are non-executive with more than one-third (1/3<sup>rd</sup>) being independent. As on 30<sup>th</sup> June, 2013 Board of Directors of your Company consists of five members of which four are Non-Executive and Independent Directors. The Chairman of the Board is a Non-Executive Director.

#### A. Composition of Directorships

The Constitution of the Board as on 30<sup>th</sup> June, 2013 is as follows:-

S. No.	Name of the Director	Status	Executive/ Non – Executive/ Independent	No. of Board Meetings attended	Attendance at the last AGM held on 31.12.2012	No. of other Directorships as on 30.06.2013*	No. of Committees positions held in other Public Companies as on 30.06.2013**	
							Membership	Chairmanship
1.	Mr. Ashish Pandit	Chairman	Non Executive & Independent	9	P	15	Nil	Nil
2.	Mr. Sunil Kumar	Director	Non Executive & Independent	2	NP	Nil	Nil	Nil
3.	Mr. Mahesh Ochani	Managing Director	Executive Director	9	NP	Nil	Nil	Nil
4.	Mr. Avijit Banerjee	Director	Non Executive & Independent	3	P	6	Nil	Nil
5.	Mr. Daljit Singh Chahal	Director	Non Executive & Independent	8	NP	9	Nil	Nil

#### Notes:

- a) Nine Board Meetings were held during the Financial Year 2012-13 on 16.07.2012, 11.08.2012, 08.11.2012, 05.12.2012, 10.01.2013, 14.02.2013, 01.04.2013, 10.05.2013 and 14.05.2013.
- b) The Non-Executive Chairman has not desired an office at the Company's expense.
- c) \* This excludes directorship held in Private Companies, Foreign Companies, Alternate Directorship and Companies formed under Section 25 of the Companies Act, 1956.
- d) \*\*Includes only Membership/Chairmanship in Audit Committee and Shareholder's/Investor's Grievance Committee.



## **B. Board Procedure**

The members of the Board were provided with all the requisite information as required under the Listing Agreement well before the Board Meeting and the same was dealt with appropriately.

All the Directors who are in various Committees are within the permissible limit of the listing agreement and none of the Directors is disqualified for appointment as director under any of the provisions Companies Act, 1956.

## **C. Inter – se and Pecuniary Relationship**

The Directors of the Company are not related inter-se and there is no pecuniary relationship or transaction of the non-executive Directors vis-à-vis the Company.

## **III. COMMITTEES OF THE BOARD**

### **A. Audit Committee**

The terms of reference of the Audit Committee include those specified under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956 such as:

- to oversee the Company's financial reporting process and disclosure of its financial information,
- to recommend appointment of Statutory Auditors and fixation of audit fee,
- to review quarterly and annual financial statements before submission to the Board and to advice and make recommendations to the Board on matters related to financial management of the Company, including Audit Reports,
- to review and discuss with Auditors about internal control system, major accounting policies & practices, reviewing Companies financial and Risk management policies in compliance with the listing agreement and legal requirements concerning financial statements and
- to carry out any other functions as mentioned in terms of reference to the Audit Committee.

The Board of the Company had constituted an Audit Committee, comprising three Directors. The constitution of the Audit Committee meets the requirement of section 292A of the Companies Act, 1956. All the members of the Committee viz. Mr. Ashish Pandit (Chairman), Mr. Sunil Kumar and Mr. Daljit Singh Chahal are Independent and Non-Executive. The power and role of the Audit Committee is as per the guidelines set out in the listing agreement and as prescribed under section 292A of the Companies Act, 1956. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

During the Year, the Committee met 5 times. All the members were present in all the meetings held during the year.

### **B. Remuneration Committee**

The Board has constituted a Remuneration Committee to review and approve the annual salaries, commission, service agreement and other employment conditions for the executive Directors. The Committee comprises three non-executive and independent Directors viz. Mr. Sunil Kumar (Chairman), Mr. Daljit Singh Chahal (Member) and Mr. Ashish Pandit (Member).

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

During the financial year, no committee meeting was held.

### **C. Shareholder's/Investor's Grievance Committee**

The Board has constituted a Shareholder's/Investor's Grievance Committee Comprising of Mr. Ashish Pandit (Chairman) and Mr. Sunil Kumar (Member) to specifically look into redressal of shareholders' and investors' grievances such as Share transfer, dividend, dematerialization and related matters.

No committee meeting was held during the year and no investor grievance was received by the Company.

The Company has also adopted Code of Internal Procedures and Conduct for Prevention of Insider Trading in the shares of the Company, pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation,

1992, as amended. The Board has authorized this Committee to monitor the compliances as required under the aforesaid Regulation.

#### **D. Share Transfer Committee**

The Board has delegated the powers to approve transfer of the Shares to Share Transfer Committee. The Committee deals with the following matters:

- Transfer/transmission of shares;
- Issue of new share certificates;
- Review of de - materialization of shares;
- All other matters relating to shares.

Since there were no requests for transfer/transmission of shares no Committee meeting was held during the year.

#### **IV. COMPLIANCE OFFICER**

The Board has designated Mr. Rakesh Vij, Company Secretary as Compliance Officer of the Company.

#### **V. GENERAL BODY MEETINGS**

##### **A. The Last Three Annual General Meetings were held as under:-**

<b>Year</b>	<b>Date</b>	<b>Day</b>	<b>Time</b>	<b>Venue</b>	<b>Special Resolution(s) Passed</b>
2011-12	31.12.2012	Monday	01.00 P.M.	910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001	No Special Resolution Passed
2010-11	31.12.2011	Saturday	01.00 P.M.	910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001	No Special Resolution Passed
2009-10	31.12.2010	Friday	10.00 A.M.	910, Ansal Bhawan, 16, K.G. Marg, New Delhi -110001	No Special Resolution Passed

##### **B. Special Resolution passed through Postal Ballot during 2012-13**

<b>Descriptions</b>	<b>Special Resolution under Section 80, 81(1a) of the Companies Act, 1956</b>
No. of valid votes polled (%age)	9856888 (100%)
Votes cast in favour of the Resolution (%age)	9639088 (97.79%)
Votes cast against the Resolution (%age)	217800 (2.21%)

The Postal Ballot exercise was conducted by Ms. Iqneet Kaur, Practicing Company Secretary, appointed as scrutinizer for the Postal Ballot process.

#### **VI. DISCLOSURES**

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large:-

<b>Description of Transactions with related parties</b>	<b>(Rs. in Lacs)</b>		
<b>Particulars</b>	<b>Transaction</b>	<b>2012-2013</b>	<b>2011-2012</b>
Mr. Mahesh Ochani, Managing Director	Remuneration	3.83	3.14



Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years — Nil

## **A. Related Party Transactions**

Disclosures on materially significant related party transactions made during the year are given in Note No. 2.27 of notes to Financial Statements in Balance Sheet as at 30<sup>th</sup> June, 2013.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years — Nil.

The details of all materially significant transactions with related parties are periodically placed before the audit committee.

## **B. Whistle Blower Policy**

The Company encourages an open door policy where employees have access to the Head of the business/ function. In terms of Company's Code of Conduct, any instance of non adherence to the code/any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Head of Corporate Human Resources.

We hereby affirm that no personnel have been denied access to the Audit Committee.

The Company has complied with all mandatory requirements of the revised Clause 49 of the Listing agreement. Further, the Company has also complied with the non-mandatory requirement relating to constitution of Remuneration Committee and establishing the Whistle blower Policy.

## **C. Code of Business Conduct and Ethics for Directors and management personnel**

The Board has prescribed a Code of Conduct ("Code") for all Board members and senior management of the Company. The Code has been posted on the website of the Company ([www.aiml.in](http://www.aiml.in)). All Board members and senior management personnel have confirmed compliance with the Code for the year 2012-13. A declaration to this effect signed by the CEO (Managing Director) of the Company forms part of this Annual Report.

## **D. Disclosure of Accounting Treatment**

In the preparation of financial statements for the year ended 30th June, 2013; there was no treatment different from that prescribed in an accounting standard that had been followed.

## **E. Board Disclosures – Risk Management**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

## **F. Proceeds from Public Issues, Rights Issues, preferential issues etc.**

During the year under review, the company has allotted 6,50,00,000 (Six Crore and Fifty Lacs) fully paid 1% Redeemable Non Cumulative Preference Shares of face value of Rs. 10/- each at a premium of Rs. 90/- per share to M/s W.L.D. Investments Private Limited. However, there were no proceeds from public issues, rights issues etc.

## **VII. MEANS OF COMMUNICATION**

Results for the quarter ended 30<sup>th</sup> September, 2012, 31<sup>st</sup> December, 2012, 31<sup>st</sup> March, 2013 and 30<sup>th</sup> June, 2013 are normally published in English and Hindi newspapers (viz The Statesman and Hari Bhoomi) and also displayed on the website of the Company [www.aiml.in](http://www.aiml.in) after submission to the Stock Exchanges.

BSE announced the launch of its Online Portal – 'BSE Corporate Compliance & Listing Centre' for submission of various filings by Listed Companies with BSE, with effect from 8th February, 2013. Accordingly, the Company had submitted all compliances for the quarter and the year ended 30<sup>th</sup> June, 2013 on the aforesaid BSE online portal.

**VIII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A Management Discussion and Analysis report which forms part of the Annual Report is given by means of a separate annexure.

**IX. GENERAL SHAREHOLDER'S INFORMATION****A. GENERAL INFORMATION**

Registered Office	910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001
Plant Location	Village – Sarai Banjara, P.O. – Basant Pura, Tehsil – Rajpura, Distt. – Patiala, Punjab - 140401
Annual General Meeting: Day/Date/Time/Venue:	Monday, the 30th December, 2013 at 12.30 P.M. Mapple Emerald Rajokari, NH-8, New Delhi-110038
Financial Year	1 <sup>st</sup> July to 30 <sup>th</sup> June
Last Book Closure	26th December, 2013 to 30th December, 2013 (Both days inclusive)
Equity Dividend payment date	No dividend has been recommended by the Board for the year 2012-13
Listing on Stock Exchanges	<ol style="list-style-type: none"> <li>1. BOMBAY STOCK EXCHANGE LIMITED Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001</li> <li>2. DELHI STOCK EXCHANGE LIMITED DSE House, 3/1, Asaf Ali Road, New Delhi-110002</li> <li>3. AHMEDABAD STOCK EXCHANGE LIMITED Kamdhenu Complex, Opp. Sahajanand College, Panjrapole Ahmedabad-380015</li> <li>4. JAIPUR STOCK EXCHANGE LIMITED Stock Exchange Building, J.L.N. Marg, Malviya Nagar, Jaipur-302017 The Company has paid its annual listing fee to the Stock Exchanges for the Financial Year 2013-2014</li> </ol>
ISIN CODE	INE 123D01016
Stock Code-Equity Share:BSE DSE ASE JSE	534064 9315 10067 991

**B. Tentative Calendar for the Financial Year 2013-2014 (subject to change)**

<b>PARTICULARS</b>	<b>DATES</b>
First Quarter Results	Mid of November, 2013
Second Quarter Results	Mid of February, 2014
Third Quarter Results	Mid of May, 2014
Fourth Quarter and the year ended Results	Up to end of August, 2014

**C. Registrar And Share Transfer Agents:****Beetal Financial And Computer Services (P) Limited**

Beetal House, 3rd Floor, 99, Madangir, Behind L.S.C.,  
Near Dada Harsukh Dass Mandir,  
New Delhi-110062

Phone No. 011- 2996 1281-83, Fax No. 011- 29961284, E-mail – beetalrta@gmail.com



**D. Share Transfer System**

Share transfer requests are processed and are completed within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The transfers are approved in the Share Transfer Committee Meetings.

**E. Dematerialization of shares and liquidity**

As on 30th June, 2013, 11,67,20,00 Equity Shares representing 75.49% of the Company's Equity Share Capital was held in dematerialized form with NSDL and CDSL. The Equity Shares of the Company are traded on BSE.

**F. Distribution of Shareholding as on 30th June, 2013**

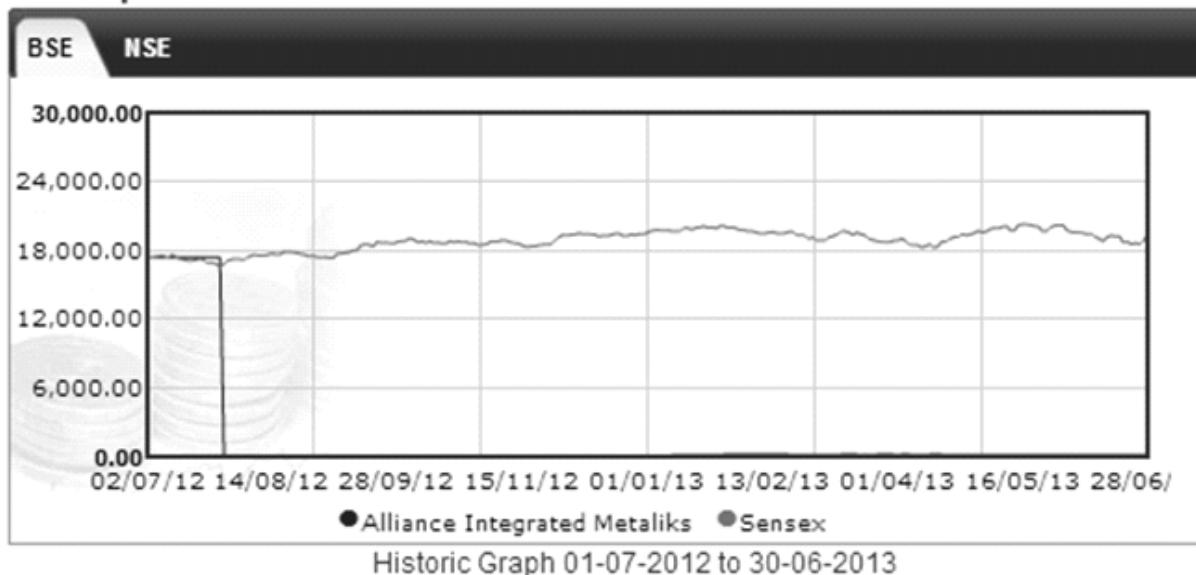
Range of Shares	No. of Shareholders	% of Total	Total (in Rs.)	% of Total Shareholding
Upto 5000	79	8.30	95460	0.06
5001-10000	9	0.94	81470	0.05
10001-20000	9	0.94	141250	0.09
20001-30000	529	55.57	13295450	8.60
30001-40000	28	2.94	1107380	0.72
40001-50000	150	15.76	7500000	4.85
50001-100000	65	6.83	5430410	3.51
100001 and above	83	8.72	126973580	82.12
<b>Total</b>	<b>952</b>	<b>100.00</b>	<b>154625000</b>	<b>100.00</b>

**G. SHAREHOLDING PATTERN OF AS ON JUNE 30, 2013:**

Sl. No.	Categories	Nos. of Shares held (Rs. 10/- paid up)	Percentage of Shareholding (%)
<b>A. Promoters Holding</b>			
1.	Promoters		
	– Indian Promoters	7520500	48.64
	– Foreign Promoters	NIL	NIL
2.	Persons acting in concert	NIL	NIL
	<b>Sub Total</b>	<b>7520500</b>	<b>48.64</b>
<b>B. Non-Promoters Holding</b>			
3.	Institutional investors		
a.	Mutual Funds and Unit Trust of India (UTI)	NIL	NIL
b.	Bank, Financial Institutions, Insurance Company, (Central /State Government Institutions/ Non-Government).	NIL	NIL
c.	FIIs	NIL	NIL
	<b>Sub Total</b>	<b>NIL</b>	<b>NIL</b>
<b>C. Other</b>			
a.	Private Corporate Bodies	3775208	24.17
b.	Indian Public	4166792	26.94
c.	NRIs/OCBs	NIL	NIL
d.	Any other	NIL	NIL
	<b>Sub Total</b>	<b>7942000</b>	<b>51.36</b>
	<b>Grand Total</b>	<b>15462500</b>	<b>100.00</b>

**H. Market Price Data**
**Monthly High/Low prices per share during the Financial Year 2012-2013**

Months	BSE	
	High (Rs.)	Low (Rs.)
July, 2012	74.00	73.10
August, 2012	NA	NA
September, 2012	NA	NA
October, 2012	NA	NA
November, 2012	80.55	76.75
December, 2012	106.55	82.00
January, 2013	207.55	111.85
February, 2013	223.10	179.90
March, 2013	217.05	171.70
April, 2013	207.00	168.95
May, 2013	190.00	176.65
June, 2013	178.25	153.95

**BOMBAY STOCK EXCHANGE**
**Historic Graphs**

**I. OUTSTANDING GDRs/ADRs/ WARRANTS/ OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued GDRs / ADRs / WARRANTS / OR any convertible instruments during the financial year ended 30th June, 2013.



## **ALLIANCE INTEGRATED METALIKS LIMITED**

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### **J. INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO:**

Alliance Integrated Metaliks Limited,  
910, Ansal Bhawan, 16, K.G. Marg,  
New Delhi- 110001  
Ph.: +91-11-41525361

**By the order of the Board  
For Alliance Integrated Metaliks Limited**

Place : New Delhi  
Date : 5th December, 2013

Sd/-

**(Mahesh Ochani)**  
Managing Director

**AUDITOR'S REPORT ON COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

**TO**  
**THE MEMBERS**  
**ALLIANCE INTEGRATED METALIKS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Alliance Integrated Metaliks Limited for the Financial Year ended on 30th June, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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 corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the Share Transfer and Shareholder's/Investor's Grievance Committee has maintained records to show the Investors Grievance and certify that as on 30th June, 2013, there were no investors grievance remaining unattended/pending for more than 30 days.

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

**For A.C. Gupta & Associates  
Chartered Accountants**  
Firm Regn. No. 008079N

Place : New Delhi  
Date : 5th December, 2013

Sd/-  
**(A.C. Gupta)**  
Partner  
Membership No. 008565

**DECLARATION REGARDING CODE OF CONDUCT BY CEO UNDER CLAUSE 49 OF  
THE LISTING AGREEMENT**

As required under Clause 49 of the Listing Agreement with Stock Exchanges, it is hereby confirmed that for the year ended 30th June, 2013, the Directors of Alliance Integrated Metaliks Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Code of Conduct as applicable to them.

Place : New Delhi  
Date : 5th December, 2013

Sd/-  
**(Mahesh Ochani)**  
Managing Director

**CEO AND CFO CERTIFICATION**

I, Mahesh Ochani, Managing Director certify that:

- a) I have reviewed the financial statements and the Cash Flow Statement for the year ended 30th June, 2013 and to the best of my knowledge and belief:
  - i. these statements do not contain any materially untrue statements 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) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 30th June, 2013 are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - I) There has not been any significant change in internal control over financial reporting during the year under reference;
  - II) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - III) I am not aware of any instance during the year of any significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi  
Date : 5th December, 2013

Sd/-  
**(Mahesh Ochani)**  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

The following operating and financial review is intended to convey the management's perspective on the financial condition and on the operating performance of the Company during the Financial Year 2012-13. Please read the discussion in conjunction with the Company's financial statements and notes.

### MACRO ECONOMIC DISCUSSION AND INDUSTRY OVERVIEW

#### **The Global Economy**

The world economy continued to remain under pressure and unpredictable during the fiscal period. In the US, employment conditions have improved compared to the previous year but policy uncertainty around the debt ceiling and pending government spending cuts remain. The Euro zone has medium term structural issues that were highlighted during the credit crisis. Although, the Middle East partly stabilized, local political volatility and civil unrest remains in certain parts of the region. There has also been a visible slowdown in the Emerging Markets, a reflection of lower consumer demand from the developed economies, domestic fiscal policy tightening, reduced investor confidence and the end of high growth investment cycles.

After a global slowdown in 2012, there are signs the world economy is starting to recover. The decrease in financial leverage, several rounds of quantitative easing, continuing low interest rates, a recovering US housing market and an improving demand outlook bring in a feeling of optimism.

The IMF forecasts global economic growth at 2.9% in 2013, increasing to 3.6% in 2014. GDP growth in emerging markets and developing countries is placed at 4.5% in 2013, increasing to 5.1% in 2014. US GDP is expected to grow 1.6% in 2013, rising sharply to 2.6% in 2014. Europe will remain a laggard, with growth projected at (0.4%) this year, and inching to 1.0% in 2014. China's growth will scale back from its recent double digit levels to 7-8%, which is healthy still. (Source: IMF)

#### **Indian Economy**

In addition to the effects of the global economic slowdown, India has also had to proactively manage a series of domestic challenges, slower than required pace of reforms; a high current account deficit and rising inflation have resulted in overall suppressed economic growth. A global slowdown, high domestic inflation and lacklustre demand impacted corporate profitability, in-turn affecting growth. The manufacturing sector recorded a growth of only 1.9% in 2012-13, down from 2.7% in 2011-12 (Source: pmindia.nic.in). Export growth in 2012-13 was 5.1%, compared to 15.3% in the previous year (Source: Central Statistical Office).

A slew of reforms introduced in the second half of 2013, a better than expected monsoon, a pick-up in exports, and increasing foreign investments are expected to give a boost to the economy, pulling it out of a prolonged slowdown.

The robust 8.0% expansion (including a 12% growth in Electricity) in India's infrastructure output in September 2013, the strongest in a year, and the \$13bn of FDI the country received between April-August 2013 are some such indicators (Source: Gov.in).

#### **Steel Fabrication Industry**

Fabrication applies to the building of machines, structures and other equipment, by cutting, shaping and assembling components made from raw materials by using various mechanical processes such as welding, soldering, forging, brazing, forming, pressing, bending and stress removal. In this way, the Steel Fabrication Industry proves to be an essential part of the Steel Industry value chain as it produces minute spare parts of larger heavy machinery and equipment, which cannot be manufactured simultaneously with the manufacturing of the heavy machines. This is a highly fragmented and labour intensive sector with medium & small scale industries heavily dependent on job work.

Most of the Structural Steel Fabrications can be divided into three categories:

- 1) Hot Rolled Long Products like continuously produced standard size Beams and Bars from Steel Rolling Mills.
- 2) Pre-designed and Pre-engineered Buildings for pre-fabrication and then assembly at site. Steel pre-fabrication can be outsourced to a fabrication shop or carried out at site.

- 3) Large or Custom size Plate Fabricated Beams, Boxes, Columns and Girders, which cannot be formed by continuous process or hot rolling. These plate welded fabrications are extensively used by architects and design engineers for rapid and economic construction of bridges, flyovers, multi-storied buildings, stadiums, airports, metro rail projects.

Structural steel fabrication can be carried out in shop or at the construction site. Fabrication of steelwork carried out in shops is precise and of assured quality, whereas field fabrication is comparatively inferior in quality.

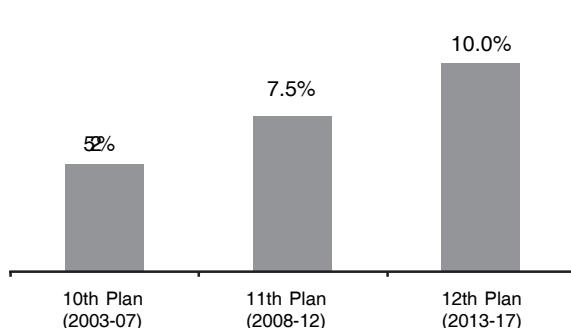
In India, construction site fabrication is most common even in large projects due to inexpensive field labour, high cost of transportation, difficulty in the transportation of large members, higher excise duty on products from shop. Beneficial taxation for site work is a major financial incentive for site fabrication.

Since the demand for steel fabrication sector comes from the infrastructure sector, the growth of fabrication industry largely depends on the overall industrial scenario including the demand for power, roads/bridges and transport.

### **The Infrastructure Sector: Current Status**

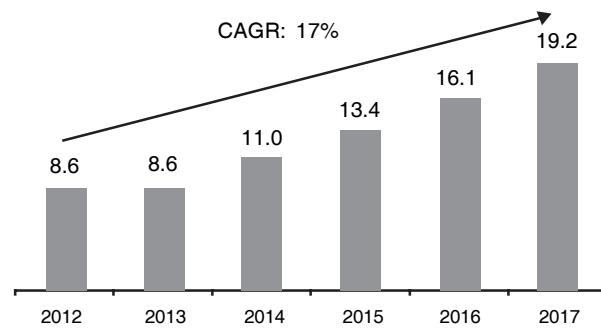
India is a fast-growing economy, characterised by a growing middle-class. By 2030, about 40% of the country's population (close to 600 million people) will be living in cities. The Government has duly identified the need to give a major boost to its infrastructure and has planned to increase spending in the 12<sup>th</sup>five-year plan.

#### **Infrastructure Investment (India) as % of GDP**



Source: Planning Commission of India

#### **Roads/bridges Projects Value in India (\$billion)**



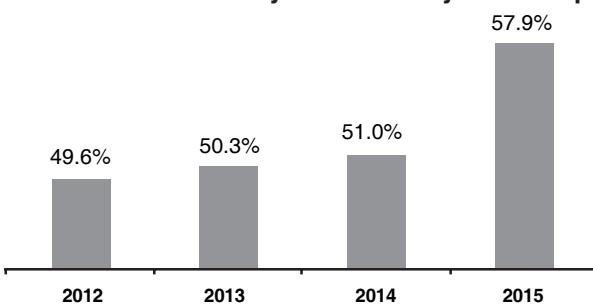
Source: IBEF August 2013

### **The Power Sector: Current Status**

Greater scale of electrification, increasing household incomes and a fast growing economy with a GDP growth rate of 5-8% have been pushing the demand for electricity in the upward direction. Per capita electricity consumption has increased at a CAGR of 6% over the last five years and has reached 880 kWh in 2011-12 from 672 kWh in 2006-07. Considering that this consumption is much lower than the global average consumption of 2,800 kWh, it is expected that India will continue to see a growth in demand as more electricity provides tremendous room to improve quality of life.

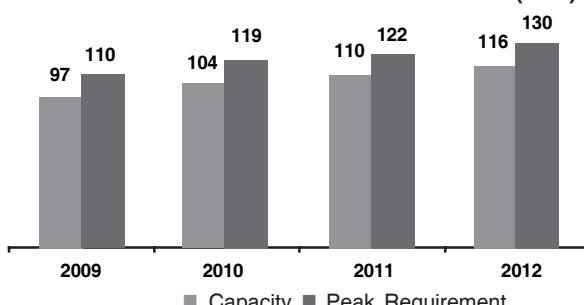
More demand for power will lead to greater investments in power plants and ancillary industries, and therefore, a greater demand for fabricated structures.

#### **Share of Power Industry in Electricity Consumption**



Source: IBEF August 2013

#### **Growth Potential in Indian Power Sector (GW)**



Source: IBEF August 2013

## REGULATORY ENVIRONMENT

Steel, by its very nature, has inherent advantages by being durable, reusable and recyclable. CO2 and other emissions in steel production are therefore offset by reductions in emissions through the life cycle of steel products achieved through effective product development & design and through recycling at end of life.

In March 2012, new set of emissions and effluent standards applicable to Iron and Steel facilities were notified by the Government of India. Your Company continues to examine better ways to increase process efficiency, reduce energy consumption, and increase scrap utilization, all of which help to keep CO2 emissions at the minimum.

## OPERATIONAL PERFORMANCE

<b>Rs. In Lacs</b>	<b>FY13</b>	<b>FY12</b>	<b>% Change</b>
Net Sales <sup>1</sup>	17,203.22	2,726.43	531%
EBITDA <sup>1</sup>	2,093.63	316.81	561%
EBIT <sup>1</sup>	1,658.20	231.63	616%
Net Income	29.88	4.19	613%

Note :

1. Includes Other Income of Rs 132.07 Lacs and Rs.427.98 Lacs for FY13 and FY12 respectively.

During the year under review, the Company generated revenue of Rs. 17,203.22 Lacs and EBITDA of Rs 2,093.63 Lacs as compared to revenue of Rs. 2,726.43 Lacs and EBITDA of Rs. 316.81 Lacs in the previous year.

## FINANCIAL CONDITION

<b>Rs. In Lacs</b>	<b>30th June, 2013</b>	<b>30th June, 2012</b>
Shareholder's Fund <sup>2</sup>	66,840.18	21,820.78
Total Debt	31,800.90	30,718.00
Fixed Assets	35,398.49	16,184.63
Cash and Cash Equivalents	1,886.59	2,182.26
Net Debt	29,914.31	28,535.74
Current Assets	12,116.47	5,838.85
Inventories	1,003.46	352.20
Working Capital	7,470.86	3,598.79

Note :

1. Includes Share Application Money Nil and Rs. 20,000.00 Lacs for FY13 and FY12 respectively

During the year, the Company has issued 650 Lacs Preference Shares of Rs. 10/- each. Net debt at Rs. 29,914.31 at 30<sup>th</sup> June, 2013 was more than 30<sup>th</sup> June 2012 by Rs. 1,378.57 Lacs due to reduction in the cash and bank balances. Gross debt was higher mainly due to availment of working capital limit.

As on 30<sup>th</sup> June, 2013, the Company had a current ratio of 2.6x, which reflects our very healthy short term solvency.

## LIQUIDITY

Your company has suitable commercial arrangements with its creditors, healthy cash flows streams to meet its working capital requirement. It deploys a robust cash management policy to ensure timely servicing of its liquidity obligations.

As of 30<sup>th</sup> June, 2013, the Company had cash and cash equivalents of Rs. 1,886.59 Lacs and debt of Rs. 31,800.90 Lacs. The Company's debt-equity ratio is 0.53x.



## EXPANSION PLANS

Cost incurred since inception of business line will envisaged from financial year 2014-2015 onwards. Since project completion takes time, benefits of this will be reaped in future coming years.

## BUSINESS STRATEGY

Currently company is focused on Power sector and Bridges for fabrication, in future company will also be entering into Launching solutions thus offering customers a complete package of fabrication and Launching.

## OPPORTUNITIES AND RISKS & CONCERNS

Opportunities – Bridges are a big opportunity as end clients are fast shifting from, in site fabrication to Factory made fabrication, launching solutions in near future will help secure more business from clients.

The Electricity Act 2003 and subsequent National Electricity Policy and Tariff Policy have opened up several opportunities for the power sector. There is huge power deficit in the country and the demand supply situation in the country is expected to remain favourable to power generators for the next 8/10 years at least. This presents huge opportunities in the power sector for power generators and subsequently power equipment manufacturers and ancillaries.

At present, there are approximately twelve reputed companies in India manufacturing specialized power equipment. Most of these companies are overbooked and have recently expanded their capacities but still unable to cater the demand. Even with the new entrants, there would still exist a gap between demand and supply of structures and power plant equipment in the potential market. Accordingly, there is huge demand and market available for the product.

Alliance Integrated Metaliks Limited, with its state of the art manufacturing facility, will bridge the demand supply gap with its specialized knowledge and technical base required for manufacture and supply of heavy structures and equipment related to Power Plants.

AIML has positioned itself in the market as premium supplier for bridges & power sector and begged orders with major power & Infra companies for 2013 execution.

## Risks & Concerns

Your Company addresses the following risks and concerns through appropriate risk mitigation measures and strategies

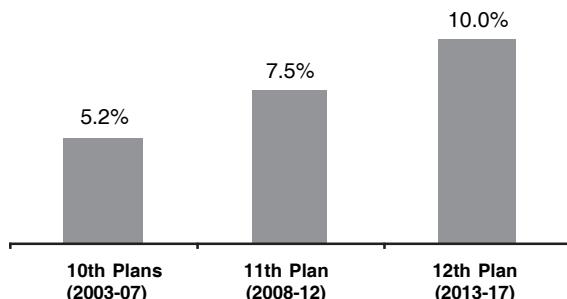
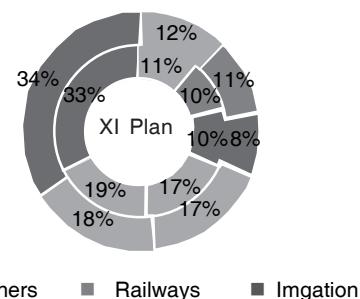
- 1) The volatility in key raw material prices continues to be the main concern.
- 2) Limited availability and quality of raw material
- 3) The steel industry is subject to cyclical swings arising from factors such as excess capacity, and demand & supply imbalances. Unfavourable economic conditions globally, overcapacities in steel industry, low infrastructure activity and weak business sentiment continue to impact overall steel consumption. However, the consumption of steel has been relatively strong in India, due to the continual high infrastructure spending as compared to that in the developed economies.
- 4) Other macro-economic challenges, such as interest rate hikes, inflation and political unrest could hamper the Company's operational and financial performance

## OUTLOOK

Economic growth has been subdued in the Financial Year 2012-13, against the backdrop of a global slowdown, high inflation and a surging current-account deficit that has affected our economy.

However, the optimism about the long term potential of India is still intact. Decisive policy actions and reforms like attracting FDI, curtailing the current-account deficit and increasing infrastructure spending are expected to boost business confidence and lead to stronger growth.

Going by the 12<sup>th</sup> five-year plan, infrastructure spending is targeted to be up to 10% of the GDP, vs. 7.5% in the 11<sup>th</sup> Plan. Apart from the significant enhancement in the proportion of the total spend (vs. the GDP), the power sector, also expected to experience a slightly higher proportion of the infrastructure spend (34% vs. 33% in the 11<sup>th</sup> 5-year plan). Thus, it continues to attract approximately one-third of the total projected investment in infrastructure.

**Infrastructure Investment (India) as % of GDP**

**Sectoral Investments Planned (5-year Plans)**


Source: Planning Commission of India

Source: High Level Committee report on Financing Infrastructure

The installed power generation capacity in the country, as of 31 March 2013, was 223 GW, and the target for the 12<sup>th</sup> plan has been set at 118 GW. More than half of this is expected to be from the private sector, which brings with it a higher level of technology, bigger and efficient power plants and better capabilities. The state of the art facility of your Company in Punjab is churning out high quality products and with an equally high level of automation. Your Company is geared to meet the demands through a strategy that aims to overcome all challenges while making the most of every opportunity.

### INTERNAL CONTROL SYSTEMS

Your Company deploys a strong internal control system to ensure timely and accurate compilation of financial and operational information, compliance with various regulatory and statutory guidelines, and protect investor's interest by following the highest level of corporate governance. The Company has a strong IT policy to ensure data is secure and protected.

### HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Your Company strives to ensure that each employee's professional growth aspirations are achieved within the framework of corporate goals. It is widely recognized that the Company's performance has been a direct function of the quality of its people. Your Company has the required manpower to manage its activities keeping in view its emphasis on achieving efficiency with cost reduction. The Company has an efficient mix of departmental, contractual, trainee & staff executives. Industrial relations remained cordial during the year.

Accordingly, employees are accorded sufficient opportunities to upgrade their knowledge and skills. Manpower availability & retention is still a major challenge with demand surging for skilled manpower.

### STATUTORY COMPLIANCE

The Company Secretary, as Compliance Officer, ensures compliance of the SEBI regulations and provisions of the Listing Agreement. Compliance certificates are obtained from various departments of the Company and the Board is informed of the same at every Board meeting.

### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis and in the Directors Report describing the Company's objectives, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward-looking statements. Important factors that could make a difference include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the company operates, changes in the government regulations, tax laws and other statutes and incidental factors.



## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
**Alliance Integrated Metaliks Limited**  
New Delhi

### Report on the Financial Statements

We have audited the accompanying financial statements of Alliance Integrated Metaliks Limited as at 30<sup>th</sup> June 2013, which comprises the Balance Sheet as at June 30, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2013;
- b) in the case of Statement of Profit and Loss, of the **profit** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors as on June 30, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on June 30, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For A.C Gupta & Associates**  
Chartered Accountants  
**Firm Regd. No.: 008079N**

Sd/-  
**(A.C Gupta)**  
(Partner)  
Membership No. : 8565

Place : New Delhi

Dated : 29<sup>th</sup> August, 2013

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT REFERRED TO IN POINT 1 OF PARAGRAPH 5 OF OUR REPORT OF EVEN DATE OF ALLIANCE INTEGRATED METALIKS LIMITED FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2013**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, fixed assets, according to the practice of the Company, have been physically verified by the management at reasonable intervals. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
  - (c) During the year, the company has not disposed off any of the fixed assets and the going concern status of the company is not affected.
- (ii) (a) The inventories has been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable.
  - (b) The procedure for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) In our opinion, the company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material & the same have been properly dealt with in the books of account.
- (iii) The Company, during the year under report, has neither given nor taken loan from the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence, clause no. iii (a), (b), (c) (d), (e), (f) & (g) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, consumable stores, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.



- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the act has been entered in the register required to be maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion and according to the information & explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted public deposits within the meaning and provisions of sec 58A and 58AA of the companies Act, 1956.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central government has prescribed maintenance of cost accounting records under section 209 (1) (d) of the Companies Act, 1956. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that *prima facie*, the prescribed accounts and records have been properly maintained.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax / VAT, custom duty, excise duty and cess were in arrears, as at 30<sup>th</sup> June 2013 for a period of more than six months from the date they became payable.
- (c) According to the information & explanation given to us, there are no dues of sales tax/VAT, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company has not any accumulated losses at the end of the financial year 30<sup>th</sup> June, 2013. And it has not incurred any cash losses in current financial year and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions or debenture holders.
- (xii) 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 the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the company. The company, however, is maintaining proper records of transactions and contracts in respect of long term investment made by it and timely entries have been made therein. Further, all the securities including shares, debentures and other investments have been held by the company in its own name.
- (xv) The company has not given guarantees for loans taken by others from Banks or Financial Institutions.
- (xvi) According to the information and explanation given to us, in our opinion, term loan availed by the company were, *prima facie*, applied by the company during the year under report for the purpose for which the term loans were obtained, other than temporary deployment pending applications.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment and no long term funds have been used to finance short term assets except permanent working capital.

- 
- (xviii) During the year, the company has made Preferential allotment to companies covered in the register maintained under section 301 of the Act. 6,50,00,000 1% Redeemable Non Cumulative Preference shares to be redeemed at such premium on the issue price as may be decided by the Board of Directors in accordance with the terms of the issue and in accordance with the provisions of the Companies Act, 1956, or any re-enactment thereof.
  - (xix) The company has not issued any debentures during the year and therefore the question of creating security / charge does not arise.
  - (xx) According to information and explanation given to us and the records of the company examined by us, the Company has not raised any money by public issue during the year.
  - (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For A.C Gupta & Associates**  
Chartered Accountants  
**Firm Regd. No.: 008079N**

Sd/-  
**(A.C Gupta)**  
(Partner)  
Membership No. : 8565

Place : New Delhi  
Dated : 29<sup>th</sup> August, 2013



# ALLIANCE INTEGRATED METALIKS LIMITED

## BALANCE SHEET AS AT 30TH JUNE, 2013

(Rs. In Lacs)

	Particulars	Note No.	As at 30th June, 2013	As at 30th June, 2012
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholder's Funds</b>			
(a)	Share Capital	2.1	8,046.25	1,546.25
(b)	Reserves and Surplus	2.2	58,793.93	274.53
<b>(2)</b>	<b>Share Application Money Pending Allotment</b>	2.3	—	20,000.00
<b>(3)</b>	<b>Non-Current Liabilities</b>			
(a)	Long Term Borrowings	2.4	28,037.20	30,718.00
(b)	Deferred Tax liabilities (Net)	2.5	—	5.25
(c)	Long Term Provisions	2.6	32.70	31.01
(d)	Other Long Term Liabilities	2.7	1,008.49	—
<b>(4)</b>	<b>Current Liabilities</b>			
(a)	Short-term borrowings	2.8	1,082.90	—
(b)	Trade Payables	2.9	331.62	1,009.92
(c)	Other Current Liabilities	2.10	3,220.61	1,230.14
(d)	Short-Term Provisions	2.11	10.48	—
	<b>Total</b>		<b>100,564.18</b>	<b>54,815.10</b>
<b>II.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non Current Assets</b>			
(a)	<i>Fixed assets</i>			
(i)	Tangible Assets	2.12	19,142.88	9,721.14
(ii)	Capital work-in-progress		16,255.61	6,463.49
(b)	Deferred Tax Asset (Net)	2.5	2.04	—
(c)	Non-Current Investment	2.13	39,566.14	990.00
(d)	Long Term Loans and Advances	2.14	13,481.04	31,801.62
<b>(2)</b>	<b>Current Assets</b>			
(a)	Current Investment	2.15	5,143.48	—
(b)	Inventories	2.16	1,003.46	352.20
(c)	Trade Receivables	2.17	2,847.60	2,390.36
(d)	Cash and Cash Equivalents	2.18	1,886.59	2,182.26
(e)	Short Term Loans and Advances	2.19	1,212.53	881.20
(f)	Other Current Assets	2.20	22.81	32.83
	<b>Total</b>		<b>100,564.18</b>	<b>54,815.10</b>

**Significant Accounting Policies & Notes on  
Financial Statements**

1 to 2.27

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants

Firm Regd. No. 008079N

Sd/-

**A.C Gupta**

(Partner)

M.No. 8565

Place : Delhi

Dated : 29<sup>th</sup> August, 2013

**For & on Behalf of the Board of Directors**

Sd/-  
**Mahesh Ochani**  
Managing Director

Sd/-  
**Ashish Pandit**  
Director

Sd/-  
**Rakesh Vij**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Dy. Manager (Accounts)

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013**

(Rs. In Lacs)

Particulars	Note No.	For the year ended 30th June, 2013	For the year ended 30th June, 2012
I. Revenue	2.21	17,203.22	2,726.43
<b>II. Total Revenue</b>		<b>17,203.22</b>	<b>2,726.43</b>
<b>III. Expenses:</b>			
Cost of materials consumed	2.22	14,445.99	2,271.07
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.23	(396.52)	(149.29)
Employee benefit expense	2.24	454.82	131.34
Finance costs	2.24	1,635.61	223.70
Depreciation and Amortization of Expenses	2.24	435.43	85.18
Other Expenses	2.24	605.30	156.50
<b>Total Expenses</b>		<b>17,180.63</b>	<b>2,718.50</b>
<b>IV. Profit before exceptional and extraordinary items and tax (II-III)</b>		<b>22.59</b>	<b>7.93</b>
V. Exceptional Items		—	—
<b>VI. Profit before extraordinary items and tax (IV + V)</b>		<b>22.59</b>	<b>7.93</b>
VII. Extraordinary Items		—	—
<b>VIII. Profit before tax (VI - VII)</b>		<b>22.59</b>	<b>7.93</b>
IX. Tax expense		(7.29)	3.74
<b>X. Profit/(Loss) for the period (VIII-IX)</b>		<b>29.88</b>	<b>4.19</b>
<b>XI. Earning per equity share: (Rs Per Share)</b>			
(1) Basic after extraordinary item	2.25	0.13	0.03
(2) Diluted after extraordinary item	2.25	0.13	0.03

**Significant Accounting Policies & Notes on  
Financial Statements**

**1 to 2.27**

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants

Firm Regd. No. 008079N

Sd/-

**A.C Gupta**

(Partner)

M.No. 8565

Place : Delhi

Dated : 29<sup>th</sup> August, 2013

**For & on Behalf of the Board of Directors**

Sd/-  
**Mahesh Ochani**  
Managing Director

Sd/-  
**Ashish Pandit**  
Director

Sd/-  
**Rakesh Vij**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Dy. Manager (Accounts)



# ALLIANCE INTEGRATED METALIKS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June, 2013	For the year ended 30th June, 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit as per Profit & Loss Account (PBT)	22.59	7.93
Add:Depreciation & amortisation	435.43	85.18
Add:Finance costs	1,635.61	223.70
Less: Interest Received & Other Income	(132.07)	(427.98)
	<b>1,961.56</b>	<b>(111.17)</b>
Change in Current / Non Current Assets Liabilities:		
(Increase) / Decrease Inventories	(651.26)	(352.20)
(Increase) / Decrease Sundry debtors	(457.24)	(2,390.36)
(Increase) / Decrease short term loans & advances & Other Current Assets	(307.13)	10,084.13
Increase / (Decrease) in Current Liabilities	2,395.07	1,407.32
Increase / (Decrease) in Non Current Liabilities & Provisions	1,010.18	10.43
<b>Cash generation from operations activities</b>	<b>3,951.18</b>	<b>8,648.15</b>
Interest Received & Other income	132.07	427.98
Tax Paid	(13.19)	(51.52)
<b>Cash flow before extraordinary items</b>	<b>4,070.06</b>	<b>9,024.61</b>
Cashflow from extraordinary items	—	—
<b>Net cash from operating activities</b>	<b>4,070.06</b>	<b>9,024.61</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to fixed assets	(9,857.17)	(7,791.16)
Adjustment in capital work in progress and capital advances	8,527.47	(31,880.77)
(Increase)/Decrease in Deferred and Misc. Expenditure	—	3.62
Investments	(43,719.62)	—
<b>Net Cash from Investing activities</b>	<b>(45,049.32)</b>	<b>(39,668.31)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share app money	(20,000.00)	—
Proceeds from issue of share capital & premium	65,000.00	3,850.00
Proceeds from new borrowings	(2,680.80)	27,018.01
Finance Costs	(1,635.61)	(223.70)
<b>Net Cash from financing activities</b>	<b>40,683.59</b>	<b>30,644.31</b>
<b>Net cash flows during the year (A+B+C)</b>	<b>(295.67)</b>	<b>0.61</b>
<b>Cash &amp; cash equivalents (opening balance)</b>	<b>2,182.26</b>	<b>2,181.65</b>
<b>Cash &amp; cash equivalents (closing balance)</b>	<b>1,886.59</b>	<b>2,182.26</b>

### NOTES TO CASH FLOW STATEMENT

1. The above statement has been prepared under indirect method except in case of dividend which has been considered on the basis of actual movement of cash with corresponding adjustments of assets and liabilities.
2. Cash & Cash Equivalents include cash & bank balances only.
3. Previous year figures have been regrouped/ recast wherever considered necessary.

We have examined the above cash flow statement of Alliance Integrated Metaliks Limited for the year ended 30th June, 2013 and verify that it has been derived from the audited accounts (and underlying records) of the company reported on by us as per our report.

For & on Behalf of the Board of Directors

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-  
**A.C Gupta**  
(Partner)  
M.No. 8565

Place : Delhi  
Dated : 29<sup>th</sup> August, 2013

Sd/-  
**Mahesh Ochani**  
Managing Director

Sd/-  
**Ashish Pandit**  
Director

Sd/-  
**Rakesh Vij**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Dy. Manager (Accounts)

**Note No. 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS  
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2013)****I. SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF ACCOUNTING**

These accounts are prepared on the historical cost basis and on the accounting principles of a going concern. Accounting policies, not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles in India (Indian GAAP) and in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as referred in sec. 211 3(c) of the Companies Act, 1956.

**B. REVENUE RECOGNITION**

Sales are recognized at the time of dispatch of goods and are exclusive of excise duty and Central sales Tax/ VAT. All expenses and income are accounted for on accrual basis.

**C. FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets includes their original cost of acquisition net of cenvat including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets.

**D. DEPRECIATION**

Depreciation on fixed assets is provided on "Straight Line Method" (SLM) in the manner and at the rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions / deductions to Fixed Assets is provided on pro-rata basis from the date of actual installation or up to the date of such sale / disposal, as the case may be.

**E. INVENTORIES**

Raw Materials, Stores & Spares, Goods under process and Finished Goods are valued at cost or Net Realizable Value, whichever is lower. Waste and Scrap is valued at Net Realizable Value.

Cost of inventories of Raw Materials and Stores and Spares is ascertained on FIFO Basis.

Cost of goods under process and finished goods comprise of cost of materials, production overhead and depreciation on plant and machinery. Cost of material for this purpose is ascertained on First In First Out basis.

Provision for obsolescence in inventories is made, whenever required.

**F. INVESTMENT**

Current investments are valued at lower of cost or fair market value.

Non current Investments are valued at cost. However, when there is a decline other than temporary in the value of a long term Investment, the carrying amount is reduced to recognize the decline.

**G. FOREIGN CURRENCY TRANSACTIONS**

- a) The working capital loans are revalued at exchange rates prevailing at the year end. Exchange differences arising on such revaluation are duly recognized in the Profit & Loss Account.
- b) In case of forward exchange contracts to repay working capital loans, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expenses over the life of the contract.
- c) Debtors and working capital loans in foreign currency are revalued at the year end exchange rates. Exchange differences arising on such revaluation are recognized in Profit & Loss Account.
- d) Exchange differences arising on revaluation of foreign currency loans relating to acquisition of fixed assets from outside India are adjusted against relevant fixed assets.



## **H. EXCISE DUTY**

Excise duty is paid on clearance of goods, but is accounted for in the books on accrual basis. Accordingly, provision for excise duty is made for goods lying in the Bonded Warehouse.

## **I. EMPLOYEE'S RETIREMENT BENEFITS**

- a) The liability for superannuation\ pension Gratuity & Leave Encashment is accounted for on the basis of actuarial valuation in accordance with Accounting Standards -15 (Revised) issued by the Institute of Chartered Accountants of India.
- b) Retirement benefits in the form of Provident Fund and Superannuation/Pension Schemes are charged to the Profit and Loss Account for the year when the contributions to the respective funds are due.

## **J. RESEARCH AND DEVELOPMENT**

Capital Expenditure is shown separately under respective heads of fixed assets. Revenue expenses including depreciation are included under the respective heads of expenses.

## **K. BORROWING COST**

Interest on borrowings are recognized in the Profit and Loss account except interest incurred on borrowings, specifically raised for Projects which is capitalized with the cost of the asset until such time the asset is ready to be put to use for intended purpose.

## **L. TAXATION**

- A) Provision for Taxation is made on the basis of the taxable profits computed for the current accounting year (reporting year) in accordance with Income Tax Act, 1961.
- B) Deferred Tax is recognized, subject to consideration of prudence, on timing difference, being difference between taxable income and accounting income / expenditure that originate in one period and are capable of reversal in one or subsequent year(s). Deferred taxes are reviewed for their carrying value at each balance sheet date.

## **M. IMPAIRMENT OF ASSETS**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit and loss account. If at any subsequent balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

For & on behalf of  
**A.C. Gupta & Associates**  
Chartered Accountants  
Firm Regd. No. 008079N

Place : New Delhi  
Dated : 29<sup>th</sup> August, 2013

Sd/-  
**(A.C. GUPTA)**  
Partner  
Membership No. 8565

**2 NOTES TO ACCOUNTS**

The Previous period figures have been regrouped / reclassified, wherever considered necessary to conform to the current year's presentation.

**2.1 SHARE CAPITAL**

(Rs. In Lacs)

Particulars	As At 30th June, 2013	As At 30th June, 2012
<b>Authorized Capital</b>		
Equity Shares, Rs. 10/- Par Value		
3,00,00,000 ( Previous Year 3,00,00,000) Equity Shares	3,000.00	3,000.00
Preference Shares, Rs. 10/- Par Value		
7,00,00,000 ( Previous Year 2,50,00,000) Preference Shares	7,000.00	2,500.00
	<b>10,000.00</b>	<b>5,500.00</b>
<b>Issued, Subscribed and Paid - Up Capital</b>		
Equity Shares, Rs. 10/- Par Value		
1,54,62,500 ( Previous Year 1,54,62,500) Equity Shares, fully paid up	1,546.25	1,546.25
1% Non Cumulative Redeemable Preference Shares, Rs. 10/- Par Value		
6,50,00,000 ( Previous Year Nil) Preference Shares, Fully paid up	6,500.00	—
	<b>8,046.25</b>	<b>1,546.25</b>

**Terms of redemption of preference shares**

Preference Shares will not be redeemed before 11 years & not later than 15 years from the date of allotment i.e May 2013 at such premium as may be decided by the board of Directors in accordance with the provisions of Companies Act, 1956 or any re-enactment thereof.

**2.1.1 RECONCILIATION OF SHARE CAPITAL**

The reconciliation of the number of Equity shares outstanding and the amount of Equity share capital as at June 30, 2012 and June 30, 2013 is set out below:

(Rs. In Lacs)

Particulars	As At 30th June, 2013		As At 30th June, 2012	
	Number of Shares (In Lacs)	Amount	Number of Shares (In Lacs)	Amount
Number of shares at the beginning	154.63	1,546.25	154.63	1,546.25
Add : Shares Issued	—	—	—	—
Number of Shares at the end	154.63	1,546.25	154.63	1,546.25

The reconciliation of the number of Preference shares outstanding and the amount of Preference share capital as at June 30, 2012 and June 30, 2013 is set out below:

(Rs. In Lacs)

Particulars	As At 30th June, 2013		As At 30th June, 2012	
	Number of Shares (In Lacs)	Amount	Number of Shares (In Lacs)	Amount
Number of shares at the beginning	—	—	—	—
Add: Shares Issued	650.00	6,500.00	—	—
Number of Shares at the end	650.00	6,500.00	—	—



## ALLIANCE INTEGRATED METALIKS LIMITED

### 2.1.2 DETAILS OF PERSONS HOLDING MORE THAN 5% OF SHARE CAPITAL

Particulars	As At 30th June, 2013		As At 30th June, 2012	
	Number of Shares (In Lakhs)	% of Holding	Number of Shares (In Lakhs)	% of Holding
<b>Equity Shares</b>				
WLD INVESTMENTS PVT. LTD.	75.21	48.64%	75.21	48.64%
<b>Preference Shares</b>				
WLD INVESTMENTS PVT. LTD.	650.00	100%	—	—

### 2.2 RESERVES & SURPLUS (Rs. In Lacs)

Particulars	As at 30th June, 2013		As at 30th June, 2012	
<b>General Reserve</b>				
Opening Balance as on 01.07.2012		263.59		104.51
Add: Transferred from Profit & Loss A/c		—		—
Less: Written back during current year		—		—
Add: Previous year adjustments		—		159.08
<b>Closing Balance as on 30.06.2013</b>	<b>(A)</b>	<b>263.59</b>		<b>263.59</b>
<b>Securities Premium Account</b>				
Opening Balance as on 01.07.2012		—		—
Add: Addition during the current year		58,500.00		—
Less: Written back during current year		—		—
<b>Closing Balance as on 30.06.2013</b>	<b>(B)</b>	<b>58,500.00</b>		<b>—</b>
<b>Profit &amp; Loss Account</b>				
Opening Surplus as on 01.07.2012		10.94		6.75
Add: Transferred from Profit & Loss A/c		29.88		4.19
		40.82		<b>10.94</b>
<b>Appropriations</b>				
Less: proposed dividend on preference shares		9.08		—
Less: Corporate Dividend Tax		1.40		—
<b>Closing Balance as on 30.06.2013</b>	<b>(C)</b>	<b>30.34</b>		<b>10.94</b>
<b>Total (A+B+C)</b>		<b>58,793.93</b>		<b>274.53</b>

**2.3 SHARE APPLICATION MONEY PENDING ALLOTMENT** (Rs. In Lacs)

<b>Particulars</b>	<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
Share application money pending allotment	—	20,000.00
<b>Total</b>	<b>—</b>	<b>20,000.00</b>

**2.4 LONG TERM BORROWINGS** (Rs. In Lacs)

<b>Particulars</b>	<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
<b>SECURED LOANS</b>		
<b>Term Loans</b>		
— From Banks & Financial Institutions	28,037.20	30,718.00
<b>Total</b>	<b>28,037.20</b>	<b>30,718.00</b>

**Note:**

Term Loans are secured by equitable mortgage of all immovable properties of the Company and hypothecation of movable assets, save and except the charge in favour of Banks & Financial Institutions over inventories and book debts to secure working capital limits.

**Maturity Profile of Secured Term Loans classified as Long Term Borrowings is set out below:**

(Rs. In Lacs)

<b>Financial Year</b>	<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
2013-14	—	2,680.80
2014-15	3,984.80	3,984.80
2015-16	5,979.60	5,979.60
2016-17	5,979.60	5,979.60
2017-18	5,979.60	5,979.60
2018-19	5,979.60	5,979.60
2019-20	6,644.80	6,644.80
2020-21	2,771.20	2,771.20
<b>Total</b>	<b>37,319.20</b>	<b>40,000.00</b>

**Note:**

1. The company has been sanctioned a term loan of Rs. 400 Crores from banks and has availed only Rs. 307.18 Crores. The repayment schedule is based on sanctioned term loan of Rs. 400 Crores only.
2. There is no default in repayment of loans and payment of interest as on Balance sheet date.



## **ALLIANCE INTEGRATED METALIKS LIMITED**

### **2.5 DEFERRED TAX LIABILITIES/ (ASSETS) (NET)** (Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
<b>Deferred Tax Liabilities</b>		
On account of depreciation of Fixed Assets	1,089.95	240.85
	<b>1,089.95</b>	<b>240.85</b>
<b>Deferred Tax Assets</b>		
On account of Unabsorbed depreciation / business loss	(1,091.99)	(235.60 )
	<b>(1,091.99)</b>	<b>(235.60)</b>
<b>Net Deferred Tax Liability/(Assets)</b>	<b>(2.04)</b>	<b>5.25</b>

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the company has legally enforceable right to set off current tax assets against current tax liabilities and wherever the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

### **2.6 LONG TERM PROVISIONS** (Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
<b>Provision for Employment Benefit</b>		
Gratuity	12.55	10.27
Leave Encashment	20.15	20.74
<b>Total</b>	<b>32.70</b>	<b>31.01</b>

### **2.7 OTHER NON-CURRENT LIABILITY** (Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
Advance From Customers	1,008.49	—
<b>Total</b>	<b>1,008.49</b>	<b>—</b>

### **2.8 SHORT-TERM BORROWING** (Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
Working capital limit	1,082.90	—
<b>Total</b>	<b>1,082.90</b>	<b>—</b>

**Note:**

Working capital facilities are secured by hypothecation of raw material, semi-finished goods, stock-in process, consumable stores and book debts of the company.

**ALLIANCE INTEGRATED METALIKS LIMITED**

**2.9 TRADE PAYABLES**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
Trade Payables	331.62	1,009.92
<b>Total</b>	<b>331.62</b>	<b>1,009.92</b>

**2.10 OTHER CURRENT LIABILITIES**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
Current maturities of long-term debt	2,680.80	—
Expenses Payable	50.53	1.85
Personnel Expenses Payable	19.07	16.18
Other Liabilities	470.21	1,212.11
<b>Total</b>	<b>3,220.61</b>	<b>1,230.14</b>

**2.11 SHORT TERM PROVISIONS**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
Proposed dividend on preference shares	9.08	—
Corporate Dividend Tax	1.40	—
<b>Total</b>	<b>10.48</b>	<b>—</b>


**Note - 2.12 FIXED ASSETS**

(Rs. In Lacs)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Opening Balance	Additions During the year	Sales/ Transfer	As at 30th June, 2013	As at 30th June, 2012	Upto 30th June, 2012 During the year	Provided Written back during the year	Upto 30th June, 2013	As at 30th June, 2013
<b>(A) Tangible Assets</b>									
Land	2,213.08	12.02	—	2,225.10	—	—	—	—	2,225.10
Building	4,136.14	1,146.44	—	5,282.58	50.89	156.20	—	207.09	5,075.49
Plant and Equipment	3,404.71	8,667.37	—	12,072.08	27.34	268.66	—	296.00	11,776.08
Furnitures & Fixtures	9.69	10.57	—	20.26	3.61	1.08	—	4.69	15.57
Vehicles	19.12	6.12	—	25.24	10.61	2.34	—	12.95	12.29
Office Equipments	42.71	14.65	—	57.36	11.86	7.15	—	19.01	38.35
<b>TOTAL (A)</b>	<b>9,825.45</b>	<b>9,857.17</b>	<b>—</b>	<b>19,682.62</b>	<b>104.31</b>	<b>435.43</b>	<b>—</b>	<b>539.74</b>	<b>19,142.88</b>
<b>(B) Capital Work in Progress</b>	<b>6,463.49</b>	<b>19,630.19</b>	<b>9,838.07</b>	<b>16,255.61</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>16,255.61</b>
<b>TOTAL (B)</b>	<b>6,463.49</b>	<b>19,630.19</b>	<b>9,838.07</b>	<b>16,255.61</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>16,255.61</b>
<b>TOTAL (A+B) Current Year</b>	<b>16,288.94</b>	<b>29,487.36</b>	<b>9,838.07</b>	<b>35,938.23</b>	<b>104.31</b>	<b>435.43</b>	<b>—</b>	<b>539.74</b>	<b>35,398.49</b>
Previous Year	5,422.16	12,406.87	1,540.09	16,288.94	19.14	85.17	—	104.31	16,184.63
								—	—

**2.13 NON-CURRENT INVESTMENT**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
<b>Investment in Equity Instrument</b>		
<b>Unquoted - Long Term Trade (at Cost)</b>		
<b>Domestic Associates companies</b>		
92,15,402 (NIL) shares of ARGL Limited of Rs10/- each	18,430.80	—
45% (NIL) of Equity Shares held		
67,15,112 (NIL) shares of ACIL Limited of Rs 10/- each	20,145.34	—
45% (NIL) of Equity Shares held		
<b>Other Investment</b>		
9,90,000 (9,90,000) Equity Shares of MGR Investment Pvt. Ltd of Rs. 100/- each	990.00	990.00
<b>Total</b>	<b>39,566.14</b>	<b>990.00</b>

Aggregate amount of unquoted investments Rs 39,566.14 Lacs

**2.14 LONG TERM LOANS AND ADVANCES**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
<b>Long Term Loans &amp; Advances</b>		
Unsecured, Considered Good	13,466.07	31,785.66
<b>Security Deposits</b>		
Unsecured, Considered Good	14.97	15.96
<b>Total</b>	<b>13,481.04</b>	<b>31,801.62</b>

Note: No loan is given to any Directors or other officers of the company

**2.15 CURRENT INVESTMENT**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
<b>Investment in Equity Instrument</b>		
<b>Unquoted Trade at Cost</b>		
12,28,720 (NIL) shares of ARGL Limited of Rs10/- each	2,457.44	—
8,95,348 (NIL) shares of ACIL Limited of Rs 10/- each	2,686.04	—
<b>Total</b>	<b>5,143.48</b>	—

Aggregate amount of unquoted investments Rs 5143.48 Lacs

**2.16 INVENTORY**

(Rs. In Lacs)

Particulars	As at 30th June, 2013	As at 30th June, 2012
<b>Raw Material</b>		
Work in Progress	405.57	162.00
Finished Goods	250.61	135.51
Stores & Spares	295.21	13.78
	52.07	40.91
<b>Total</b>	<b>1,003.46</b>	<b>352.20</b>

Refer Point No. 5 of Significant Accounting Policies for Mode of valuation of inventories.



## **ALLIANCE INTEGRATED METALIKS LIMITED**

<b>2.17 TRADE RECEIVABLES</b>		(Rs. In Lacs)	
<b>Particulars</b>		<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
Debtors not exceeding Six months (unsecured considered good)		2,847.60	2,390.36
<b>Total</b>		<b>2,847.60</b>	<b>2,390.36</b>
<b>2.18 CASH AND CASH EQUIVALENTS</b>		(Rs. In Lacs)	
<b>Particulars</b>		<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
Cash on Hand		0.36	0.34
<b>Balances with Schedule Banks</b>			
a) As margin money against Letter of Credits/ Bank Guarantees etc.		1,320.29	64.53
b) Other Bank Balances		565.94	2,117.39
<b>Total</b>		<b>1,886.59</b>	<b>2,182.26</b>
<b>2.19 SHORT TERM LOANS &amp; ADVANCES</b>		(Rs. In Lacs)	
<b>Particulars</b>		<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
<b>Loans &amp; Advances recoverable in cash or in kind or for value to be received</b>			
Unsecured, Considered Good :		1,014.22	675.62
Income Tax Payments (Net of Provisions)		34.19	46.58
MAT Credit Entitlement		164.12	159.00
<b>Total</b>		<b>1,212.53</b>	<b>881.20</b>
<b>2.20 OTHER CURRENT ASSETS</b>		(Rs. In Lacs)	
<b>Particulars</b>		<b>As at 30th June, 2013</b>	<b>As at 30th June, 2012</b>
Interest accrued on deposits		22.81	32.83
<b>Total</b>		<b>22.81</b>	<b>32.83</b>

**ALLIANCE INTEGRATED METALIKS LIMITED**

**2.21 REVENUE**

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Sales of Products	14,723.76	2,298.45
Other Sales & Services	2,347.39	—
Other Income	132.07	427.98
<b>Total</b>	<b>17,203.22</b>	<b>2,726.43</b>

**2.22 COST OF MATERIAL CONSUMED**

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
<b>Opening Stock</b>		
Raw Material	162.01	—
<b>Add : Purchases</b>		
Raw Material	14,689.55	2,433.08
	<b>14,851.56</b>	<b>2,433.08</b>
<b>Less : Closing Stock</b>		
Raw Material	405.57	162.01
<b>Total</b>	<b>14,445.99</b>	<b>2,271.07</b>

**2.22.1 IMPORTED AND INDIGENOUS RAW MATERIALS & SPARES PARTS**

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
	Amount (% of Total Consumption of Raw Materials)	Amount (% of Total Consumption of Raw Materials)
<b>Raw Material</b>		
Consumption of imported Raw material	—	—
(Percentage of Consumption of Raw Material)	—	—
Consumption of similar domestic Raw material	14,445.99	2,271.07
(Percentage of Consumption of Raw Material)	100%	100%
<b>Total Consumption of Raw material</b>	<b>14,445.99</b>	<b>2,271.07</b>
<b>Spares parts and components</b>		
Consumption of imported spares parts and components	—	—
(Percentage of Consumption of Spare Parts and Components)	—	—
Consumption of similar domestic spares parts and components	177.89	28.00
(Percentage of Consumption of Spare Parts and Components)	100%	100%
<b>Total Consumption of Spares and components</b>	<b>177.89</b>	<b>28.00</b>



## ALLIANCE INTEGRATED METALIKS LIMITED

### 2.23 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS (Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
<b>Opening Stock as on 01-07-2012</b>		
– Work in Process	135.51	–
– Finished Goods	13.78	–
<b>Total Opening stock</b>	<b>149.29</b>	–
<b>Less : Closing Stock as on 30-06-2013</b>		
– Work in Process	250.60	135.51
– Finished Goods	295.21	13.78
<b>Total Closing stock</b>	<b>545.81</b>	<b>149.29</b>
<b>Net (Increase)/ Decrease in Inventories</b>	<b>(396.52)</b>	<b>149.29</b>

### 2.24 EXPENSES

#### Employee Benefit Expenses

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Salaries & Wages	416.66	127.60
PF, ESI, LTA, Gratuity & Other Expenses	21.82	2.76
Staff Welfare Expenses	16.34	0.98
<b>Total</b>	<b>454.82</b>	<b>131.34</b>

#### Finance Costs

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Interest Expense	1,635.61	223.70
<b>Total</b>	<b>1,635.61</b>	<b>223.70</b>

#### Depreciation and Amortisation Expenses

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Depreciation	435.43	85.18
<b>Total</b>	<b>435.43</b>	<b>85.18</b>

<b>Other Expenses</b>		(Rs. In Lacs)
<b>Particulars</b>	<b>For the year ended 30th June, 2013</b>	<b>For the year ended 30th June, 2012</b>
<b>A) Manufacturing Expenses</b>		
Consumables & Store spares	177.89	28.00
Power & Fuel	103.76	29.81
Testing Fees & Inspection Charges	0.79	—
Loading & Unloading Expenses	3.13	0.27
Packing Expenses	9.61	0.04
Freight Inwards	6.18	5.29
Repairs to Plant & Machinery	13.24	5.12
<b>Total Manufacturing Expenses (A)</b>	<b>314.60</b>	<b>68.53</b>
<b>B) Administrative &amp; Selling Expenses</b>		
Advertisement and Publicity	1.90	0.95
Auditor's Remuneration	2.07	1.71
Bank Charges	30.46	1.33
Books & Periodicals	0.24	0.23
Business promotion Expenses	0.44	0.26
Directors Remuneration & Perquisites	3.83	3.14
Excess Provision Written back	—	0.82
Insurance Charges	3.17	4.00
ISO/QS Expenses	1.40	—
Legal & Professional	22.40	0.93
Miscellaneous Expenses written off	—	3.62
Office and Factory Expenses	21.78	10.45
Payments to Contractors for Services	—	3.35
Printing & Stationery	6.23	3.09
Rates, Fee & Taxes	26.22	2.48
Rent	28.33	20.72
Repairs & Maintenance of others	1.73	2.47
Telephone, Postage & Courier Expenses	11.58	3.29
Travelling & Conveyance	20.30	9.61
Watch & Ward	12.38	6.36
Rounding off	(0.01)	—
Vehicle hire & running Expenses	12.01	—
<b>Selling &amp; Distribution Expenses</b>		
Freight Outwards	84.24	9.16
<b>Total Administrative &amp; Selling Expenses (B)</b>	<b>290.70</b>	<b>87.97</b>
<b>Total (A + B)</b>	<b>605.30</b>	<b>156.50</b>



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.24.1 OTHER EXPENSES (Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
<b>Auditors Payments</b>		
As Auditor	1.60	1.30
For taxation matters	0.25	0.25
For reimbursement expenses	0.22	0.16
<b>Total</b>	<b>2.07</b>	<b>1.71</b>

## 2.24.1 EXPENDITURE IN FOREIGN CURRENCY (Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Travelling	2.68	4.98
<b>Total</b>	<b>2.68</b>	<b>4.98</b>

## 2.24.2 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS (Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Capital goods	68.14	2,302.25
<b>Total</b>	<b>68.14</b>	<b>2,302.25</b>

## 2.24.3 CONTINGENT LIABILITIES (Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
*Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	4,550.77
Bank Guarantees	2,217.73	63.42
<b>Total</b>	<b>2,217.73</b>	<b>4,614.19</b>

\* Contingent Assets are neither recognised nor disclosed

**2.25 BASIC EPS & DILUTED EPS**

(Rs. In Lacs)

Calculation of EPS ( Basic and Diluted)	For the year ended 30th June, 2013	For the year ended 30th June, 2012
<b>Basic</b>		
Opening number of Shares( In Lacs)	154.63	154.63
Total Shares outstanding(In Lacs)	154.63	154.63
Profit after Tax and Preference Dividend and Tax (Rs. In Lacs)	19.40	4.19
EPS (Rs.Per Share)	0.13	0.03
<b>Diluted</b>		
Opening number of Shares( In Lacs)	154.63	154.63
Total Shares outstanding(In Lacs)	154.63	154.63
Profit after Tax and Preference Dividend and Tax (Rs. In Lacs)	19.40	4.19
Diluted Earning Per Share	0.13	0.03

**2.26 EMPLOYEE BENEFITS (AS-15 REVISED)**

The following data are based on the report of the actuary

The principal assumptions used in the actuarial valuations are as below:-

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Discount rate	8%	8.50%
Future Salary Escalation Rate	6%	6%
Average Remaining working life (Years)	27.06	25.71
Retirement Age	58	58

**GRATUITY (UNFUNDED)**
**i. Change in Present Value of obligations:**

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Present Value of Obligation as at the beginning of the period	10.27	4.93
Present Service Cost	3.74	2.94
Interest Cost	0.82	0.42
Actuarial ( Gain) /Loss on obligation	(2.28)	1.98
Benefits Paid	—	—
<b>Present Value of Obligations as at the end of the period</b>	<b>12.55</b>	<b>10.27</b>

**ii. Expenses Recognised in the Statement of Profit & Loss**

(Rs. In Lacs)

Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Current Service Cost	3.74	2.94
Interest Cost	0.82	0.42
Expected Return on plan assets	—	—
Net Actuarial (Gain)/ Loss recognized in the year	(2.28)	1.98
<b>Expenses recognised in the Statement of Profit &amp; Loss A/c</b>	<b>2.28</b>	<b>5.34</b>



# ALLIANCE INTEGRATED METALIKS LIMITED

iii. Amount Recognised in Balance Sheet	(Rs. In Lacs)	
Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Present Value of Obligation as at the end of the year	12.55	10.27
Fair Value of Plan Assets as at the end of the year	—	—
Funded Status	(12.55)	(10.27)
Unrecognised Actuarial (Gain) / Losses	—	—
<b>Net Assets/ (Liability) Recognised in the Balance Sheet</b>	<b>(12.55)</b>	<b>(10.27)</b>
<b>LEAVE ENCASHMENT (UNFUNDED)</b>		
i. Change in Present Value of obligations:	(Rs. In Lacs)	
Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Present Value of Obligation as at the beginning of the period	20.74	15.35
Present Service Cost	9.90	5.81
Interest Cost	1.66	1.30
Actuarial ( Gain) /Loss on obligation	(11.41)	(1.50)
Benefits Paid	(0.74)	(0.22)
<b>Present Value of Obligations as at the end of the period</b>	<b>20.15</b>	<b>20.74</b>
ii. Expenses Recognised in the Statement of Profit & Loss	(Rs. In Lacs)	
Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Current Service Cost	9.90	5.81
Interest Cost	1.66	1.30
Expected Return on plan assets	—	—
Net Actuarial (Gain)/ Loss recognized in the year	(11.41)	(1.50)
<b>Expenses recognised in the Statement of Profit &amp; Loss A/c</b>	<b>0.15</b>	<b>5.61</b>
iii. Amount Recognised in Balance Sheet	(Rs. In Lacs)	
Particulars	For the year ended 30th June, 2013	For the year ended 30th June, 2012
Present Value of Obligation as at the end of the year	20.15	20.74
Fair Value of Plan Assets as at the end of the year	—	—
Funded Status	(20.15)	(20.74)
Unrecognised Actuarial (Gain) / Losses	—	—
<b>Net Assets/ (Liability) Recognised in the Balance Sheet</b>	<b>(20.15)</b>	<b>(20.74)</b>

**Note No. 2.27 RELATED PARTY DISCLOSURES & TRANSACTIONS**

As per AS-18 issued by the Institute of Chartered Accountants of India, related parties in terms of the said standard are disclosed below:

- A) Names of related parties & description of relationship
- 1) Company Holds 48.64% of Equity Shares: WLD Investments Pvt Ltd.  
 2) Associates (a) ARGL Limited  
 (b) ACIL Limited  
 3) Key Management Personnel (a) Shri Mahesh Ochani

**B) Description of Transactions with related parties** (Rs. In Lacs)

Particulars	Associates/Holding Subsidiaries or Associate of Holding Company	Key Management Personnel	2012-2013	2011-2012
Purchase of Goods	82.83	–	82.83	–
Directors Remuneration	–	3.83	3.83	3.14
Application Money Taken	65,000.00	–	65,000.00	–
Payable at the year end	2,123.18	–	2,123.18	–
Receivable at the year end	626.86		626.86	–

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## ATTENDANCE SLIP

### ALLIANCE INTEGRATED METALIKS LIMITED

**Registered Office:** 910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001

Name of the Shareholder / Proxy\*

DP ID\*\*

Folio No.

Client ID\*\*

No. of Shares held

I/We hereby record my/our presence at the **Twenty-Fourth Annual General Meeting** of the Company held at **Mapple Emerald Rajokari, NH-8, New Delhi-110038 on Monday, the 30th day of December, 2013 at 12.30 p.m.**

#### SIGNATURE OF THE SHAREHOLDER/PROXY\*

\* Strike out whichever is not applicable.

\*\* Applicable for investors holding shares in electronic form.

Note : Please handover the slip at the entrance of the Meeting venue.

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## PROXY FORM

### ALLIANCE INTEGRATED METALIKS LIMITED

**Registered Office:** 910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001

I/We.....of.....in the district of.....  
.....being a member/members of ALLIANCE INTEGRATED METALIKS LIMITED  
hereby appoint.....of.....in the district of.....  
.....or failing him/her .....of .....in the district of.....  
.....as my/our proxy to vote for me/us on my/our behalf at the **Twenty-Fourth Annual General Meeting** of the Company held at **Mapple Emerald Rajokari, NH-8, New Delhi-110038 on Monday, the 30th day of December, 2013 at 12.30 p.m.** and at any adjournment thereof.

Signed this.....day of.....2013.

Folio No.

DP ID\*

Affix Re.1  
Revenue  
Stamp

No. of Shares held

Client ID No.\*:

\*Applicable for investors holding shares in electronic form.

#### Notes:

1. Proxy need not be a member.
2. The form of proxy, duly signed across Re. 1 revenue stamp should reach the registered office of the Company, not less than 48 hours before the time fixed for the Meeting.

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**ALLIANCE INTEGRATED METALIKS LIMITED**

Regd. Office : 910, Ansal Bhawan, 16 K.G. Marg, Connaught Place,  
New Delhi-110001.