



**ALLIANCE  
INTEGRATED METALIKS LIMITED**

**23rd ANNUAL REPORT  
2011-2012**

# ALLIANCE INTEGRATED METALIKS LIMITED

## 23rd ANNUAL REPORT 2011-2012

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### BOARD OF DIRECTORS

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

### Company Secretary

Mr. Rakesh Vij

### Auditors

M/s B. Lugani & Associates  
*Chartered Accountants*

### Regd. & Corporate Office:

910, Ansal Bhawan  
16, K.G. Marg  
New Delhi – 110001  
Ph: +91-11-23752586/90/91  
E-mail : [alliance.intgd@rediffmail.com](mailto:alliance.intgd@rediffmail.com)  
Web : [www.aiml.in/sitenew/index.php](http://www.aiml.in/sitenew/index.php)

### Works:

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

### Registrar & Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,  
Behind L.S.C., New Delhi-110062  
Tel.: 011-29255230, Fax: 011-29252146  
E-mail: [beetal@rediffmail.com](mailto:beetal@rediffmail.com)

### Banker

Indian Overseas Bank

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**NOTICE**

Notice is hereby given that the Twenty-Third Annual General Meeting of the Company will be held on Monday, the 31<sup>st</sup> day of December, 2012 at 1:00 p.m. at the registered office of the Company at 910, Ansal Bhawan, 16, K. G. Marg, New Delhi - 110001 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, 2012 together with Profit and Loss Account for the year ended on that date and the Reports of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ashish Pandit who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:-  
"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Avijit Banerjee, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:-  
"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Daljit Singh Chahal, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.

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

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

Place : New Delhi  
Date : 5th December, 2012

**NOTES:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The proxy form duly completed, stamped and signed should reach Company's registered office at least 48 hours before the meeting.
- 3) Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 4) All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> December, 2012 to 31<sup>st</sup> December, 2012 (both days inclusive).
- 6) 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.
- 7) The Members attending the 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. Duplicate Attendance Slip will be issued at the Registered Office of the Company up to a day preceding the day of Annual General Meeting.

- 8) 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. 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 Registrar and Transfer (R&T) Agent of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
- 9) The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. 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 Private Limited, Registrar and Transfer Agent of the Company.

## **ANNEXURE TO NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956**

#### **ITEM NO. 4**

Pursuant to the provisions of section 260 of the Companies Act, 1956 ("The Act") and Articles of Association of the Company, the Board of Directors of the Company ("The Board") had, at its meeting held on July 16, 2012, appointed Mr. Avijit Banerjee as an additional Director of the Company. In terms of the provisions of Section 260 of the Act, Mr. Avijit Banerjee will hold Office up to the date of this Annual General Meeting.

The Company has received notice in writing from a member signifying the candidature of Mr. Avijit Banerjee for the office of Director of the Company under the provisions of Section 257 of the Act. None of the Directors except Mr. Avijit Banerjee is concerned or interested in the said resolution.

#### **ITEM NO. 5**

Pursuant to the provisions of section 260 of the Companies Act, 1956 ("The Act") and Articles of Association of the Company, the Board of Directors of the Company ("The Board") had, at its meeting held on July 16, 2012, appointed Mr. Daljit Singh Chahal as an additional Director of the Company. In terms of the provisions of Section 260 of the Act, Mr. Daljit Singh Chahal will hold Office up to the date of this Annual General Meeting.

The Company has received notice in writing from a member signifying the candidature of Mr. Daljit Singh Chahal for the office of Director of the Company under the provisions of Section 257 of the Act. None of the Directors except Mr. Daljit Singh Chahal is concerned or interested in the said resolution.

**INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE FORTHCOMING ANNUAL GENERAL MEETING**

| <b>Name of Director</b>                                                                                                                                                                          | <b>Mr. Ashish Pandit</b>                                                                                                                                                                                                                                                                               | <b>Mr. Avijit Banerjee</b>                                                                                                                                                                  | <b>Mr. Daljit Singh Chahal</b>                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of birth                                                                                                                                                                                    | 16.09.1972                                                                                                                                                                                                                                                                                             | 29.10.1949                                                                                                                                                                                  | 11.02.1972                                                                                                                                                                                                                                                                |
| Qualification                                                                                                                                                                                    | B.Com                                                                                                                                                                                                                                                                                                  | B.E. (Mechanical Honors)                                                                                                                                                                    | B. Tech- Mechanical                                                                                                                                                                                                                                                       |
| Date of appointment                                                                                                                                                                              | 13.05.2011                                                                                                                                                                                                                                                                                             | 16.07.2012                                                                                                                                                                                  | 16.07.2012                                                                                                                                                                                                                                                                |
| Expertise in specific functional areas                                                                                                                                                           | Administrative and Operations                                                                                                                                                                                                                                                                          | More than 35 years of experience in Manufacturing Industry, Strategic Planning, and Implementation, Technical Expertise in Steel, Auto Components and related industry                      | 21 years of experience in field of Development, Materials, Production and Operations related to Fabrication of Steel Structures.                                                                                                                                          |
| List of other Companies in which Directorships held ( excluding foreign companies , private companies and alternate directorship & Companies formed under Section 25 of the Companies Act, 1956. | Lotus Buildtech Ltd., Rollainers Ltd., Amtek Steel Industries Ltd., Amtek Metal & Mining Ltd., Amtek Defence Technologies Ltd., ACL Industries Ltd., Amtek Heavy Engineering Industries Ltd., Lotus Auto Engineering Ltd., Fenace Auto Ltd., Gondwana Ispat Ltd., B.S. Ispat Ltd., R.T. Packaging Ltd. | MPT Amtek Automotive (India) Ltd ,Amtek Transportation Systems Ltd., Amtek Railcar Ltd., Lotus Auto Engineering Ltd., Amtek Wagon leasing Company Ltd., Amtek Aerospace Industries Limited. | Amtek Metal & Mining Ltd., Amtek Steel Industries Ltd., Amtek Defence Technology Ltd., Amtek Brake Systems Ltd., Alliance Hydro Power Ltd., Amtek Heavy Engineering Industries Ltd., Lotus Buildtech Ltd., WHF precision Forgings Ltd., Amtek Transportation Systems Ltd. |
| The Shareholding in the Company                                                                                                                                                                  | Nil                                                                                                                                                                                                                                                                                                    | Nil                                                                                                                                                                                         | Nil                                                                                                                                                                                                                                                                       |

By Order of the Board  
For Alliance Integrated Metaliks Limited

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

Place : New Delhi  
Date : 5th December, 2012

**DIRECTORS' REPORT**

TO

THE MEMBERS,  
**ALLIANCE INTEGRATED METALIKS LIMITED**

Your Directors have pleasure in presenting the Twenty-Third Annual Report and the Audited Accounts of the Company for the year ended 30<sup>th</sup> June, 2012.

**FINANCIAL RESULTS****(Amount in Lacs)**

| <b>PARTICULARS</b>                      | <b>2011-2012</b> | <b>2010 - 2011</b> |
|-----------------------------------------|------------------|--------------------|
| Revenue from Operations                 | 2726.43          | 55.95              |
| Expenditures                            | 2718.50          | 32.85              |
| Profit before Taxation                  | 7.93             | 23.10              |
| Tax Expenses                            | 3.74             | 7.70               |
| Profit after Tax                        | 4.19             | 15.40              |
| ADD:- Accumulated Profits               | 6.74             | 61.34              |
| Balance available for appropriation     | <b>10.93</b>     | 76.74              |
| <b>APPROPRIATIONS</b>                   |                  |                    |
| Transferred to General Reserve          | 0.00             | 70.00              |
| Net Profit Transferred to Balance Sheet | 10.93            | 6.74               |

**PERFORMANCE**

During the year under review, the Company generated revenue of Rs. 2726.43 lacs with profit after tax of Rs 4.19 lacs as compared to revenue of Rs. 55.95 lacs and profit after tax of Rs. 15.40 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. 30,00,00,000 (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- each to Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- each and 2,50,00,000 (Two Crores Fifty Lacs) Preference Shares of Rs. 10/- each.

**DIVIDEND**

The Directors do not recommend any dividend for the year ended 30<sup>th</sup> June, 2012.

**OPERATIONS**

The Company is in the process of implementing a Greenfield Power Ancillary Equipment and Engineering Fabrication production facility in Punjab to serve the Government and Private Companies which are setting up Power plants in India. The integrated facility will be contributing to all major companies engaged in setting up of power project by manufacturing and supplying them heavy structures and equipment related to Power Plants.

**DIRECTORS**

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

During the period under review, Mr. Avijit Banerjee and Mr. Daljit Singh Chahal were appointed as Additional Director(s) on the Board of the Company. Pursuant to section 260 of the Companies Act, 1956 their tenure as directors expires on the date of the ensuing Annual General meeting, Notice(s) signifying the intention to appoint them as directors have been received from the members of the Company in terms of Sec. 257 of the Companies Act, 1956 and accordingly

respective resolutions to that effect have been provided in the notice of the Annual General Meeting as special business.

Mrs. Aarti Jain resigned from the Directorship of the Company w.e.f 16<sup>th</sup> July, 2012 and is no more on the Company's Board of Directors.

### **AUDITOR'S REPORT**

The Auditors Report is self explanatory and therefore, does not call for any further comments.

### **AUDITORS**

M/s B. Lugani & Associates, Chartered Accountants, the Statutory Auditors of the Company hold office until the conclusion of ensuing Annual General Meeting and are willing to be reappointed as Statutory Auditor of the Company to hold office until the conclusion of next Annual General Meeting. They have confirmed their eligibility to act as auditors of the Company under Section 224(1B) of the Companies Act, 1956, if appointed at the ensuing Annual General Meeting on such remuneration to be decided by the Board.

### **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, 2012. Cost Auditor Report would be submitted within prescribed time.

### **FIXED DEPOSITS**

The Company has not accepted any deposits under section 58-A and 58AA of the Companies Act, 1956.

### **DE-MATERIALISATION OF SHARES**

The 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 mandatory in de-materialized form. As on 30<sup>th</sup> June, 2012, 1,15,20,000 equity shares representing 74.51% of your Company's Equity share capital have been de-materialized.

### **LISTING AT STOCK EXCHANGES**

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

The Company has paid the annual listing fee to the Stock exchanges for the year 2012- 2013.

### **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, 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 Report.

### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange earned - Nil

Foreign Exchange outgo - Rs. 2307.23 Lacs.

### **CORPORATE GOVERNANCE**

A separate section on Corporate Governance forming 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 Indian Stock Exchange's are included in the Annual Report.



**MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis (MDA) for the year under review, as required under clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate section forming part of 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 resolve shareholders' requests / grievances. Priority is accorded to address all the issues raised by the shareholders and provide them a satisfactory reply at the earliest possible time. The Shareholders' and Investors' Grievances Committee of the Board meets periodically and reviews the status of the redressal of investors' grievances.

**EMPLOYEE WELFARE**

Your Company demonstrated that it is a caring organization by constantly devising and implementing several welfare measures for the employees and their families. Employee welfare programmes and schemes were implemented with utmost zeal and they were constantly reviewed and improvements were made wherever necessary at the earliest.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- 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 and of the profit or loss of the Company for the period under review;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 acknowledgement for the contribution made by employees at all levels. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, our valued customers and the investors for their continued support, cooperation and assistance.

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

Sd/-  
**(Sunil Kumar)**  
Chairman

Place : New Delhi  
Date : 5th December, 2012



**ANNEXURE – I TO THE DIRECTORS' REPORT 2011-12**

**A. INFORMATION REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT,1956**

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

- |    |                                                         |   |                                                                                          |
|----|---------------------------------------------------------|---|------------------------------------------------------------------------------------------|
| a) | Specific area in which (R&D) Carried out by the Company | : | i) Product design & development<br>ii) Process design & improvement for various products |
| b) | Benefits derived as result                              | : | 1. Reduction in process time<br>2. Higher productivity<br>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 indigenised and absorbed technological changes.                                                                 |
| b) | Benefits derived as a result of                                                                                    | : | i) Cost reduction to due savings in raw material dies & moulds & power & fuel.<br>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:**

(Amount in Rs.)

|                         |                       |                      |
|-------------------------|-----------------------|----------------------|
|                         | <b>Current Year</b>   | <b>Previous year</b> |
| Foreign Exchange Used : | <b>230,723,009.39</b> | 25,302,468.00        |

**4. Conservation of Energy**

**A. Power & Fuel consumption**

**1. Electricity Purchased**

|                  |              |     |
|------------------|--------------|-----|
| Units            | 100,700.00   | Nil |
| Total Amt. (Rs.) | 1,268,185.00 | Nil |
| Rate/Unit        | 12.59        | Nil |

**2. Own generation through Generator**

|                  |              |     |
|------------------|--------------|-----|
| Units            | 98,576.00    | Nil |
| Unit/Ltr         | 2.30         | Nil |
| Rate/Unit        | 17.38        | Nil |
| Total Amt. (Rs.) | 1,713,034.00 | Nil |

**B. Consumption Per Unit of Production**

|                     |          |     |
|---------------------|----------|-----|
| Production in (MT.) | 971.99   | Nil |
| Cost/MT.            | 3,067.14 | Nil |

## 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 shareholders' 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 1/3<sup>rd</sup> being independent. As on 30<sup>th</sup> June, 2012 Board of Directors of your Company consists of four members of which three are Non-Executive and Independent Directors. The Chairman of the Company is Non- Executive.

#### A. Composition of Directorships

The constitution of the Board as on 30<sup>th</sup> June 2012:-

| S. no. | Name of the Director        | Status            | Executive/ Non – Executive/ Independent | No. of Board Meetings attended | Attendance at the last AGM held on 31.12.2011 | No. of other Directorships as on 30.06.2012* | No. of Committees positions held in other Public Companies as on 30.06.2012# |              |
|--------|-----------------------------|-------------------|-----------------------------------------|--------------------------------|-----------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------|--------------|
|        |                             |                   |                                         |                                |                                               |                                              | Membership                                                                   | Chairmanship |
| 1.     | Mr. Sunil Kumar             | Chairman          | Non Executive & Independent             | 8                              | P                                             | Nil                                          | Nil                                                                          | Nil          |
| 2.     | Mr. Mahesh Ochani           | Managing Director | Executive Director                      | 8                              | P                                             | Nil                                          | Nil                                                                          | Nil          |
| 3.     | Mr. Gautam Malhotra**       | Director          | Non Executive & Independent             | 2                              | NP                                            | 3                                            | 1                                                                            | Nil          |
| 4.     | Mrs. Aarti Jain***          | Director          | Non Executive & Independent             | 8                              | NP                                            | Nil                                          | Nil                                                                          | Nil          |
| 5.     | Mr. Ashish Pandit           | Director          | Non Executive & Independent             | 8                              | NP                                            | 13                                           | Nil                                                                          | Nil          |
| 6.     | Mr. Avijit Banerjee****     | Director          | Non Executive & Independent             | NA                             | NA                                            | 6                                            | Nil                                                                          | Nil          |
| 7.     | Mr. Daljit Singh Chahal**** | Director          | Non Executive & Independent             | NA                             | NA                                            | 9                                            | Nil                                                                          | Nil          |

\* This excludes directorship held in Private Companies, Foreign Companies, Alternate Directorship and Companies formed under Section 25 of the Companies Act, 1956.

\*\* Mr. Gautam Malhotra has ceased to be Director of the Company w.e.f.01/09/2011.

\*\*\* Mrs. Aarti Jain has ceased to be Director of the Company w.e.f. 16/07/2012.

\*\*\* Mr. Avijit banerjee and Mr. Daljit Singh Chahal, have been appointed as Additional Directors w.e.f. 16/07/2012.

# The Committee of Directors includes Audit Committee and Shareholders'/Investors' Grievance Committee of Directors only. This does not include Memberships/Chairmanship in Committees of Private Limited Companies.

During the year under review, eight meetings of the Board of Directors were held on 10.08.2011, 01.09.2011, 15.11.2011, 29.11.2011, 06.12.2011, 20.01.2012, 13.02.2012 and 14.05.2012. The Board members were given appropriate documents and information in advance of each Board meeting.

**B. Pecuniary Relationship**

There is no pecuniary relationship or transaction of the non-executive Directors vis-à-vis the Company.

**III. BOARD PROCEDURES**

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.

**IV. 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 Ms. Aarti Jain 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.

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

The Audit Committee has been further reconstituted w. e.f. 16.07.2012, Mr. Daljit Singh Chahal appointed as member of the Committee in place of Ms. Aarti Jain.

**V. 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), Ms. Aarti Jain and Mr. Ashish pandit.

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.

The Remuneration Committee has been further reconstituted w. e.f. 16.07.2012, Mr. Daljit Singh Chahal appointed as member of the Committee in place of Ms. Aarti Jain.

**VI. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE**

The Board has constituted a Shareholders'/Investors' Grievance Committee Comprising of Mr. Ashish Pandit and Mr. Sunil Kumar 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.

**VII. 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.

**VIII. GENERAL BODY MEETINGS**

The last three Annual General Meetings were held as under:-

| Year      | Location                                              | Date       | Time       |
|-----------|-------------------------------------------------------|------------|------------|
| 2010-2011 | 910, Ansal Bhawan, 16, K. G. Marg, New Delhi - 110001 | 31.12.2011 | 01.00 P.M. |
| 2009-2010 | 910, Ansal Bhawan, 16, K. G. Marg, New Delhi - 110001 | 31.12.2010 | 10.00 A.M. |
| 2008-2009 | 910, Ansal Bhawan, 16, K. G. Marg, New Delhi - 110001 | 30.12.2009 | 10.00 A.M. |

**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:-

**Discription of Transactions with related parties**

(Amount in Rs.)

| Particulars                          | Transaction  | 2011-2012  | 2010-2011 |
|--------------------------------------|--------------|------------|-----------|
| Mr. Mahesh Ochani, Managing Director | Remuneration | 313,893.00 | –         |

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

**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, Shareholder Rights and establishing the Whistleblower Policy.

**IX. MEANS OF COMMUNICATION**

Results for quarter ended 30th September, 2011, 31st December, 2011, 31st March, 2012 and 30th June, 2012 are normally published in English and Hindi newspapers (viz Pioneer and Hari Bhoomi) and also displayed on the Website of the Company <http://aiml.in/sitenew/index.php>. after submission to the Stock Exchanges.

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

**X. GENERAL SHAREHOLDERS' INFORMATION**

**1. ANNUAL GENERAL MEETING**

Date : 31<sup>st</sup> December, 2012  
 Day : Monday  
 Time and Venue : 1:00 P.M.  
 : 910, Ansal Bhawan,  
 16, K. G. Marg,  
 New Delhi - 110001

**2. FINANCIAL CALENDER:  
 (Tentative & Subject to change)**

|                           |                                |
|---------------------------|--------------------------------|
| Financial year: 2012-2013 | July 01, 2012 to June 30, 2013 |
| First Quarter Results     | Mid of November, 2012          |
| Second Quarter Results    | Mid of February, 2013          |
| Third Quarter Results     | Mid of May, 2013               |
| Fourth Quarter Results    | Mid of August, 2013            |

**3. DATES OF BOOK CLOSURE: 26.12.2012 to 31.12.2012**  
 (Both days inclusive)

**4. DIVIDEND PAYMENT DATE:** No dividend has been recommended by the Board for the Year 2011-2012.

**5. LISTING ON STOCK EXCHANGES:** The shares of the Company are listed on The Delhi Stock Exchange Association Limited, The Jaipur Stock Exchange Limited, The Stock Exchange, Ahmedabad and The Bombay Stock Exchange Limited.

The Company has paid its annual listing fee to the Stock Exchanges for the Financial Year 2012-2013.

**6. STOCK CODES:**

|                                              |   |                          |
|----------------------------------------------|---|--------------------------|
| The Delhi Stock Exchange Association Limited | : | File No. 9315            |
| The Jaipur Stock Exchange Limited            | : | Company Code: 991        |
| The Stock Exchange, Ahmedabad                | : | Security Code No. 10067  |
| The Bombay Stock Exchange Limited            | : | Security Code No. 534064 |

**7. REGISTRARS AND TRANSFER AGENTS:**

**Beetal Financial & Computer Services Pvt. Ltd.**  
 Beetal House, 3rd Floor,  
 99, Madangir, Behind L. S. C.,  
 Near Dada Harsukh Dass Mandir, New Delhi-110062  
 Phone No. : 011 - 29961281-82  
 Fax No. 011 – 29961284  
 Email – beetal@rediffmail.com

**8. SHARE TRANSFER SYSTEM:**

Shares 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.



# ALLIANCE INTEGRATED METALIKS LIMITED

## 9. DISTRIBUTION OF SHAREHOLDING AS ON JUNE 30, 2012:

| No. of Shares held<br>(Rs.10/- paid up) |        | Shareholders<br>Number | % of Total    | Total<br>(in Rs.) | % of Total<br>Shareholding |
|-----------------------------------------|--------|------------------------|---------------|-------------------|----------------------------|
| Up to                                   | 5000   | 6                      | 0.70          | 21120             | 0.01                       |
| 5001                                    | 10000  | 0                      | 0.00          | 0                 | 0.00                       |
| 10001                                   | 20000  | 2                      | 0.24          | 40000             | 0.03                       |
| 20001                                   | 30000  | 524                    | 61.57         | 13175000          | 8.52                       |
| 30001                                   | 40000  | 26                     | 3.06          | 1040000           | 0.67                       |
| 40001                                   | 50000  | 149                    | 17.51         | 7450000           | 4.82                       |
| 50001                                   | 100000 | 61                     | 7.17          | 5165000           | 3.34                       |
| 100001                                  | Above  | 83                     | 9.75          | 127733880         | 82.61                      |
| <b>TOTAL:</b>                           |        | <b>851</b>             | <b>100.00</b> | <b>154625000</b>  | <b>100.000</b>             |

## 10. SHAREHOLDING PATTERN OF AS ON JUNE 30, 2012:

| Sl. No.   | Categories                                                                                                    | Nos. of Shares held<br>(Rs. 10/- paid up) | Percentage of<br>Shareholding<br>(%) |
|-----------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------------------------|
| <b>A.</b> | <b>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.</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,<br>(Central /State Government Institutions/ Non-Government). | NIL                                       | NIL                                  |
| c.        | FIs                                                                                                           | NIL                                       | NIL                                  |
|           | <b>Sub Total</b>                                                                                              | <b>NIL</b>                                | <b>NIL</b>                           |
| 4.        | Other                                                                                                         |                                           |                                      |
| a.        | Private Corporate Bodies                                                                                      | 3738388                                   | 24.17                                |
| b.        | Indian Public                                                                                                 | 4203612                                   | 27.19                                |
| 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>                        |

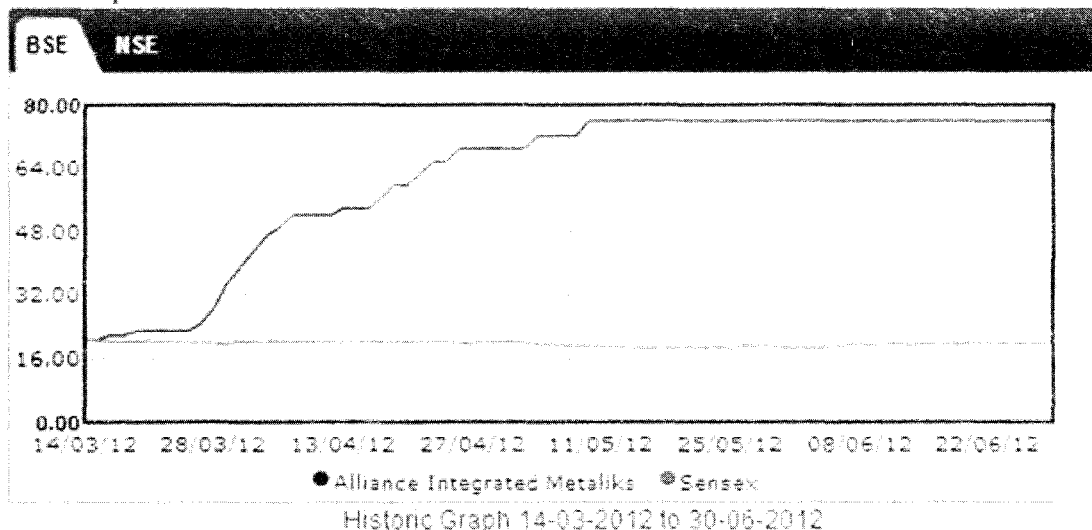
**11. MARKET PRICE DATA: MONTHLY HIGH/LOW PRICES PER SHARE DURING 2011-2012:**

| Months      | BSE        |           |
|-------------|------------|-----------|
|             | High (Rs.) | Low (Rs.) |
| March, 2012 | 38.75      | 20.20     |
| April, 2012 | 68.95      | 42.60     |
| May ,2012   | 75.95      | 72.35     |

The Trading in the Company Equity shares on BSE commenced from 14th March, 2012.

**BOMBAY STOCK EXCHANGE**

**Historic Graphs**



**12. DEMATERLISATION OF SHARES:**

As on 30<sup>th</sup> June, 2012, 74.51% of the total Equity Capital was held in dematerialized Form with NSDL and CDSL.

**13. 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 June 30, 2012.

**14. INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO:**

Alliance Integrated Metaliks Limited,  
 910, Ansal Bhawan, 16, K. G. Marg,  
 New Delhi - 110001  
 Ph.: 011 - 23752586, 90 and 91

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

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

Place : New Delhi  
 Date : 5th December, 2012



**AUDITORS' 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 year ended on 30<sup>th</sup> June, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with 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 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 Shareholders/Investor Grievance Committee has maintained records to show the Investor Grievance and certify that as at 30.06.2012, there were no investor grievances remaining unattended/pending for more than 30 days.

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

**For B. Lugani & Associates  
Chartered Accountants**

Place : New Delhi  
Date : 5th December, 2012

Sd/-  
**(B. Lugani)**  
Partner  
Membership No. 81454

**DECLARATION BY CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

As required under clause 49 of the Listing Agreement with Stock Exchange, it is hereby confirmed that for the year ended 30<sup>th</sup> June 2012, 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 Employee Code of Conduct, as applicable to them.

Place : New Delhi  
Date : 5th December, 2012

Sd/-  
**Mahesh Ochani**  
Managing Director



**CEO AND CFO CERTIFICATION**

I, Mahesh Ochani, Managing Director certify that:

- a) I have reviewed the financial statements and cash flow statement for the year ended 30<sup>th</sup> June 2012 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 30<sup>th</sup> June, 2012 are fraudulent, illegal or volatile 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 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, 2012

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

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## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry structure and developments

#### Indian Economy

During the past fiscal year, India continued to recover strongly from the global economic slowdown. The Indian economy, one of the fastest growing economies in the world, grew at an estimated GDP of 8.5% in 2010-11. However, year 2011-12 has been challenging for the Indian economy. The Indian economy witnessed tightening of monetary policy. Higher interest rate environment aimed at taming inflation resulted in deceleration of economic growth. However, with continued thrust on reforms, the economy is expected to achieve better growth in coming times.

#### Steel Fabrication Industry: Current Status

The main function of the Metal Fabrication Industry is to produce component metal parts that will fit in along with other parts, to form larger machinery. In this way the Metal Fabrication Industry proves to be an essential section of the entire global metal industry as it produces minute spare parts of larger heavy machinery and equipments, which cannot be manufactured simultaneously with the manufacturing of the heavy machines.

The Indian economy continues to surge ahead; its power sector has been expanding concurrently to support the growth rate. The demand for power is growing exponentially and the scope for the growth of this sector is immense. Ever since the power sector was opened up for private investments, there has been a huge surge in Indian and Foreign Companies showing interest in this field. With power producing companies bagging more and more projects and they themselves building capacities and capabilities, there is a huge scope of outsourcing of various equipments and auxiliaries which has to be supported by Indian private manufacturing establishments. Poor supply of fuel like Gas / Coke are creating slow down and resulting in losses coupled with low tariff on electricity charges.

The trend will change soon with government directly supporting power sector now and productivity gearing up with technology enhancement from global company's presence.

This translates into huge opportunity not only for power generation, transmission and distribution companies but also for power ancillary companies.

Accordingly, the Company (AIML) is in the process of implementing a Greenfield state of the art heavy fabrication facility for fabrication of power plant structures and auxiliary equipment for power plants. The facility is the largest automated facility for power plant structures and equipments in North India. The unique fabrication capacity and expertise gives it a strong position with respect of its structural steel competitors, relying mainly on the following:

- Computerized 3-D design system integrated to the fabrication process, and state-of-the-art network and detailing/modeling software.
- Automated fabrication process and ultra-modern equipment and machinery, supervised by an integrative approach to project management.
- Rigorous operational processes and quality control, in conformance with international standards by inducing quality at the very stage at manufacturing & process

Apart from meeting the power plant requirements the facility would also cater to infrastructure development programmes.

#### Opportunities and Threats

##### Opportunities

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 favorable 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 equipments manufacturers and ancillaries.

At present, there are approximately twelve reputed companies operating in the country manufacturing specialized power equipments. Most of these companies are overbooked and have recently expanded their capacities but still

unable to meet 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 suitably cater to this segment of the market and 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. A rare position earned for any similar company.

### **Threat**

Volatile raw material prices continue to be the main concern and dual taxation of fabrication at plant as compared to site fabrication.

### **Segment-wise/Product-wise performance**

The Company (AIML) is in the process of implementing a Greenfield state of the art heavy fabrication facility for fabrication of power plant structures and auxiliary equipment for power plants. The operational performance from the facility will be available from the next year. The order backlog is till May 2014 & operational performance is well being demonstrated in very first year of operation.

### **Outlook**

Ever since the Power sector was opened up for private investments, there has been a huge surge in Indian and Foreign companies showing interest in this field. This brings a very high level of technology, bigger and efficient power plants and faster execution of Power projects in India.

With companies bagging more and more projects and they themselves building capacities and capabilities, there is a lot of scope of outsourcing of various equipments and auxiliaries.

The Indian market today is mainly serviced by BHEL and its supplier base which is heavily concentrated in South. Few new Companies by themselves or through Joint Venture route are in process of establishing their plants in Southern and Western India.

Since the project would be situated in Punjab, there exists significant opportunity for the company's products. Power companies have been on look-out for such facilities which can concentrate on Power plant related manufacturing and high level of automation to meet the demand and quality.

### **Risks and concerns**

Ongoing sovereign debt issues in Europe, slower than expected growth in the US and sustained inflationary pressures in Indian and other Asian markets have resulted in a deceleration in steel sales volumes over the past few months. This is primarily due to a slowdown in key end consumer sectors including infrastructure and automotive. Despite this, capacity utilizations remain high in the industry, which have led to a moderation in steel prices. Macro-economic challenges, such as interest rate hike, inflation and political unrest could hamper Company's operational and financial performance. Another major challenge is limited availability and quality of raw material.

### **Internal control systems and their adequacy**

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly, applicable statutes, the Code of Conduct and corporate policies are duly complied with.

The Company has an Internal Audit Department which conducts audit in various functional areas as per Audit Programme approved by the Audit Committee of Directors. The Internal Audit Department reports its findings and observations to the Audit Committee, which meets at regular intervals to review the audit issues and to follow up implementation of corrective actions.

The Committee also seeks the views of statutory auditors on the adequacy of the internal control systems in the Company. The Audit Committee has majority of independent directors to maintain the objectivity.



## **Financial performance with respect to operational performance**

During the year under review, your Company achieved Revenue from operations of Rs. 2726.43 lacs as compared to Rs. 55.95 lacs in the previous year. Gross Profit before interest, depreciation and taxes stood at Rs. 316.81 lacs compared to Rs. 27.68 lacs in the previous year.

## **Human Resource and Industrial Relations**

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. The Company recognizes the need for efficient workforce and follows good HR policies.

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 report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Important factors that could make a difference to the company's operations 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 other incidental factors.

\* \* \* \* \*

**AUDITORS' REPORT**

To

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

1. We have audited the accompanying financial statements of Alliance Integrated Metaliks Limited ("the Company") which comprises of the Balance Sheet as at 30th June 2012, the Statement of Profit & Loss of the Company for the year then ended, the Cash Flow Statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory statements. These financial statements are responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India (Indian GAAP). Those Standards require that we comply with the ethical requirements and we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (as amended) by the companies (Auditors' Report) (amended) order, 2004 (together the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) 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.
  - (iii) The Balance Sheet, Profit and Loss statement and Cash Flow Statement of the company, dealt with by this report are in agreement with the books of account.
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 30<sup>th</sup> June 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30<sup>th</sup> June 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 30<sup>th</sup> June 2012;
    - (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 Cash Flow Statement, of the cash flow for the year ended on that date.

For & on behalf of  
**B. Lugani & Associates**  
Chartered Accountants  
Firm Regn. No. 002560N

Sd/-  
**(B. Lugani)**  
Partner

Place : New Delhi  
Dated : 5th December, 2012

Membership No. 81454

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE OF ALLIANCE INTEGRATED METALIKS LIMITED FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2012**

- (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 substantial part of the fixed assets and the going concern status of the company is not affected.
- (ii) (a) The inventory 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 is reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (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 system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, Fixed Assets and for the 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 deposit from the public under section 58A 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/ VAT, 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 2012 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 no accumulated losses and has not incurred any cash loss during the year under report or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks 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 of 4(xiii) of the Companies (Auditors' Report) Order, 2004 (as amended) are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (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) According to the information & explanation given to us, the company, during the year under report, has not made any preferential allotment, to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information given to us, and the record of the company examined by us, the company has not issued any debentures.
- (xx) According to the information and explanation given to us and the record 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 & on behalf of  
**B. Lugani & Associates**  
Chartered Accountants  
Firm Regn. No.002560N

Sd/-  
**(B. Lugani)**  
Partner

Membership No. 81454

Place : New Delhi  
Dated : 5th December, 2012



# ALLIANCE INTEGRATED METALIKS LIMITED

## BALANCE SHEET AS AT 30TH JUNE, 2012

(Amount in Rs)

| PARTICULARS                                          | Note No. | As at<br>30.06.2012     | As at<br>30.06.2011     |
|------------------------------------------------------|----------|-------------------------|-------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                     |          |                         |                         |
| <b>(1) Shareholder's Funds</b>                       |          |                         |                         |
| (a) Share Capital                                    | 2.1      | 154,625,000.00          | 154,625,000.00          |
| (b) Reserves and Surplus                             | 2.2      | 27,452,777.29           | 11,125,551.83           |
| <b>(2) Share Application Money Pending Allotment</b> | 2.3      | 2,000,000,000.00        | 1,615,000,000.00        |
| <b>(3) Non-Current Liabilities</b>                   |          |                         |                         |
| (a) Long Term Borrowings                             | 2.4      | 3,071,800,000.00        | 369,999,039.00          |
| (b) Deferred Tax Liabilities (Net)                   | 2.5      | 524,848.36              | 150,653.00              |
| (c) Long Term Provisions                             | 2.6      | 3,100,797.00            | 2,058,013.00            |
| <b>(4) Current Liabilities</b>                       |          |                         |                         |
| (a) Trade Payables                                   | 2.7      | 100,992,539.56          | 97,837,126.00           |
| (b) Other Current Liabilities                        | 2.8      | 123,013,678.39          | 1,344,328.00            |
| (c) Short Term Provisions                            | 2.9      | –                       | 434,134.00              |
| <b>Total</b>                                         |          | <b>5,481,509,640.60</b> | <b>2,252,573,844.83</b> |
| <b>II. ASSETS</b>                                    |          |                         |                         |
| <b>(1) Non Current Assets</b>                        |          |                         |                         |
| (a) Fixed assets                                     | 2.10     |                         |                         |
| (i) Tangible Assets                                  |          | 972,113,370.26          | 201,515,029.00          |
| (ii) Capital work-in-progress                        |          | 646,349,150.57          | 338,787,195.25          |
| (b) Non-Current Investment                           | 2.11     | 99,000,000.00           | 99,000,000.00           |
| (c) Long Term Loans and Advances                     | 2.12     | 3,180,162,280.60        | 299,318,478.75          |
| <b>(2) Current Assets</b>                            |          |                         |                         |
| (a) Inventories                                      | 2.13     | 35,220,329.05           | –                       |
| (b) Trade Receivables                                | 2.14     | 239,036,056.00          | –                       |
| (c) Cash and Cash Equivalents                        | 2.15     | 218,225,509.89          | 218,165,041.28          |
| (d) Short Term Loans and Advances                    | 2.16     | 88,120,379.23           | 1,094,015,182.55        |
| (e) Other Current Assets                             | 2.17     | 3,282,565.00            | 1,411,324.00            |
| (f) Unamortized Expenses                             | 2.18     | –                       | 361,594.00              |
| <b>Total</b>                                         |          | <b>5,481,509,640.60</b> | <b>2,252,573,844.83</b> |

### Significant Accounting Policies & Notes on Financial Statement

1 to 2.25

In terms of our report of even date attached

For and on behalf of Board of Director's

**For B. Lugani & Associates**

Chartered Accountants

Firm Regn. No.002560N

Sd/-

**(B. Lugani)**

Partner

Membership No. 81454

Sd/-

**Mahesh Ochani**

Managing Director

Sd/-

**Sunil Kumar**

Director

Sd/-

**Rakesh Vij**

Company Secretary

Place : New Delhi

Date : 5th December, 2012



**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2012**

(Amount in Rs)

| PARTICULARS                                                                      | Note No.         | For the year<br>Ended 30.06.2012 | For the year<br>Ended 30.06.2011 |
|----------------------------------------------------------------------------------|------------------|----------------------------------|----------------------------------|
| I. Revenue                                                                       | 2.19             | 272,643,828.25                   | 5,595,478.00                     |
| <b>II. Total Revenue</b>                                                         |                  | <b>272,643,828.25</b>            | <b>5,595,478.00</b>              |
| III. Expenses:                                                                   |                  |                                  |                                  |
| Cost of materials consumed                                                       | 2.20             | 227,107,190.75                   | -                                |
| Changes in inventories of finished goods,<br>work-in-progress and Stock-in-Trade | 2.21             | (14,928,943.84)                  | -                                |
| Employee benefit expense                                                         | 2.22             | 13,134,550.00                    | 1,279,841.00                     |
| Financial costs                                                                  | 2.22             | 22,369,781.25                    | 30,374.00                        |
| Depreciation and Amortization of Expenses                                        | 2.22             | 8,517,680.00                     | 428,431.00                       |
| Other Expenses                                                                   | 2.22             | 15,649,694.27                    | 1,546,702.00                     |
| <b>Total Expenses</b>                                                            |                  | <b>271,849,952.43</b>            | <b>3,285,348.00</b>              |
| <b>IV. Profit before exceptional and extraordinary items and tax (II-III)</b>    |                  | <b>793,875.82</b>                | <b>2,310,130.00</b>              |
| V. Exceptional Items                                                             |                  | -                                | -                                |
| <b>VI. Profit before extraordinary items and tax (IV + V)</b>                    |                  | <b>793,875.82</b>                | <b>2,310,130.00</b>              |
| VII. Extraordinary Items                                                         |                  | -                                | -                                |
| <b>VIII. Profit before tax (VI - VII)</b>                                        |                  | <b>793,875.82</b>                | <b>2,310,130.00</b>              |
| IX. Tax expense                                                                  |                  | <b>374,195.36</b>                | <b>770,510.00</b>                |
| <b>X. Profit/(Loss) for the period (X-IX)</b>                                    |                  | <b>419,680.46</b>                | <b>1,539,620.00</b>              |
| <b>XI. Earning per equity share:</b>                                             |                  |                                  |                                  |
| (1) Basic after extraordinary item                                               | 2.23             | 0.03                             | 0.10                             |
| (2) Diluted after extraordinary item                                             | 2.23             | 0.03                             | 0.10                             |
| <b>Significant Accounting Policies &amp; Notes on<br/>Financial Statement</b>    | <b>1 to 2.25</b> |                                  |                                  |

In terms of our report of even date attached

**For B. Lugani & Associates**

Chartered Accountants

Firm Regn. No. 002560N

Sd/-

**(B. Lugani)**

Partner

Membership No. 81454

For and on behalf of Board of Director's

Sd/-

**Mahesh Ochani**

Managing Director

Sd/-

**Sunil Kumar**

Director

Sd/-

**Rakesh Vij**

Company Secretary

Place : New Delhi

Date : 5th December, 2012



# ALLIANCE INTEGRATED METALIKS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2012

(Amount in Rs)

| PARTICULARS                                                | For the Year Ended<br>30th June 2012 | For the Year Ended<br>30th June 2011 |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>             |                                      |                                      |
| Net Profit as per Profit & Loss Account (PBT)              | 793,875.82                           | 2,310,130.00                         |
| Add: Depreciation & amortisation                           | 8,517,680.00                         | 428,431.00                           |
| Add: Financial Exp.                                        | 22,369,781.25                        | 30,374.00                            |
| Less: Interest Received & Other Income                     | (42,798,794.00)                      | (1,731,802.00)                       |
|                                                            | <b>(11,117,456.93)</b>               | <b>1,037,133.00</b>                  |
| <b>Decrease in current assets, loans &amp; advances:</b>   |                                      |                                      |
| (Increase)/Decrease Inventories                            | (35,220,329.05)                      | -                                    |
| (Increase)/Decrease Sundry debtors                         | (239,036,056.00)                     | -                                    |
| (Increase)/Decrease Current & non-current assets           | 1,008,412,903.32                     | (1,185,032,749.00)                   |
| Increase/(Decrease) in Current & non-current Liabilities   | 138,619,679.39                       | 100,161,989.00                       |
| Increase/(Decrease) in Trade Payables                      | 3,155,413.56                         | 97,357,796.00                        |
| <b>Cash generation from operations activities</b>          | <b>864,814,154.29</b>                | <b>(986,475,831.00)</b>              |
| Interest Received & Other income                           | 42,798,794.00                        | 1,731,802.00                         |
| Direct Tax Paid                                            | (5,151,875.00)                       | (752,278.00)                         |
| <b>Cash flow before extraordinary items</b>                | <b>902,461,073.29</b>                | <b>(9,85,496,307.00)</b>             |
| Cashflow from extraordinary items                          | -                                    | -                                    |
| <b>Net cash from operating activities</b>                  | <b>902,461,073.29</b>                | <b>(985,496,307.00)</b>              |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>              |                                      |                                      |
| Addition to fixed assets                                   | (779,116,021.26)                     | (154,325,507.00)                     |
| Adjutment in capital work in progress and capital advances | (3,188,077,357.17)                   | (636,095,388.00)                     |
| (Increase)/Decrease in Deferred and Misc. Expenditure      | 361,594.00                           | 361,590.00                           |
| <b>Net Cash from Investing activities</b>                  | <b>(3,966,831,784.43)</b>            | <b>(790,059,305.00)</b>              |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>              |                                      |                                      |
| Proceeds from Share Application Money                      | 385,000,000.00                       | 1,615,000,000.00                     |
| Proceeds from new borrowings                               | 2,701,800,961.00                     | 369,999,039.00                       |
| Financial Charges Paid                                     | (22,369,781.25)                      | (30,374.00)                          |
| <b>Net Cash from financing activities</b>                  | <b>3,064,431,179.75</b>              | <b>1,984,968,665.00</b>              |
| <b>Net cash flows during the year (A+B+C)</b>              | <b>60,468.61</b>                     | <b>209,413,053.00</b>                |
| <b>Cash &amp; cash equivalents (opening balance)</b>       | <b>218,165,041.28</b>                | <b>8,751,988.28</b>                  |
| <b>Cash &amp; cash equivalents (closing balance)</b>       | <b>218,225,509.89</b>                | <b>218,165,041.28</b>                |

### NOTES TO CASH FLOW STATEMENT

- 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.
- Cash & Cash Equivalents include cash & bank balances only.
- 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 30 June, 2012 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.

In terms of our report of even date attached

**For B. Lugani & Associates**

Chartered Accountants  
Firm Regn. No. 002560N

Sd/-  
**(B. Lugani)**  
Partner  
Membership No. 81454

Place : New Delhi  
Date : 5th December, 2012

For and on behalf of Board of Director's

Sd/-  
**Mahesh Ochani**  
Managing Director

Sd/-  
**Sunil Kumar**  
Director

Sd/-  
**Rakesh Vij**  
Company Secretary

**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 2012)****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 (2c) 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. EMPLOYEES' 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  
**B. Lugani & Associates**  
Chartered Accountants  
Firm Regn. No. 002560N

Sd/-  
**(B. Lugani)**  
Partner

Place : New Delhi  
Dated : 5th December, 2012

Membership No. 81454

**2. NOTES TO ACCOUNTS**

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

**Note No : 2.1 SHARE CAPITAL**

(Amount in Rs.)

| Particulars                                           | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|-------------------------------------------------------|------------------------|------------------------|
| <b>Authorized</b>                                     |                        |                        |
| Equity Shares, Rs. 10/- Par Value                     |                        |                        |
| 3,00,00,000 (Previous Year 3,00,00,000) Equity Shares | 300,000,000.00         | 300,000,000.00         |
| Preference Shares Rs. 10/- Par Value                  |                        |                        |
| 2,50,00,000 (Previous Year Nil) Preference Shares     | 250,000,000.00         | -                      |
|                                                       | <u>550,000,000.00</u>  | <u>300,000,000.00</u>  |
| <b>Issued, Subscribed and Paid - Up</b>               |                        |                        |
| Equity Shares, Rs. 10/- Par Value                     |                        |                        |
| 1,54,62,500 ( Previous Year 1,54,62,500)              | 154,625,000.00         | 154,625,000.00         |
| Equity Shares, fully paid up                          |                        |                        |
| <b>Total</b>                                          | <u>154,625,000.00</u>  | <u>154,625,000.00</u>  |

The company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/- per share. Each Holder of Equity Shares is entitled to one vote per share.

**Note No : 2.1.1 RECONCILIATION OF SHARE CAPITAL**

The reconciliation of the number of shares outstanding and the amount of share capital as at June 30, 2011 and June 30, 2012 is set out below:

(Amount in Rs.)

| Particulars                       | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|-----------------------------------|------------------------|------------------------|
|                                   | Number<br>of Shares    | Number<br>of Shares    |
| Number of shares at the beginning | 15,462,500             | 15,462,500             |
| Add: Shares Issued                | -                      | -                      |
| Number of Shares at the end       | 15,462,500             | 15,462,500             |

**Note No : 2.1.2 DETAILS OF PERSONS HOLDING MORE THAN 5% OF SHARE CAPITAL**

(Amount in Rs.)

| Particulars               | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|---------------------------|------------------------|------------------------|
|                           | Number<br>of Shares    | Number<br>of Shares    |
|                           | % of<br>Holding        | % of<br>Holding        |
| WLD INVESTMENTS PVT. LTD. | 7,520,500              | 7,520,500              |
|                           | 48.64%                 | 48.64%                 |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Note No : 2.2 RESERVES & SURPLUS

(Amount in Rs.)

| Particulars                                 | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|---------------------------------------------|------------------------|------------------------|
| <b>General Reserve</b>                      |                        |                        |
| Opening Balance as on 01.07.2011            | 10,451,320.83          | 3,500,000.00           |
| Add: Transferred from Profit & Loss A/c     | –                      | 7,000,000.00           |
| Less: Written back during current year      | –                      | (48,679.17)            |
| Add: Previous year adjustments              | 15,907,545.00          | –                      |
| <b>Closing Balance as on 30.06.2012 (A)</b> | <b>26,358,865.83</b>   | <b>10,451,320.83</b>   |
| <b>Profit &amp; Loss Account</b>            |                        |                        |
| Opening Surplus as on 01.07.2011            | 674,231.00             | 6,134,611.00           |
| Add: Transferred from Profit & Loss A/c     | 419,680.46             | 1,539,620.00           |
|                                             | <b>1,093,911.46</b>    | <b>7,674,231.00</b>    |
| <b>Appropriations</b>                       |                        |                        |
| Less: Transferred to General Reserve        | –                      | 7,000,000.00           |
| <b>Closing Balance as on 30.06.2012 (B)</b> | <b>1,093,911.46</b>    | <b>674,231.00</b>      |
| <b>Total (A+B)</b>                          | <b>27,452,777.29</b>   | <b>11,125,551.83</b>   |

## Note No : 2.3 SHARE APPLICATION MONEY PENDING ALLOTMENT

(Amount in Rs.)

| Particulars                               | As At<br>June 30, 2012  | As At<br>June 30, 2011  |
|-------------------------------------------|-------------------------|-------------------------|
| Share application money pending allotment | 2,000,000,000.00        | 1,615,000,000.00        |
| <b>Total</b>                              | <b>2,000,000,000.00</b> | <b>1,615,000,000.00</b> |

## Note No : 2.4 LONG TERM BORROWINGS

(Amount in Rs.)

| Particulars                           | As At<br>June 30, 2012  | As At<br>June 30, 2011 |
|---------------------------------------|-------------------------|------------------------|
| <b>SECURED LOANS</b>                  |                         |                        |
| Term Loans                            |                         |                        |
| – From Banks & Financial Institutions | 3,071,800,000.00        | 369,999,039.00         |
| <b>Total</b>                          | <b>3,071,800,000.00</b> | <b>369,999,039.00</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:**

| <b>Financial Year</b> | <b>Amount</b>           |
|-----------------------|-------------------------|
| 2013-14               | 268,080,000.00          |
| 2014-15               | 398,480,000.00          |
| 2015-16               | 597,960,000.00          |
| 2016-17               | 597,960,000.00          |
| 2017-18               | 597,960,000.00          |
| 2018-19               | 597,960,000.00          |
| 2019-20               | 664,480,000.00          |
| 2020-21               | 277,120,000.00          |
| <b>Total</b>          | <b>4,000,000,000.00</b> |

**Note:**

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

**Note No : 2.5 DEFERRED TAX LIABILITIES (NET)**

(Amount in Rs.)

| <b>Particulars</b>                                    | <b>As At<br/>June 30, 2012</b> | <b>As At<br/>June 30, 2011</b> |
|-------------------------------------------------------|--------------------------------|--------------------------------|
| <b>Deferred Tax Liabilities</b>                       |                                |                                |
| On account of depreciation of Fixed Assets            | 24,085,229.34                  | 150,653.00                     |
| <b>Deferred Tax Assets</b>                            |                                |                                |
| On account of Unabsorbed depreciation / business loss | (23,560,380.98)                | —                              |
| <b>Net Deferred Tax Liability</b>                     | <b>524,848.36</b>              | <b>150,653.00</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.



# ALLIANCE INTEGRATED METALIKS LIMITED

## Note No : 2.6 LONG TERM PROVISIONS

(Amount in Rs.)

| Particulars                             | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|-----------------------------------------|------------------------|------------------------|
| <b>Provision for Employment Benefit</b> |                        |                        |
| Gratuity                                | 1,027,178.00           | 524,077.00             |
| Leave Encashment                        | 2,073,619.00           | 1,533,936.00           |
| <b>Total</b>                            | <b>3,100,797.00</b>    | <b>2,058,013.00</b>    |

## Note No : 2.7 TRADE PAYABLES

(Amount in Rs.)

| Particulars    | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|----------------|------------------------|------------------------|
| Trade Payables | 100,992,539.56         | 97,837,126.00          |
| <b>Total</b>   | <b>100,992,539.56</b>  | <b>97,837,126.00</b>   |

## Note No : 2.8 OTHER CURRENT LIABILITIES

(Amount in Rs.)

| Particulars                | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|----------------------------|------------------------|------------------------|
| Expenses Payable           | 184,734.00             | 360,982.00             |
| Personnel Expenses Payable | 1,618,263.00           | 815,241.00             |
| Other Liabilities          | 121,210,681.39         | 168,105.00             |
| <b>Total</b>               | <b>123,013,678.39</b>  | <b>1,344,328.00</b>    |

## Note No : 2.9 SHORT TERM PROVISIONS

(Amount in Rs.)

| Particulars              | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|--------------------------|------------------------|------------------------|
| Provision for Income Tax | –                      | 434,134.00             |
| <b>Total</b>             | <b>0.00</b>            | <b>434,134.00</b>      |



**Note - 2.10 FIXED ASSETS** (Amount in Rs.)

| Particulars                         | GROSS BLOCK           |                         |                       |                         | DEPRECIATION        |                          |                              |                      | NET BLOCK               |                       |
|-------------------------------------|-----------------------|-------------------------|-----------------------|-------------------------|---------------------|--------------------------|------------------------------|----------------------|-------------------------|-----------------------|
|                                     | Opening Balance       | Additions Dur. the yrs. | Sales/ Transfer       | As at 30.06.2012        | Upto 30.06.2011     | Provided During the year | Written back during the year | Upto 30.06.2012      | As at 30.06.2012        | As at 30.06.11        |
| <b>(A) Intangible Assets</b>        |                       |                         |                       |                         |                     |                          |                              |                      |                         |                       |
| Land                                | 197,933,868.00        | 23,374,336.00           | -                     | 221,308,204.00          | -                   | -                        | -                            | -                    | 221,308,204.00          | 197,933,868.00        |
| Building                            | -                     | 413,613,679.00          | -                     | 413,613,679.00          | -                   | 5,088,994.00             | -                            | 5,088,994.00         | 408,524,685.00          | -                     |
| Plant and Equipment                 | -                     | 340,470,896.51          | -                     | 340,470,896.51          | -                   | 2,733,760.00             | -                            | 2,733,760.00         | 337,737,136.51          | -                     |
| Furnitures & Fixtures               | 684,103.00            | 285,013.00              | -                     | 969,116.00              | 310,947.00          | 49,847.00                | -                            | 360,794.00           | 608,322.00              | 373,156.00            |
| Vehicles                            | 1,896,062.00          | 16,400.00               | -                     | 1,912,462.00            | 880,065.00          | 181,216.00               | -                            | 1,061,281.00         | 851,181.00              | 1,015,997.00          |
| Office Equipments                   | 2,915,302.00          | 1,355,696.75            | -                     | 4,270,998.75            | 723,294.00          | 463,863.00               | -                            | 1,187,157.00         | 3,083,841.75            | 2,192,008.00          |
| <b>TOTAL (A)</b>                    | <b>203,429,335.00</b> | <b>779,116,021.26</b>   | <b>-</b>              | <b>982,545,356.26</b>   | <b>1,914,306.00</b> | <b>8,517,680.00</b>      | <b>-</b>                     | <b>10,431,986.00</b> | <b>972,113,370.26</b>   | <b>201,515,029.00</b> |
| <b>(B) Capital Work in Progress</b> | <b>338,787,195.25</b> | <b>461,570,964.75</b>   | <b>154,009,009.43</b> | <b>646,349,150.57</b>   |                     |                          |                              |                      | <b>646,349,150.57</b>   | <b>338,787,195.25</b> |
| <b>TOTAL (B)</b>                    | <b>338,787,195.25</b> | <b>461,570,964.75</b>   | <b>154,009,009.43</b> | <b>646,349,150.57</b>   | <b>-</b>            | <b>-</b>                 | <b>-</b>                     | <b>-</b>             | <b>646,349,150.57</b>   | <b>338,787,195.25</b> |
| <b>TOTAL (A+B) Current Year</b>     | <b>542,216,530.25</b> | <b>1,240,686,986.01</b> | <b>154,009,009.43</b> | <b>1,628,894,506.83</b> | <b>1,914,306.00</b> | <b>8,517,680.00</b>      | <b>-</b>                     | <b>10,431,986.00</b> | <b>1,618,462,520.83</b> | <b>540,302,224.25</b> |
| Previous Year                       | 49,845,958.00         | 790,420,895.00          | -                     | 840,266,853.00          | 1,485,875.00        | 428,431.00               | -                            | 1,914,306.00         | 838,352,547.00          | -                     |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Note No : 2.11 NON-CURRENT INVESTMENT

(Amount in Rs.)

| Particulars                                                                                     | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|-------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Investment in Equity Instrument</b>                                                          |                        |                        |
| <b>Unquoted investment</b>                                                                      |                        |                        |
| 9,90,000 (Previous year 9,90,000) Equity Shares of<br>MGR Investment Pvt. Ltd of Rs. 100/- each | 99,000,000.00          | 99,000,000.00          |
| <b>Total</b>                                                                                    | <b>99,000,000.00</b>   | <b>99,000,000.00</b>   |

## Note No : 2.12 LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

| Particulars                           | As At<br>June 30, 2012  | As At<br>June 30, 2011 |
|---------------------------------------|-------------------------|------------------------|
| <b>Long Term Loans &amp; Advances</b> |                         |                        |
| Unsecured, Considered Good            | 3,178,565,724.60        | 298,050,322.75         |
| <b>Security Deposits</b>              |                         |                        |
| Unsecured, Considered Good            | 1,596,556.00            | 1,268,156.00           |
| <b>Total</b>                          | <b>3,180,162,280.60</b> | <b>299,318,478.75</b>  |

## Note No : 2.13 INVENTORY

(Amount in Rs.)

| Particulars      | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|------------------|------------------------|------------------------|
| Raw Material     | 16,200,660.00          | —                      |
| Work in Progress | 13,551,175.50          | —                      |
| Finished Goods   | 1,377,768.34           | —                      |
| Stores & Spares  | 4,090,725.21           | —                      |
| <b>Total</b>     | <b>35,220,329.05</b>   | <b>—</b>               |

## Note No : 2.14 TRADE RECEIVABLES

(Amount in Rs.)

| Particulars                                                     | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|-----------------------------------------------------------------|------------------------|------------------------|
| Debtors not exceeding Six months<br>(unsecured considered good) | 239,036,056.00         | —                      |
| <b>Total</b>                                                    | <b>239,036,056.00</b>  | <b>—</b>               |

**Note No : 2.15 CASH AND CASH EQUIVALENTS**

(Amount in Rs.)

| Particulars                                                      | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|------------------------------------------------------------------|------------------------|------------------------|
| Cash In Hand                                                     | 33,545.00              | 3,602.00               |
| Bank Balances with Schedule Banks                                |                        |                        |
| a) As Margin Money against Letter of Credit/Bank Guarantees etc. | 64,528,71.00           | -                      |
| b) Other Bank Balances (Maturing within 12 Months)               | 211,739,093.89         | 218,161,439.28         |
| <b>Total</b>                                                     | <b>218,225,509.89</b>  | <b>218,165,041.28</b>  |

**Note No : 2.16 SHORT TERM LOANS & ADVANCES**

(Amount in Rs.)

| Particulars                                                                            | As At<br>June 30, 2012 | As At<br>June 30, 2011  |
|----------------------------------------------------------------------------------------|------------------------|-------------------------|
| <b>Loans &amp; Advances recoverable in cash or in kind or for value to be received</b> |                        |                         |
| Unsecured, Considered Good :                                                           | 67,562,449.23          | 1,078,174,993.55        |
| Provision For Tax ( Net of Payments)                                                   | 4,657,924.27           | 31,644.00               |
| MAT Credit Entitlement                                                                 | 15,900,005.73          | 15,808,545.00           |
| <b>Total</b>                                                                           | <b>88,120,379.23</b>   | <b>1,094,015,182.55</b> |

**Note No : 2.17 OTHER CURRENT ASSETS**

(Amount in Rs.)

| Particulars                  | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|------------------------------|------------------------|------------------------|
| Interest accrued on deposits | 3,282,565.00           | 1,411,324.00           |
| <b>Total</b>                 | <b>3,282,565.00</b>    | <b>1,411,324.00</b>    |

**Note No : 2.18 UNAMORTIZED EXPENSES**

(Amount in Rs.)

| Particulars                | As At<br>June 30, 2012 | As At<br>June 30, 2011 |
|----------------------------|------------------------|------------------------|
| Miscellaneous Expenditures | -                      | 361,594.00             |
| <b>Total</b>               | <b>-</b>               | <b>361,594.00</b>      |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Note No : 2.19 REVENUE

(Amount in Rs.)

| Particulars       | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-------------------|-------------------------------------|-------------------------------------|
| Sales of Products | 229,845,034.25                      | 3,863,676.00                        |
| Other Income      | 42,798,794.00                       | 1,731,802.00                        |
| <b>Total</b>      | <b>272,643,828.25</b>               | <b>5,595,478.00</b>                 |

## Note No : 2.20 COST OF MATERIAL CONSUMED

(Amount in Rs.)

| Particulars                 | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-----------------------------|-------------------------------------|-------------------------------------|
| <b>Opening Stock</b>        |                                     |                                     |
| Raw Material                | —                                   | —                                   |
| <b>Add : Purchases</b>      |                                     |                                     |
| Raw Material                | 243,307,850.75                      | —                                   |
|                             | <b>243,307,850.75</b>               | —                                   |
| <b>Less : Closing Stock</b> |                                     |                                     |
| Raw Material                | 16,200,660.00                       | —                                   |
| <b>Total</b>                | <b>227,107,190.75</b>               | —                                   |

## Note No : 2.20.1 IMPORTED AND INDIGENOUS RAW MATERIALS

(Amount in Rs.)

| Particulars                                                                                 | For the year ended<br>June 30, 2012                    | For the year ended<br>June 30, 2011                    |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
|                                                                                             | Amount<br>(% of Total Consumption<br>of Raw Materials) | Amount<br>(% of Total Consumption<br>of Raw Materials) |
| <b>Raw material</b>                                                                         |                                                        |                                                        |
| Consumption of imported Raw material<br>(Percentage of Consumption of Raw Material)         | —<br>0%                                                | —<br>0%                                                |
| Consumption of similar domestic Raw material<br>(Percentage of Consumption of Raw Material) | 227,107,190.75<br>100%                                 | —<br>0%                                                |
| <b>Total Consumption of Raw material</b>                                                    | <b>227,107,190.75</b>                                  | —                                                      |

**Spares parts and components**

|                                                             |                     |          |
|-------------------------------------------------------------|---------------------|----------|
| Consumption of imported spares parts and components         | -                   | -        |
| (Percentage of Consumption of Spare Parts and Components)   | 0%                  | 0%       |
| Consumption of similar domestic spares parts and components | 2,799,695.00        | -        |
| (Percentage of Consumption of Spare Parts and Components)   | 100%                | 0%       |
| <b>Total Consumption of Spares and components</b>           | <b>2,799,695.00</b> | <b>-</b> |

**Note No : 2.21 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS** (Amount in Rs.)

| Particulars                                    | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Opening Stock as on 01-07-2011</b>          |                                     |                                     |
| - Work in Process                              | -                                   | -                                   |
| - Finished Goods                               | -                                   | -                                   |
| <b>Total Opening stock</b>                     | <b>-</b>                            | <b>-</b>                            |
| <b>Less : Closing Stock as on 30-06-2012</b>   |                                     |                                     |
| - Work in Process                              | 13,551,175.50                       | -                                   |
| - Finished Goods                               | 1,377,768.34                        | -                                   |
| <b>Total Closing stock</b>                     | <b>14,928,943.84</b>                | <b>-</b>                            |
| <b>Net (Increase)/ Decrease in Inventories</b> | <b>(14,928,943.84)</b>              | <b>-</b>                            |

**Note No : 2.22 EXPENSES**

(Amount in Rs.)

| Particulars                             | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-----------------------------------------|-------------------------------------|-------------------------------------|
| <b>Employee Benefit Expenses</b>        |                                     |                                     |
| Salaries & Wages                        | 12,760,600.00                       | 1,170,998.00                        |
| PF, ESI, LTA, Gratuity & Other Expenses | 276,342.00                          | 104,238.00                          |
| Staff Welfare Expenses                  | 97,608.00                           | 4,605.00                            |
| <b>Total</b>                            | <b>13,134,550.00</b>                | <b>1,279,841.00</b>                 |

(Amount in Rs.)

| Particulars            | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|------------------------|-------------------------------------|-------------------------------------|
| <b>Financial Costs</b> |                                     |                                     |
| Interest Expense       | 22,369,781.25                       | 30,374.00                           |
| <b>Total</b>           | <b>22,369,781.25</b>                | <b>30,374.00</b>                    |

(Amount in Rs.)

| Particulars                                   | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-----------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Depreciation and Amortisation Expenses</b> |                                     |                                     |
| Depreciation                                  | 8,517,680.00                        | 428,431.00                          |
| <b>Total</b>                                  | <b>8,517,680.00</b>                 | <b>428,431.00</b>                   |

(Amount in Rs.)

| Particulars                                     | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Other Expenses</b>                           |                                     |                                     |
| <b>A) Manufacturing Expenses</b>                |                                     |                                     |
| Consumables & Store spares                      | 2,799,695.00                        | -                                   |
| Power & Fuel                                    | 2,981,219.00                        | -                                   |
| Loading & Unloading Expenses                    | 26,699.78                           | -                                   |
| Packing Expenses                                | 3,723.00                            | -                                   |
| Freight Inwards                                 | 529,240.00                          | -                                   |
| Repairs to Plant & Machinery                    | 512,576.00                          | -                                   |
| <b>Total Manufacturing Expenses (A)</b>         | <b>6,853,152.78</b>                 | <b>-</b>                            |
| <b>B) Administrative &amp; Selling Expenses</b> |                                     |                                     |
| Advertisement and Publicity                     | 95,553.00                           | 30,562.00                           |
| Auditor's Remuneration                          | 170,965.00                          | 170,965.00                          |
| Bank Charges                                    | 133,540.00                          | -                                   |
| Books & Periodicals                             | 22,849.00                           | -                                   |
| Business promotion Expenses                     | 25,916.00                           | -                                   |
| Director's Remuneration & Perquisites           | 313,893.00                          | -                                   |
| Excess Provision Written back                   | 81,947.00                           | -                                   |
| Insurance Charges                               | 400,039.00                          | 674.00                              |
| Legal & Professional                            | 93,230.00                           | 18,000.00                           |
| Miscellaneous Expenses written off              | 361,594.00                          | 361,590.00                          |
| Office and Factory Expenses                     | 1,044,869.45                        | 41,686.00                           |
| Payments to Contractors for Services            | 334,864.00                          | -                                   |
| Printing & Stationery                           | 309,224.00                          | 102.00                              |
| Rates, Fee & Taxes                              | 247,699.00                          | 134,257.00                          |
| Rent                                            | 2,071,818.00                        | 762,606.00                          |
| Repairs & Maintenance of others                 | 246,969.00                          | 9,431.00                            |
| Telephone, Postage & Courier Expenses           | 328,583.29                          | 8,157.00                            |
| Travelling & Conveyance                         | 961,061.00                          | 8,672.00                            |
| Watch & Ward                                    | 635,829.00                          | -                                   |

**B) Administrative & Selling Expenses (Cont.....)** (Amount in Rs.)

| Particulars                                            | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Selling &amp; Distribution Expenses</b>             |                                     |                                     |
| Freight Outwards                                       | 916,098.75                          | -                                   |
| <b>Total Administrative &amp; Selling Expenses (B)</b> | <b>8,796,541.49</b>                 | <b>1,546,702.00</b>                 |
| <b>Total (A + B)</b>                                   | <b>15,649,694.27</b>                | <b>1,546,702.00</b>                 |

**Note No : 2.22.1 OTHER EXPENSES** (Amount in Rs.)

| Particulars                | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------|-------------------------------------|-------------------------------------|
| <b>Auditors Payments</b>   |                                     |                                     |
| As Auditor                 | 130,000.00                          | 130,000.00                          |
| For taxation matters       | 25,000.00                           | 25,000.00                           |
| For reimbursement expenses | 15,965.00                           | 15,965.00                           |
| <b>Total</b>               | <b>170,965.00</b>                   | <b>170,965.00</b>                   |

**Note No : 2.22.2 EXPENDITURE IN FOREIGN CURRENCY** (Amount in Rs.)

| Particulars  | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|--------------|-------------------------------------|-------------------------------------|
| Travelling   | 497,601.00                          | -                                   |
| <b>Total</b> | <b>497,601.00</b>                   | <b>-</b>                            |

**Note No : 2.22.3 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS** (Amount in Rs.)

| Particulars   | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|---------------|-------------------------------------|-------------------------------------|
| Capital goods | 230,225,408.39                      | 25,302,468.00                       |
| <b>Total</b>  | <b>230,225,408.39</b>               | <b>25,302,468.00</b>                |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Note No : 2.22.4 CONTINGENT LIABILITIES

(Amount in Rs.)

| Particulars                                                                                     | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| *Estimated amount of contracts remaining to be executed on capital account and not provided for | 455,076,846.00                      | 838,524,380.00                      |
| Bank Guarantees                                                                                 | 6,341,890.00                        | —                                   |
| <b>Total</b>                                                                                    | <b>461,418,736.00</b>               | <b>838,524,380.00</b>               |

\* contingent assets are neither recognised nor disclosed

## Note No : 2.23 BASIC EPS & DILUTED EPS

(Amount in Rs.)

| Calculation of EPS ( Basic and Diluted)            | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Basic</b>                                       |                                     |                                     |
| Opening number of Shares                           | 15,462,500.00                       | 15,462,500.00                       |
| Total Shares outstanding                           | 15,462,500.00                       | 15,462,500.00                       |
| Profit after Tax (Rs.) after extraordinary item    | 419,680.46                          | 1,539,620.00                        |
| EPS (Rs.Per Share) after extraordinary item        | 0.03                                | 0.10                                |
| <b>Diluted</b>                                     |                                     |                                     |
| Opening Number of Shares                           | 15,462,500.00                       | 15,462,500.00                       |
| Total Shares Outstanding                           | 15,462,500.00                       | 15,462,500.00                       |
| Profit after Tax (Rs.) after extraordinary item    | 419,680.46                          | 1,539,620.00                        |
| Diluted Earning Per Share after extraordinary item | 0.03                                | 0.10                                |

## Note No : 2.24 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:-

(Amount in Rs.)

| Particulars                            | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------------------|-------------------------------------|-------------------------------------|
| Discount rate                          | 8.50%                               | 8.00%                               |
| Future Salary Escalation Rate          | 6.00%                               | 5.50%                               |
| Average Remaining working life (Years) | 25.71                               | 24.14                               |
| Retirement Age                         | 58                                  | 58                                  |



**GRATUITY (UNFUNDED)**

**i. Change in Present Value of obligations:** (Amount in Rs.)

| Particulars                                                     | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-----------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present Value of Obligation as at the beginning of the period   | 492,810.00                          | -                                   |
| Present Service Cost                                            | 294,176.00                          | 70,678.00                           |
| Interest Cost                                                   | 41,889.00                           | -                                   |
| Actuarial (Gain) / Loss on obligation                           | 198,303.00                          | 453,399.00                          |
| Benefits Paid                                                   | -                                   | -                                   |
| <b>Present Value of Obligations as at the end of the period</b> | <b>1,027,178.00</b>                 | <b>524,077.00</b>                   |

**ii. Expenses Recognised in the Statement of Profit & Loss** (Amount in Rs.)

| Particulars                                                          | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Current Service Cost                                                 | 294,176.00                          | 70,678.00                           |
| Interest Cost                                                        | 41,889.00                           | -                                   |
| Expected Return on plan assets                                       | -                                   | -                                   |
| Net Actuarial (Gain)/ Loss recognized in the year                    | 198,303.00                          | 453,399.00                          |
| <b>Expenses recognised in the Statement of Profit &amp; Loss A/C</b> | <b>534,368.00</b>                   | <b>524,077.00</b>                   |

**iii. Amount Recognised in Balance Sheet** (Amount in Rs.)

| Particulars                                                    | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present Value of Obligation as at the end of the year          | 1,027,178.00                        | 524,077.00                          |
| Fair Value of Plan Assets as at the end of the year            | -                                   | -                                   |
| Funded Status (1,027,178.00)                                   | (524,077.00)                        |                                     |
| Unrecognised Actuarial (Gain) / Losses                         | -                                   | -                                   |
| <b>Net Assets/ (Liability) Recognised in the Balance Sheet</b> | <b>(1,027,178.00)</b>               | <b>(524,077.00)</b>                 |



# ALLIANCE INTEGRATED METALIKS LIMITED

## LEAVE ENCASHMENT (UNFUNDED)

### i. Change in Present Value of obligations:

(Amount in Rs.)

| Particulars                                                     | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|-----------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present Value of Obligation as at the beginning of the period   | 1,533,936.00                        | –                                   |
| Present Service Cost                                            | 580,996.00                          | 208,884.00                          |
| Interest Cost                                                   | 130,385.00                          | –                                   |
| Actuarial (Gain) /Loss on obligation                            | (149,859.00)                        | 1,325,052.00                        |
| Benefits Paid                                                   | (21,839.00)                         | –                                   |
| <b>Present Value of Obligations as at the end of the period</b> | <b>2,073,619.00</b>                 | <b>1,533,936.00</b>                 |

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

(Amount in Rs.)

| Particulars                                                          | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Current Service Cost                                                 | 580,996.00                          | 208,884.00                          |
| Interest Cost                                                        | 130,385.00                          | –                                   |
| Expected Return on plan assets                                       | –                                   | –                                   |
| Net Actuarial (Gain)/ Loss recognized in the year                    | (149,859.00)                        | 1,325,052.00                        |
| <b>Expenses recognised in the Statement of Profit &amp; Loss A/C</b> | <b>561,522.00</b>                   | <b>1,533,936.00</b>                 |

### iii. Amount Recognised in Balance Sheet

(Amount in Rs.)

| Particulars                                                    | For the year ended<br>June 30, 2012 | For the year ended<br>June 30, 2011 |
|----------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present Value of Obligation as at the end of the year          | 2,073,619.00                        | 1,533,936.00                        |
| Fair Value of Plan Assets as at the end of the year            | –                                   | –                                   |
| Funded Status                                                  | (2,073,619.00)                      | (1,533,936.00)                      |
| Unrecognised Actuarial (Gain) / Losses                         | –                                   | –                                   |
| <b>Net Assets/ (Liability) Recognised in the Balance Sheet</b> | <b>(2,073,619.00)</b>               | <b>(1,533,936.00)</b>               |

**Note No : 2.25 RELATED PARTY DISCLOSURES & TRANSACTIONS**

In accordance with the requirements of Accounting Standard AS -18 issued by the Institute of Chartered Accountants of India, the names of the Related Party / Parties where control exists and / or with whom transactions have taken place during the year and description of relationships as identified and certified by the management are as hereunder:

**A. Names of related parties and description of relationship”**

- |                             |                       |
|-----------------------------|-----------------------|
| 1) Subsidiaries             | Nil                   |
| 2) Key Management Personnel | 1) Shri Mahesh Ochani |

**B. Description of Transactions with related parties :**

(Amount in Rs.)

| Particulars             | Associates/Holding<br>Subsidiaries or Associate<br>of Holding Company | Key Management<br>Personnel | 2011-2012  | 2010-2011 |
|-------------------------|-----------------------------------------------------------------------|-----------------------------|------------|-----------|
| Director's Remuneration | -                                                                     | 313,893.00                  | 313,893.00 | -         |



**ALLIANCE INTEGRATED METALIKS LIMITED**

*Registered Office:*

910, Ansal Bhawan, 16, K.G. Marg, Connaught Place, 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-Third Annual General Meeting** of the Company held at **910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001 on Monday, the 31st day of December, 2012 at 1.00 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.

----- cut here -----



**ALLIANCE INTEGRATED METALIKS LIMITED**

*Registered Office:*

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

I/We ..... of .....  
being a member/members of Alliance Integrated Metaliks Limited hereby appoint .....  
of ..... or failing him/her .....  
of as my/our proxy to attend for me/us and on my/our behalf at the **Twenty-Third Annual General Meeting**  
of the Company held at **910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001 on Monday, the 31st day of**  
**December, 2012 at 1.00 p.m.**

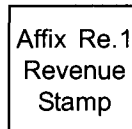
Signed at.....this.....day of.....2012.

Folio No.

DP ID\*

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 Rs. 1 revenue stamp should reach the registered office of the Company, not less than 48 hours before the time fixed for the Meeting.

*If undelivered please return to :*

**ALLIANCE INTEGRATED METALIKS LIMITED**

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