



**ALLIANCE  
INTEGRATED METALIKS LIMITED**

**27TH ANNUAL REPORT  
2015-2016**



# ALLIANCE INTEGRATED METALIKS LIMITED

CIN NO: L65993DL1989PLC035409

## 27TH ANNUAL REPORT 2015-2016

### BOARD OF DIRECTORS

|                          |                               |
|--------------------------|-------------------------------|
| Mr. Avijit Banerjee      | <i>Chairman</i>               |
| Mr. Daljit Singh Chahal  | <i>Whole-time Director</i>    |
| Mr. Mahesh Ochani        | <i>Non-Executive Director</i> |
| Ms. Ankita Wadhawan      | <i>Independent Director</i>   |
| Mr. Devinder Singh Sodhi | <i>Independent Director</i>   |
| Mr. Gaurav Pabby         | <i>Independent Director</i>   |

### COMPANY SECRETARY

Ms. Purna Wadhwa

### CHIEF FINANCIAL OFFICER

Mr. Pawan Kumar

### AUDITORS

M/S A.C. GUPTA & ASSOCIATES  
Chartered Accountants,  
New Delhi

### BANKER

Indian Overseas Bank

### REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Limited  
"Beetal House" 3rd Floor, 99, Madangir,  
B/H, L.S.C., New Delhi- 110062  
Tel No.: 011-29961281-83  
Fax No.: 011-29961284  
E-mail: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

### REGISTERED OFFICE:

910, Ansal Bhawan, 16, K.G. Marg  
New Delhi – 110001  
E-mail : [alliance.intgd@rediffmail.com](mailto:alliance.intgd@rediffmail.com)  
Website : [www.aiml.in](http://www.aiml.in)  
Phone: 011-41320015

### PLANT LOCATION

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

## Contents

|  |    |
|--|----|
| Notice .....                                     | 3  |
| Directors' Report .....                          | 9  |
| Corporate Governance .....                       | 31 |
| Management Discussion<br>& Analysis Report ..... | 42 |
| Independent Auditor's Report ..                  | 47 |
| Balance Sheet .....                              | 53 |
| Profit & Loss Statement .....                    | 54 |
| Cash Flow Statement .....                        | 55 |
| Notes to Account .....                           | 56 |
| Consolidated Financial<br>Statement .....        | 75 |

**NOTICE**

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of **ALLIANCE INTEGRATED METALIKS LIMITED** will be held on Monday, 26<sup>th</sup> day of September, 2016 at 9.30 A.M. at the Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi – 110074 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2016 and the Reports of the Board of Directors and the Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2016 and the Report of the Auditors thereon
2. To appoint a Director in place of Mr. Avijit Banerjee (DIN: 01357534) who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of Appointment of Statutory Auditors.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time the Company hereby ratifies the appointment of M/s. A.C. Gupta & Associates., Chartered Accountants (Firm Registration No. 008079N), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors.”

**BY ORDER OF THE BOARD  
FOR ALLIANCE INTEGRATED METALIKS LIMITED**

Sd/-  
**(Mahesh Ochani)**  
Director  
DIN: 01199650

Place : New Delhi

Date : 6<sup>th</sup> August, 2016

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON POLL ONLY) INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. AN INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**

**PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND RULES THEREUNDER, A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

2. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
3. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, 20<sup>th</sup> September, 2016 to Monday, 26<sup>st</sup> September, 2016 (both days inclusive).



## ALLIANCE INTEGRATED METALIKS LIMITED

4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during working days except Sundays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
5. M/s Beetal Financial & Computer Services Private Limited having their office at Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local shopping Centre, New Delhi – 110062 are the Registrar and Share Transfer Agent (RTA) of the Company and all transfers both in physical and electronic segments and other related matters are managed by them. Members are requested to address all their correspondence to the Registrar and Share Transfer Agent at the above address.
6. **Members who hold shares in electronic mode are requested to quote their Client Id and DP Id number and those who hold shares in physical form are requested to write their Folio numbers in all correspondence with the Company/Registrar for facilitating quick disposal of the matters.**
7. Members desirous of making a nomination in respect of their shareholding in the Company under the Companies Act, 2013, are requested to send their requests in requisite form, which can be obtained from Registrar and Share Transfer Agent of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participants.
8. The Members/Proxies attending the Annual General Meeting are requested to bring the enclosed attendance slip and deliver the same after filling in their Folio number/ **Client Id** at the entrance of the meeting hall. Admission to the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip.
9. The Ministry of Corporate Affairs has undertaken a '**Green Initiative in Corporate Governance**' by allowing paperless compliances by the companies. In order to support the Green Initiative, members who have not registered their e-mail addresses so far, are requested to register the same with M/s Beetal Financial & Computer Services Private Limited, the Registrar and Share Transfer Agent of the Company.
10. Voting through electronic means
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the members a facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on Friday, September 23, 2016 (9:00 am) and ends on Sunday, September 25, 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 19, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - V. The process and manner for remote e-voting are as under:
    - A. IN CASE A MEMBER RECEIVES AN EMAIL FROM NSDL [FOR MEMBERS WHOSE EMAIL IDS ARE REGISTERED WITH THE COMPANY/DEPOSITORY PARTICIPANTS(S)]**
      - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password

is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Alliance Integrated Metaliks Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [cs.sachinkhurana@gmail.com](mailto:cs.sachinkhurana@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**B. IN CASE A MEMBER RECEIVES PHYSICAL COPY OF THE NOTICE OF AGM [FOR MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORY PARTICIPANTS(S) OR REQUESTING PHYSICAL COPY]**

- (i) Initial password is provided along with the Annual Report:

**EVEN (Remote e-voting Event Number), USER ID, PASSWORD/PIN**

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Monday, September 19, 2016.
- X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 19, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [beetalrta@gmail.com](mailto:beetalrta@gmail.com).  
  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.



## ALLIANCE INTEGRATED METALIKS LIMITED

- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- XIII. Mr. Sachin Khurana, Practicing Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.aiml.in](http://www.aiml.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges i.e. to BSE Limited, Jaipur Stock Exchange Limited and Ahmedabad Stock Exchange Limited where the equity shares of the Company are listed.

### REQUISITE INFORMATION IN RESPECT OF DIRECTOR SEEKING APPOINTMENT OR RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING IN PURSUANCE OF REGULATION 36(3) OF SEBI LISTING REGULATIONS:

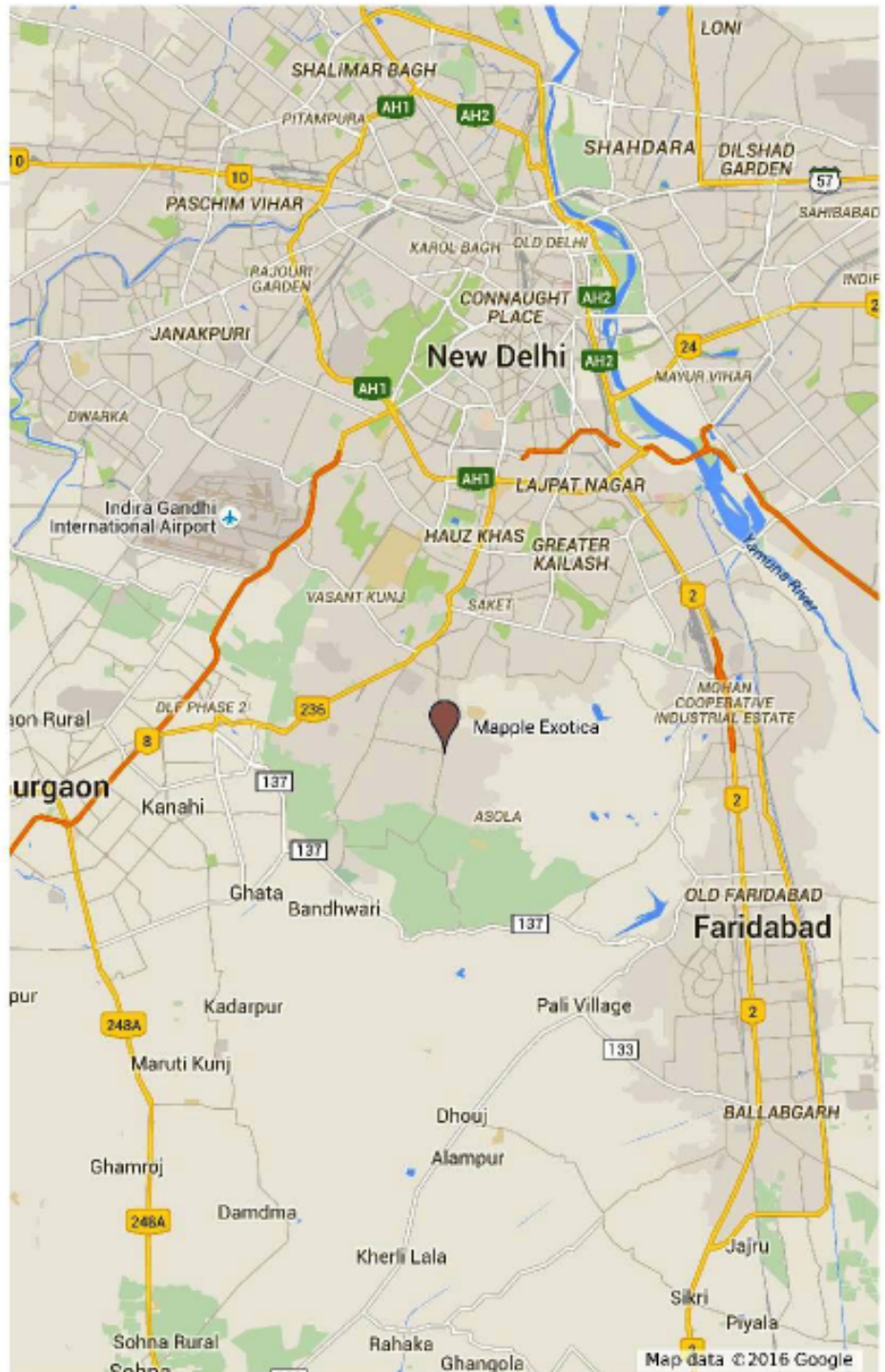
|  |   |
|--|---|
| <b>1. Name of Director</b>                                 | Mr. Avijit Banerjee, (DIN: 01357534)  |
| <b>Date of Birth</b>                                       | 29.10.1949  |
| <b>Age</b>   | 67 years  |
| <b>Experience</b>  | 35 Years  |
| <b>Qualification</b>                                       | B.E. (Mechanical Honors)  |
| <b>Expertise</b>   | More than 35 years of experience in Manufacturing Industry. Strategic Planning and Implementation, Technical Expertise in Steel, Auto Components and related industry   |
| <b>Date of Appointment</b>                                 | 16/07/2012  |
| <b>List of other Companies in which Directorships held</b> | <ul style="list-style-type: none"><li>❖ M/s Amtek Transportation Systems Limited</li><li>❖ M/s Clover Forging &amp; Machining Private Limited</li><li>❖ M/s Amtek Railcar Limited</li><li>❖ M/s Rollatainers-Toyo Machine Private Limited</li><li>❖ M/s Amertec Systems Private Limited</li><li>❖ M/s Amzen Technologies Private Limited</li><li>❖ M/s SMI Amtek Crankshaft Private Limited</li><li>❖ M/s Stellar Speciality Vehicles Private Limited</li><li>❖ M/s Amtek Riken Casting Private Limited</li><li>❖ M/s Amtek VCST Powertrain India Private Limited</li><li>❖ M/s Amtek Wagon Leasing Company Limited</li><li>❖ M/s Amtek Aerospace Industries Limited</li><li>❖ M/s Upmark Real Estates Private Limited</li><li>❖ M/s JV Forge India Private Limited</li></ul> |
| 6  |   |

|   |  |
|---|--|
| <b>Relationship with other Directors, Managers and KMPs</b>   | No inter-se relationship                                     |
| <b>No. of Meetings attended during the year</b>   | 4  |
| <b>Membership/Chairmanship in Committees of the Board of other Companies</b>                                    | Nil  |
| <b>Terms and Conditions of Appointment/ Re-appointment along with details of Remuneration sought to be paid</b> | As per the Nomination and Remuneration Policy of the Company |
| <b>Remuneration last drawn</b>  | Nil  |
| <b>Shareholding in the Company</b>  | Nil  |

# Route Map to the Venue of 27th AGM of Alliance Integrated Metaliks Limited

Maple Exotica, Chattarpur  
Mandir Road, Satbari, New Delhi-  
110074

 Maple Exotica





**DIRECTORS' REPORT**

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

Your Directors are pleased to present the 27<sup>th</sup> Annual Report on the business and operations of your Company along with the audited financial statements for the period ended 31<sup>st</sup> March, 2016.

**FINANCIAL RESULTS**

As the current financial year comprises a period of nine months from July 1, 2015 to March 31, 2016, therefore, numbers pertaining to current financial year 2015-16 are not comparable with numbers of previous financial year 2014-15. However, The Company's financial performance, for the period ended 31<sup>st</sup> March, 2016 and year ended 30<sup>th</sup> June, 2015 is summarized below:

(Rupees in Lacs)

| <b>PARTICULARS</b>                                      | <b>Period ended<br/>31<sup>st</sup> March, 2016<br/>(9 Months)</b> | <b>Year ended<br/>30<sup>th</sup> June, 2015<br/>(12 Months)</b> |
|---|--|--|
| Revenue from Operations                                 | 16,307.90  | 43,312.42  |
| Expenditures (excluding depreciation and finance costs) | 15,591.32  | 39,516.61  |
| Depreciation  | 2,030.69   | 2,116.98   |
| Finance Cost  | 3,287.68   | 4,379.73   |
| Profit/(Loss) before Taxation                           | (4,601.79)   | (2,700.90)   |
| Tax Expenses  | (1,412.89)   | (869.08)   |
| Profit/(Loss) after Tax                                 | (3,188.90)   | (1,831.82)   |
| Earning per Equity Share (Rs. per Share)                |  |  |
| (1) Basic after extraordinary item                      | (27.46)  | (16.43)  |
| (2) Diluted after extraordinary item                    | (27.46)  | (16.43)  |

**PERFORMANCE**

During the period under review, the Company earned revenue from operations amounting to Rs. 16,307.90 Lacs as compared to Rs. 43,312.42 Lacs in the previous year. Loss after Tax stood at Rs. 3188.90 as against Loss after Tax of Rs. 1831.82 lacs in the previous year.

**DIVIDEND**

The Board of Directors has not recommended any dividend for the period ended 31.03.2016.

**CONSOLIDATED FINANCIAL STATEMENT**

In accordance with Section 129 of the Companies Act, 2013, Consolidated Financial Statements are attached and form part of the Annual Report and the same shall be laid before the ensuing Annual General Meeting along with the Financial Statements of the Company.

**STATE OF COMPANY'S AFFAIRS**

The state of affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of the Annual Report.



## CORPORATE GOVERNANCE

As stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges, the report on Management Discussion and Analysis, the Report on Corporate Governance and the requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance are provided in a separate section and forms part of the Annual Report.

## FINANCIAL YEAR

Pursuant to section 2(41) of the Companies Act, 2013, the Company adopted April-March as its financial year and accordingly the year under review comprised of Nine months only i.e from 1st July, 2015 to 31st March, 2016. From 2016-17 & onwards, the financial year of the Company shall be for a period of 12 months i.e. from 1st April to 31st March.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) in the preparation of the annual accounts for the nine months ended 31<sup>st</sup> March, 2016, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and of the loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## SUBSIDIARIES AND ASSOCIATES

The Company has following Associate Companies as on March 31, 2016:

| S. No. | Name of the Company | Status    |
|--------|---------------------|-----------|
| 1      | ARGL Limited        | Associate |
| 2      | ACIL Limited        | Associate |

In accordance with proviso to sub-section (3) of Section 129 of the Companies Act 2013, a statement containing salient features of the financial statements of the Company's associates and the report on their performance and financial position in Form AOC-1 is annexed to the financial statements and forms part of the Annual Report, which covers the financial position of the associate Company. **(Annexure-I)**

The Company does not have any subsidiary and joint venture as on March 31, 2016.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013 the Board of Directors of the Company appointed Ms. Purna Wadhwa as Company Secretary of the Company.

Mr. Avijit Banerjee, (DIN:01357534) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his appointment.

A brief resume of the Director proposed to be appointed/ re-appointed, as required under Regulation 36 (3)(a) of

SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 and Companies Act 2013, forms part of the notice convening Annual General Meeting.

#### **FAMILIARIZATION PROGRAMME**

Details of the familiarization programme of the Independent Directors are available on the website of the Company (URL: <http://www.aiml.in/investors.php>)

#### **INDEPENDENT DIRECTORS DECLARATION**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **BOARD MEETINGS**

The Board met 6 times during the period, the details of which are provided in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations, 2015.

#### **BOARD EVALUATION**

The Board evaluated the effectiveness of its functioning and that of the committees and of individual Directors by seeking their inputs on various aspects of Board/Committee governance such as the Board composition and structure, effectiveness of board processes, active participation and contribution of directors in the Board/Committee meetings and the fulfillment of Directors obligation and their fiduciary responsibilities.

Further, the Independent Directors at their meeting, reviewed the performance of the Board, Chairman of the Board and of Non Executive Directors. The meeting also reviewed the co-ordination between the Company management and the Board which is required for the Board to effectively and reasonably perform their duties.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the internal audit function reports to the chairman of the Audit Committee and all significant audit observations and corrective actions are presented to the Committee.

#### **STATUTORY AUDITORS AND AUDITORS' REPORT**

M/s A.C. Gupta & Associates, Chartered Accountants, (Firm Regd. No: 008079N) were appointed Statutory Auditors of the Company to hold office up to the conclusion of 29th Annual General Meeting of the Company subject to the ratification of their appointment at every Annual General Meeting. M/s A.C. Gupta & Associates, Chartered Accountants have confirmed their eligibility and willingness to accept office, if their appointment is ratified at the ensuing Annual General Meeting. The proposal for the ratification of their appointment is included in the notice for Annual General Meeting sent herewith.

The Company has received a consent letter from the statutory auditors for their appointment, and a certificate from them that their appointment, if ratified, shall be in accordance with the conditions as prescribed under the Companies Act, 2013 and that they are not disqualified for appointment.

The Auditor's Report does not contain any qualifications, reservations or adverse remarks. The Report is attached hereto and is self-explanatory requiring no further elucidation

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s C. Shandilya & Associates, Company Secretaries has undertaken the Secretarial Audit of the Company for the financial year 2015-16. The Report of the Secretarial Audit in Form MR 3 for the period ended March 31, 2016 is annexed as **Annexure II** to the Report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in their report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Disclosure on particulars relating to loans, guarantees or investments under section 186 of the Companies Act,



2013 have been provided as part of the financial statements.

## TRANSACTIONS WITH RELATED PARTIES

In accordance with Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements with related parties, referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is attached as **Annexure III** to this Report.

## EXTRACT OF ANNUAL RETURN

In terms of Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of Companies (Management & Administration) Rules, 2014, the extract of Annual Return of the Company in Form MGT-9 is attached as **Annexure IV** to this Report.

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are attached as **Annexure V** to this Report.

## COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The details of the membership and attendance at the meetings of the above Committees of the board are provided in the Corporate Governance Section of the annual report.

## POLICY ON APPOINTMENT AND REMUNERATION

Pursuant to Section 178(3) of the Companies Act 2013, the Nomination and Remuneration Committee of the Board has framed a policy for selection and appointment of Directors and senior management personnel, which *inter alia* includes the criteria for determining qualifications, positive attributes and independence of a Director(s)/Key managerial personnel and their remuneration. The nomination and remuneration policy is available on the website of the Company (<http://www.aiml.in/investors>)

## CORPORATE SOCIAL RESPONSIBILITY

A brief outline of the Corporate Social Responsibility Policy of the Company and the related details for the period 2015-2016 are set out in **Annexure VI** of this report as per the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Composition of CSR committee and other related details are provided in the Corporate Governance section, forming part of this Report. The policy is available on the website of the Company.

## AUDIT COMMITTEE

The Audit Committee comprises Mr. Gaurav Pabby, Independent Director as Chairman and Mr. Devinder Singh Sodhi, Independent Director and Mr. Avijit Banerjee, Non-Executive Director as Members. The Board of Directors have accepted all the recommendation of the Audit Committee.

## VIGIL MECHANISM

The Company has in place a vigil mechanism in the form of Whistle Blower Policy. It aims at providing avenues for employees to raise complaints and to receive feedback on any action taken and seeks to reassure the employees that they will be protected against victimization and for any whistle blowing conducted by them in good faith. The policy is intended to encourage and enable the employees of the Company to raise serious concerns

within the organization rather than overlooking a problem or handling it externally.

The Company is committed to the highest possible standard of openness, probity and accountability. It contains safeguards to protect any person who uses the Vigil Mechanism by raising any concern in good faith. The Company protects the identity of the whistle blower if the whistle blower so desires, however the whistle blower needs to attend any disciplinary hearing or proceedings as may be required for investigation of the complaint. The mechanism provides for a detailed complaint and investigation process.

If circumstances so require, the employee can make a complaint directly to the Chairman of the Audit Committee. The Company also provides a platform to its employees for having direct access to the Managing Director. The Company Secretary is the Compliance Officer. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

### **RISK MANAGEMENT**

The Company has developed and implemented a Risk Management Policy. The details of elements of risk are provided in the Management Discussion and Analysis section of the Annual Report.

### **ANTI SEXUAL HARASSMENT POLICY**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the period 2015-16, no complaints were received by the committee.

### **PARTICULARS OF EMPLOYEES**

The details as required in terms of the provisions of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **Annexure – VII** to this Report.

The particulars of employees as required in terms of the provisions of Section 197 read with Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is Nil.

### **PUBLIC DEPOSITS**

During the period under review, the Company has not accepted any deposits from public, members or employees under the Companies Act, 2013 and as such, no amount of principal or interest on public deposits was outstanding as on the date of balance sheet.

### **SIGNIFICANT AND MATERIAL ORDERS**

No significant and material orders have been passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **DEMATERIALISATION AND LISTING**

The equity shares of the Company are admitted to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March, 2016, 92,42,499 Equity Shares representing 79.59% of the Equity Share Capital of the Company are in dematerialized form. The Equity Shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The International Securities Identification Number (ISIN) allotted to the Company with respect to its Equity Shares is INE 123D01016.

The Equity shares of the Company are listed on BSE Limited, Ahmedabad Stock Exchange Limited and Jaipur Stock Exchange Limited.

### **RECONCILIATION OF SHARE CAPITAL AUDIT**

As per the directive of the Securities & Exchange Board of India, the Reconciliation of Share Capital Audit was



## **ALLIANCE INTEGRATED METALIKS LIMITED**

---

carried out on quarterly basis for the quarter ended September 30, 2015, December 31, 2015 and March 31, 2016 by a Company Secretary in Practice. The purpose of the audit was to reconcile the total number of shares held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form with respect to admitted, issued and paid up capital of the Company.

The aforesaid Reports of Reconciliation of Share Capital were submitted to the BSE Limited, Ahmedabad Stock Exchange Limited and Jaipur Stock Exchange Limited where the equity shares of the Company are listed.

### **INDUSTRIAL RELATIONS**

During the period under review, the relations between the Management and the workmen were highly cordial. Human resources initiatives such as skill up gradation, training, appropriate reward & recognition systems and productivity improvement were the key focus areas for development of the employees of the Company.

### **INVESTOR RELATIONS**

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

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record the sincere and dedicated efforts of all the employee of the Company. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, valued customers and the investors for their continued support, co-operation and assistance.

**BY ORDER OF THE BOARD  
FOR ALLIANCE INTEGRATED METALIKS LIMITED**

Place : New Delhi  
Dated : 6<sup>th</sup> August, 2016

Sd/-  
**Avijit Banerjee**  
(Chairman)  
DIN: 01357534

**Form AOC - I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures**

**Part "A": Subsidiaries**

|  |                |
|--|----------------|
| Subsidiary Company   | NOT APPLICABLE |
| 1. Names of subsidiaries which are yet to commence operations                | NIL            |
| 2. Names of subsidiaries which have been liquidated or sold during the year. | NIL            |

**Part "B": Associates & Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(Rs. in Lacs)

| S.No | Name of Associates/Joint Ventures | Latest Audited Balance Sheet Date | Shares of Associate/Joint Ventures held by the Company on year end |   |                     | Description of how there is significant influence | Reason why the associate/Joint venture is not consolidated | Net Worth attributable to Shareholding as per latest Audited Balance Sheet | Profit/(Loss) for the year  |                                 |
|------|-----------------------------------|-----------------------------------|--|---|---------------------|---|--|--|-----------------------------|---------------------------------|
|      |                                   |                                   | No.  | Amount of Investment in Associate/Joint Venture | Extent of Holding % |   |  |  | Considered in Consolidation | Not Considered in Consolidation |
|      | <b>Joint Ventures</b>             |                                   | <b>NOT APPLICABLE</b>  |   |                     |   |  |  |                             |                                 |
|      | <b>Associates</b>                 |                                   |  |   |                     |   |  |  |                             |                                 |
| 1    | ARGL Ltd                          | 31st March                        | 9,420,188  | 18,840.38                                       | 46.00%              | Note-1  | Consolidated   | 21,516.19  | (4,738.62)                  | (5,562.72)                      |
| 2    | ACIL Ltd                          | 31st March                        | 6,864,336  | 20,593.01                                       | 46.00%              | Note-1  | Consolidated   | 25,295.77  | (3,648.88)                  | (4,283.49)                      |

1 Names of associates or joint ventures which are yet to commence operations. NIL

2 Names of associates or joint ventures which have been liquidated or sold during the year. NIL

Note 1 : There is significant influence due to percentage (%) of the Share Capital.

As per our report of even date attached

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-

Sd/-

Sd/-

Partner  
Membership No. - 8565

Director

Wholetime Director

Sd/-

Sd/-

Place : New Delhi  
Dated : 28th May, 2016

Company Secretary

Chief Financial Officer



**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31<sup>st</sup> March, 2016

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Alliance Integrated Metaliks Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alliance Integrated Metaliks Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Alliance Integrated Metaliks Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial period ended on 31<sup>st</sup> March, 2016 generally complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Alliance Integrated Metaliks Limited for the financial period ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Director Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
  - g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998



We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii) The new listing agreements entered into by the Company with BSE Limited, Ahemdabad Stock Exchange Limited and Jaipur Stock Exchange Limited read with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to the monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For M/s C. Shandilya & Associates**  
Company Secretaries

Place : New Delhi  
Date : 06.08.2016

Sd/-  
**(Charu Shandilya)**  
Membership No.: 32640  
CP No.: 16541

Note: This report is to be read along with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.



**Annexure A**

To,  
**The Members**  
**Alliance Integrated Metaliks Limited**  
**910, Ansal Bhawan, 16, K.G. Marg,**  
**New Delhi- 110001**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/s C. Shandilya & Associates**

**Sd/-**  
**(Charu Shandilya)**  
**Company Secretary**  
**CP No.: 32640**

Place : New Delhi  
Date : 06.08.2016

**FORM NO. AOC-2**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.*

1. Details of contracts or arrangements or transactions not at arm's length basis – N/A
  - (a) Name(s) of the related party and nature of relationship– NA
  - (b) Nature of contracts/arrangements/transactions – NA
  - (c) Duration of the contracts/arrangements/transactions – NA
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any – NA
  - (e) Justification for entering into such contracts or arrangements or transactions – NA
  - (f) Date(s) of approval by the Board – NA
  - (g) Amount paid as advances, if any: NA
  - (h) Date on which the special resolution was passed in the General Meeting as required under the first proviso to Section 188 – NA
  
2. Details of material contracts or arrangements or transactions at arm's length basis: NA
  - (a) Name(s) of the related party and nature of relationship: NA
  - (b) Nature of contracts/arrangements/transactions: NA
  - (c) Salient terms of the contracts or arrangements or transactions including the value, if any: N/A
  - (d) Amount paid as advances, if any: NA

Place : New Delhi  
Date : 06.08.2016

Sd/-  
**(Avijit Banerjee)**  
Chairman  
DIN: 01357534



# ALLIANCE INTEGRATED METALIKS LIMITED

Annexure IV

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
(as on the financial year ended on 31.03.2016)

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

|  |   |
|--|---|
| i) CIN   | L65993DL1989PLC035409   |
| ii) Registration Date  | 09/03/1989  |
| iii) Name of the Company   | Alliance Integrated Metaliks Limited  |
| iv) Category / Sub-Category of the Company                                     | Indian Non-Government Company   |
| v) Address of the Registered office and contact details                        | 910, Ansal Bhawan, 16, K.G. Marg, New Delhi -110 001<br>Contact No.: 91-11-41320015<br>E-mail: <a href="mailto:alliance.intgd@rediffmail.com">alliance.intgd@rediffmail.com</a><br>Website: <a href="http://www.aiml.in">www.aiml.in</a>  |
| vi) Whether listed company<br>Yes / No   | YES   |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | Beetal Financial & Computer Services (P) Limited<br>Beetal House, 3 <sup>rd</sup> Floor, 99 Madangir, Behind Local Shopping Centre,<br>Near Dada Harsukhdas Mandir, New Delhi – 110062,<br>Tel: 011-29961281-83, Fax: 011-29961284<br>Email: <a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a> |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services            | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| 1       | Manufacturing of Structural Metal Products/Trading of Parts | 281                              | 100%                               |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| S.NO. | NAME AND ADDRESS OF THE COMPANY    | CIN/GLN               | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shareheld | Applicable Section |
|-------|------------------------------------|-----------------------|--------------------------------|----------------|--------------------|
| 1     | W.L.D. Investments Private Limited | U65993DL1996PTC082102 | Holding Company                | 71.35%         | Sec 2(46)          |
| 2     | ARGL Limited                       | U74899DL1995PLC070717 | Associate Company              | 46%            | Sec 2(6)           |
| 3     | ACIL Limited                       | U34300DL1997PLC086695 | Associate Company              | 46%            | Sec 2(6)           |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Shareholding**

| Category of Shareholders                                       | No. of Shares held at the beginning of the year |          |                |                   | No. of Shares held at the end of the year |          |                |                   | % Change during the year |
|--|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
|  | Demat   | Physical | Total          | % of Total Shares | Demat                                     | Physical | Total          | % of Total Shares |                          |
| <b>A. PROMOTERS</b>  |   |          |                |                   |   |          |                |                   |                          |
| <b>(1) INDIAN</b>  |   |          |                |                   |   |          |                |                   |                          |
| a) Individual/HUF  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| b) Central Govt  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| c) State Govt (s)  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| d) Bodies Corp.  | 8285865   | -        | 82858655       | 71.35             | 8285865                                   | -        | 8285865        | 71.35             | -                        |
| e) Banks / FI  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| f) Any Other   | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| <b>Sub-total (A) (1):-</b>                                     | <b>8285865</b>                                  | <b>-</b> | <b>8285865</b> | <b>71.35</b>      | <b>8285865</b>                            | <b>-</b> | <b>8285865</b> | <b>71.35</b>      | <b>-</b>                 |
| <b>(2) Foreign</b>   |   |          |                |                   |   |          |                |                   |                          |
| a) NRIs – Individuals  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| b) Other – Individuals   | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| c) Bodies Corp.  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| d) Banks/FI e)   |   |          |                |                   |   |          |                |                   |                          |
| e) Any Other...  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| <b>Sub-total (A) (2)</b>                                       | <b>8285865</b>                                  | <b>-</b> | <b>8285865</b> | <b>71.35</b>      | <b>8285865</b>                            | <b>-</b> | <b>8285865</b> | <b>71.35</b>      | <b>-</b>                 |
| <b>(2) Total shareholding of Promoter (A) = (A)(1)+(A)( 2)</b> | <b>-</b>  | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>                                  | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>                 |
| <b>B. Public Shareholding</b>                                  |   |          |                |                   |   |          |                |                   |                          |
| <b>1. Institutions</b>   |   |          |                |                   |   |          |                |                   |                          |
| a) Mutual Funds  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| b) Banks / FI  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| c) Central Govt  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| d) State Govt(s)   | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| e) Venture Capital Funds                                       | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| f) Insurance Companies   | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| g) FIs   | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| h) Foreign Venture Capital Funds                               | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| i) Others (specify)  |   |          |                |                   |   |          |                |                   |                          |
| <b>Sub-total (B)(1):-</b>                                      | <b>-</b>  | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>                                  | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>                 |



# ALLIANCE INTEGRATED METALIKS LIMITED

| 2. Non Institutions   |                |                |                 |              |                |                |                 |              |          |
|---|----------------|----------------|-----------------|--------------|----------------|----------------|-----------------|--------------|----------|
| Bodies Corporate  |                |                |                 |              |                |                |                 |              |          |
| i) Indian   | 926943         | -              | 926943          | 7.98         | 895548         | -              | 895548          | 7.72         | (0.26)   |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh          | 14566          | 2149501        | 2164067         | 18.64        | 36915          | 2243001        | 2279916         | 19.63        | 0.99     |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh | 15000          | 220500         | 235500          | 2.03         | 24045          | 127000         | 151045          | 1.30         | (0.73)   |
| c) Others   |                |                |                 |              |                |                |                 |              |          |
| i) Clearing Member  | -              | -              | -               | -            | -              | -              | -               | -            | -        |
| ii) HUF   | 125            | -              | 125             | 0.00         | 126            | -              | 126             | 0.00         | -        |
| <b>Sub-total (B)(2):-</b>   | <b>956634</b>  | <b>2370001</b> | <b>3326635</b>  | <b>28.65</b> | <b>956634</b>  | <b>2370001</b> | <b>3326635</b>  | <b>28.65</b> | <b>-</b> |
| <b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>                              | <b>956634</b>  | <b>2370001</b> | <b>3326635</b>  | <b>28.65</b> | <b>956634</b>  | <b>2370001</b> | <b>3326635</b>  | <b>28.65</b> | <b>-</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                            | <b>-</b>       | <b>-</b>       | <b>-</b>        | <b>-</b>     | <b>-</b>       | <b>-</b>       | <b>-</b>        | <b>-</b>     | <b>-</b> |
| <b>Grand Total (A+B+C)</b>  | <b>9242499</b> | <b>2370001</b> | <b>11612500</b> | <b>100</b>   | <b>9242499</b> | <b>2370001</b> | <b>11612500</b> | <b>100</b>   | <b>-</b> |

## (ii) Shareholding of Promoters

| S.No | Shareholder's Name                 | Shareholding at the beginning of the year |                                  |   | Shareholding at the End of the year |                                 |   | % change in share holding during the year |
|------|------------------------------------|---|----------------------------------|---|-------------------------------------|---------------------------------|---|---|
|      |                                    | No. of shares                             | % of total Shares of the company | % of Shars Pledgd/ encubered tototal shares | No. of shares                       | % of total Shaes of the company | % of Shares Pledged/ encumbered to total shares |   |
| 1.   | W.L.D. INVESTMENTS PRIVATE LIMITED | 8285865                                   | 71.35                            | 30.00                                       | 8285865                             | 71.35                           | 30.00   | 0.00                                      |

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

| S.No |   | Shareholding at the beginning of the year  |                                  | Cumulative Shareholding during the year |                                  |
|------|---|--|----------------------------------|---|----------------------------------|
|      |   | No. of shares  | % of total Shares of the company | No. of shares                           | % of total Shares of the company |
|      | At the beginning of the year  | <b>THERE IS NO CHANGE IN PROMOTER SHAREHOLDING DURING THE FINANCIAL YEAR 2015-16</b> |                                  |   |                                  |
|      | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc) |  |                                  |   |                                  |
|      | At the End of the year  |  |                                  |   |                                  |

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| S.No | Top Ten Shareholders             | Shareholding at the beginning of the year |                                  | Cumulative Shareholding at the end of the year |                                  |
|------|----------------------------------|---|----------------------------------|--|----------------------------------|
|      |                                  | No. of shares                             | % of total Shares of the company | No. of shares                                  | % of total Shares of the company |
| 1.   | Cains Traders Private Limited    | 152500                                    | 1.31                             | 152500   | 1.31                             |
| 2.   | Avery Real Estate Pvt Ltd        | 152500                                    | 1.31                             | 152500   | 1.31                             |
| 3.   | Indus Trade Care Company Pvt Ltd | 152000                                    | 1.31                             | 152000   | 1.31                             |
| 4.   | Peer Steel and Alloys Pvt Ltd    | 150500                                    | 1.23                             | 150500   | 1.23                             |
| 5.   | W D Holdings Pvt Ltd.            | 148000                                    | 1.27                             | 148000   | 1.27                             |
| 6.   | Economic Infrastructure Pvt Ltd  | 123724                                    | 1.06                             | 123724   | 1.06                             |
| 7.   | Mansi Mathur                     | 49000                                     | 0.42                             | 49000  | 0.42                             |
| 8.   | Deepak J                         | 35000                                     | 0.30                             | 35000  | 0.30                             |
| 9.   | Nishith Atulbhai Shah            | 0.00                                      | 0.00                             | 24045  | 0.21                             |
| 10.  | Malaya Chatterjee                | 21500                                     | 0.18                             | 21500  | 0.18                             |
| 11.  | Summer Builders Pvt. Ltd.        | 39428                                     | 0.34                             | 2273   | 0.14                             |

**v) Shareholding of Directors and Key Managerial Personnel:**

| S.No | For Each of the Directors and KMP  | Shareholding at the beginning year  |                                  | Cumulative Shareholding during the year |                                  |
|------|--|---|----------------------------------|---|----------------------------------|
|      |  | No. of shares   | % of total shares of the company | No. of shares                           | % of total shares of the company |
|      | At the beginning of the year   | <b>DIRECTORS AND KEY MANAGERIAL PERSONNEL DO NOT HOLD ANY SHARES IN THE COMPANY</b> |                                  |   |                                  |
|      | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity): |   |                                  |   |                                  |
|      | At the End of the year ( or on the date of separation, if separated during the year)   |   |                                  |   |                                  |



# ALLIANCE INTEGRATED METALIKS LIMITED

## V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Rupees in Lacs)

|  | Secured Loans<br>excluding deposits | Unsecured Loans | Deposits | Total<br>Indebtedness |
|--|-------------------------------------|-----------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> | –                                   | –               | –        | –                     |
| i) Principal Amount  | 27,747.51                           | –               | –        | 27,747.51             |
| ii) Interest due but not paid                              | 849.09                              | –               | –        | 849.09                |
| iii) Interest accrued but not due                          | 0.00                                | –               | –        | 0.00                  |
| <b>Total (i+ii+iii)</b>                                    | <b>28,596.60</b>                    | –               | –        | <b>28,596.60</b>      |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                 |          |                       |
| ● Addition*  | 2,499.85                            | –               | –        | 2,499.85              |
| ● Reduction  | 5,043.52                            | –               | –        | 5,043.52              |
| <b>Net Change</b>  | <b>(2,543.67)</b>                   | –               | –        | <b>(2,543.67)</b>     |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                 |          |                       |
| i) Principal Amount  | 24,853.91                           | –               | –        | 24,853.91             |
| ii) Interest due but not paid                              | 1,199.02                            | –               | –        | 1,199.02              |
| iii) Interest accrued but not due                          | –                                   | –               | –        | –                     |
| <b>Total (i+ii+iii)</b>                                    | <b>26,052.93</b>                    | –               | –        | <b>26,052.93</b>      |

\* There are no additions to indebtedness of the Company. The addition represents amount due on account of interest due but not paid.



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Rs. in lakh)**

| Sl. No | Particulars of Remuneration   | Name of MD/WTD/Manager                                   | Total Amount |
|--------|---|--|--------------|
|        |   | <b>Mr. Daljit Singh Chahal<br/>(Whole-time Director)</b> |              |
| 1.     | <b>Gross salary</b>   |  |              |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 19.88  | 19.88        |
|        | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 1.50   | 1.50         |
|        | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | —  | —            |
| 2.     | Stock Option  | —  | —            |
| 3.     | Sweat Equity  | —  | —            |
| 4.     | Commission<br>- as % of profit<br>- others, specify                                 | —<br>—   | —<br>—       |
| 5.     | Others, please specify  | —  | —            |
|        | <b>Total (A)</b>  | 21.38  | 21.38        |
|        | Ceiling as per the Act  | -  | -            |

**B. Remuneration to other directors:**

*(Rs. in lakh)*

| Sl. No | Particulars of Remuneration                    | Name of Directors | Total Amount |
|--------|--|-------------------|--------------|
| 1.     | Independent Directors                          |                   |              |
|        | ● Fee for attending board / committee meetings | —                 | —            |
|        | ● Commission                                   | —                 | —            |
|        | ● Others, please specify                       | —                 | —            |
|        | Total (1)                                      | —                 | —            |
| 2.     | Other Non-Executive Directors                  |                   |              |
|        | ● Fee for attending board/ committee meetings  | —                 | —            |
|        | ● Commission                                   | —                 | —            |
|        | ● Others, please specify                       | —                 | —            |
|        | Total (2)                                      |                   |              |
|        | Total (B)=(1+2)                                | —                 | —            |
|        | Total Managerial Remuneration                  | —                 | —            |
|        | Overall Ceiling as per the Act                 | —                 | —            |



# ALLIANCE INTEGRATED METALIKS LIMITED

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In Lacs)

| Sl. No | Particulars of Remuneration   | Key Managerial Personnel |   |   |                          | Total       |
|--------|---|--------------------------|---|---|--------------------------|-------------|
|        |   | CEO                      | Ms. Ritika Kamboj<br>(Company Secretary)<br>(till 16.10.2015) | Ms. Prerna Wadhwa<br>(Company Secretary)<br>(w.e.f. 24.02.2016) | Mr. Pawan Kumar<br>(CFO) |             |
| 1.     | Gross salary  |                          |   |   |                          |             |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NA                       | 1.51  | 0.34  | 5.01                     | 6.86        |
|        | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 0.00                     | 0.00  | 0.00  | 0.05                     | 0.05        |
|        | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | –                        | –   | –   | –                        | –           |
| 2.     | Stock Option  | –                        | –   | –   | –                        | –           |
| 3.     | Sweat Equity  | –                        | –   | –   | –                        | –           |
| 4.     | Commission<br>- as % of profit<br>- others, specify...                              | –                        | –   | –   | –                        | –           |
| 5.     | Others, please specify  | –                        | –   | –   | –                        | –           |
|        | <b>TOTAL</b>  | –                        | <b>1.51</b>   | <b>0.34</b>   | <b>5.06</b>              | <b>6.91</b> |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the period 2015-16.

INFORMATION PURSUANT TO SECTION 134(3)(m) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE FINANCIAL PERIOD ENDED 31ST MARCH, 2016:

**A. CONSERVATION OF ENERGY****i. Steps taken for Conservation of Energy:**

1. Company is conducting regular energy audit to assess the energy losses.
2. Power factor is being maintained close to unity.

**ii. Steps taken for utilizing Alternate Sources of Energy:**

The Company does not have any alternate sources of energy.

**iii. Capital Investment on Energy Conservation Equipments:**

Lighting energy savers are to be installed to optimize the voltage of lighting feeders.

**B. TECHNOLOGY ABSORPTION**

- |  |  |
|--|--|
| i. Efforts, in brief, made towards technology absorption, adaptation and innovation  | The Company has indigenised and absorbed technology absorption changes   |
| ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. | <ol style="list-style-type: none"><li>i. Cost reduction due to saving in raw material &amp; power &amp; fuel</li><li>ii. Increase in productivity and better quality</li></ol> |
| iii. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)                         | N.A  |
| iv. Expenditure incurred on Research & Development   | Nil  |

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

|                         |   |               |
|-------------------------|---|---------------|
| Foreign Exchange Outgo  | : | Rs. 2.04 Lacs |
| Foreign Exchange Earned | : | Nil           |



## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. A brief outline of the Company's CSR Policy:

Alliance Integrated Metaliks Limited (AIML) strongly believes that an organization should make decisions based not only on financial factors, but also on the social and environmental consequences and an effective growth policy must also take into account the fulfillment of the basic needs of the masses, especially of those living in rural areas. Thus AIML endeavors to improve the quality of life of communities living in the areas it operates. To achieve this, AIML deploys its resources to the extent it can reasonably afford, inter alia to improve the rural development projects, education, health, water, sanitation and environment in the area it operates. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled.

The CSR policy of the Company includes overview of projects or programs undertaken / proposed to be undertaken. The web-link to the CSR policy and projects or programs is: <http://www.aiml.in/csr.php>

### 2. Composition of the CSR Committee

The Composition of CSR Committee is as follows::

|                                     |   |          |
|-------------------------------------|---|----------|
| Mr. Avijit Banerjee (DIN: 01357534) | – | Chairman |
| Mr. Mahesh Ochani (DIN: 01199650)   | – | Member   |
| Mr. Gaurav Pabby (DIN: 07190551)    | – | Member   |

### 3. Average net profit of the Company for the last three financial years:

| Financial Year            | Net Profit (in Lacs) |
|---------------------------|----------------------|
| 2012-13                   | (38.24)              |
| 2013-14                   | 92.50                |
| 2014-15                   | (2,700.90)           |
| <b>Total</b>              | <b>(2,646.64)</b>    |
| <b>Average Net Profit</b> | <b>(882.22)</b>      |

4. Prescribed CSR Expenditure: 2% of Average Net Profit – Not Applicable

5. Details of CSR spent during the financial year: Not Applicable

a) Total amount to be spent for the financial year:

b) Amount unspent:

c) Manner in which the amount spent during the financial year is detailed below:

### 6. Responsibility Statement by the CSR Committee:

We, hereby affirm that the CSR policy as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Sd/-

**Mr. Gaurav Pabby**  
Independent Director

Sd/-

**Mr. Avijit Banerjee**  
Chairperson  
CSR Committee

**PARTICULARS OF EMPLOYEES**

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial period ended March 31, 2016:

| <b>Non-Executive Directors</b>               | <b>Ratio to Median Remuneration</b> |
|--|-------------------------------------|
| Mr. Avijit Banerjee                          | NA                                  |
| Mr. Mahesh Ochani                            | NA                                  |
| Mr. Gaurav Pabby*                            | NA                                  |
| Mr. Devinder Singh Sodhi*                    | NA                                  |
| Mr. Ankita Wadhawan*                         | NA                                  |
| <b>Executive Director(s)</b>                 | <b>Ratio to Median Remuneration</b> |
| Mr. Daljit Singh Chahal, Whole-Time Director | 11.56                               |

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

| <b>Directors, Chief Financial Officer and Company Secretary</b> | <b>% Increase in Remuneration in the Financial Year</b> |
|---|---|
| Mr. Avijit Banerjee   | NA  |
| Mr. Daljit Singh Chahal   | 24.80%  |
| Mr. Mahesh Ochani   | NA  |
| Ms. Ankita Wadhawan   | NA  |
| Mr. Devinder Singh Sodhi  | NA  |
| Mr. Gaurav Pabby  | NA  |
| Mr. Pawan Kumar (Chief Financial Officer)                       | NIL   |
| Ms. Prerna Wadhwa (Company Secretary)                           | NIL   |

\*Since this information is for part of the year, the same is not comparable.

- c. **The percentage increase in the median remuneration of employees in the financial year: (3.46)**
- d. **The number of permanent employees on the rolls of Company: 67.**
- e. **Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

| <b>Particulars</b> | <b>March 31, 2016</b> | <b>Date of Last Public Offer</b> | <b>% Change</b> |
|--------------------|-----------------------|----------------------------------|-----------------|
| Market Price (BSE) | –                     | NA                               | NA              |

- f. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**



Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year was 13.09%. Compared to above the increase in the managerial remuneration was 26.65%. The overall increase in remuneration as a percentile and in absolute terms is comparable. However, the additional increase in the managerial remuneration over the others was due to remote location of the unit where the employees in the managerial ranks do not show interest in migrating.

**g. The key parameters for any variable component of remuneration availed by the Directors:** No Variable component of remuneration was fixed for the directors.

**h. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

**CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-2016**

**I. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company is committed to conduct its business in an efficient, fair, honest and ethical manner. Good Corporate Governance goes beyond compliances and requires Management’s commitment. 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 increase its effectiveness and ultimately serve the objective of maximizing the shareholder’s value. The Company’s philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The philosophy of the Company is in consonance with the accepted principles of good governance. The Company is in compliance with Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015, as applicable with regard to corporate governance.

**II. BOARD OF DIRECTORS**

The Business of the Company is managed by the Board of Directors. The Board provides leadership and strategic guidance, objective judgment and exercises control over the Company, while remaining accountable to the stakeholders at all times. The functions of the Board include formulation of strategic business plans, budgets, setting up goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping members informed regarding plans, strategies and performance of the Company and other important matters.

**A. Composition of Board**

The Board of Directors has an optimum combination of Executive and Non-Executive Directors having rich knowledge and experience in the industry for providing strategic guidance and direction to the Company. Presently the Board consists of six members one of whom is Executive, two non executive directors and three independent directors. The Chairman of the Board is a Non-Executive Director. The details of the Directors with regard to their Directorships in other companies, Committee positions as well as attendance at last Annual General Meeting and Board Meetings during the year are as follows:

| S. No. | Name of the Directors/<br>DIN              | Designation         | Category      | No. of Board Meetings attended | Attendance at the last AGM held on 26.12.2015 | No. of other Directorships as on 31.03.2016 | No. of Committees positions held in other Public Companies as on 31.03.2016 |              |
|--------|--|---------------------|---------------|--------------------------------|---|---|---|--------------|
|        |  |                     |               |                                |   |   | Membership  | Chairmanship |
| 1.     | Mr. Mahesh Ochani<br>(DIN: 01199650)       | Director            | Non-Executive | 6                              | Yes   | 19  | NIL   | NIL          |
| 2.     | Mr. Avijit Banerjee<br>(DIN: 01357534)     | Director            | Non-Executive | 2                              | No  | 14  | NIL   | NIL          |
| 3.     | Mr. Daljit Singh Chahal<br>(DIN: 03331560) | Whole-Time Director | Executive     | 5                              | Yes   | 10  | Nil   | Nil          |
| 4.     | Mr. Gaurav Pabby<br>(07190551)             | Director            | Independent   | 2                              | Yes   | 0   | Nil   | Nil          |
| 5.     | Mr. Devinder Singh Sodhi<br>(06459840)     | Director            | Independent   | 2                              | No  | 1   | Nil   | Nil          |
| 6.     | Ms. Ankita Wadhawan<br>(06971383)          | Director            | Independent   | 4                              | No  | 6   | Nil   | Nil          |

^ Includes only Chairmanship/membership in Audit Committee and Stakeholders’ Relationship Committee.



None of the Directors on the Board holds directorships in more than ten public companies. None of the Directors are related to each other. None of the Directors on the Board holds equity shares of the Company as on March 31, 2016. The Company has not issued any convertible instruments. None of the Non Executive Director serves as Independent Director in more than seven listed companies and none of the Executive Director serves as Independent Director on any listed company. As required by Regulation 46 of SEBI (LODR) Regulations, 2015 the Company has issued formal letters of appointment to the Independent Directors. The terms and conditions of appointment of Independent Directors are available on the Company's website. The details of the familiarization programme of the Independent Directors are available on the website of the Company (<http://www.aiml.in/investors>)

## **B) Board Procedures and Meetings**

The Board of Directors of your Company plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibility, and accountability are well defined. The Board reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any.

The Board meets at regular intervals and during the year, six meetings of the Board of Directors were held on August 26, 2015, November 9, 2015, February 10, 2016, February 24, 2016, March 10, 2016 and March 31, 2016. The necessary quorum was present for all the meetings. The gap between no two board meetings exceeded one hundred and twenty days. All the members of the Board were provided requisite information as required under SEBI Listing Regulations well before the Board Meeting.

## **C) Independent Directors Meeting**

During the year under review the Independent Directors had one meeting without the presence of Non-Independent Directors and members of the Management. At this meeting, the independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

## **D) Performance Evaluation of Independent Directors**

The performance of Independent Directors was evaluated by Board of Directors on the basis of policy as laid down by the Nomination and Remuneration Committee.

## **III. AUDIT COMMITTEE**

The Board of Directors has duly constituted an Audit Committee. As at 31st March, 2016, the Audit Committee comprises three non-executive Directors. The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and guidelines set out in SEBI Listing Regulations, 2015. All the members of the Committee were provided requisite information as required in the Listing Regulations. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The terms of reference of the Audit Committee are broadly as under:

- to oversee the Company's financial reporting process and disclosure of its financial information.
- to recommend appointment, remuneration and terms of appointment of the Auditors of the Company.
- to review and monitor the Auditor's independence and performance, and effectiveness of audit process.
- to review quarterly and annual financial statements before submission to the Board and to advice and make recommendations to the Board on matters related to financial management of the Company, including Audit Reports.
- to approve or subsequently modify the transactions of the Company with the related parties.
- to scrutinize the inter-corporate loans and investments.
- to assess the value of undertakings or assets of the Company, whenever it is necessary.



- to review and discuss with Auditors about internal control system, major accounting policies & practices reviewing Companies financial and Risk management policies in compliance with the listing agreement and legal requirements concerning financial statements.
- to monitor the end use of funds raised through public offers and related matters and
- to carry out any other functions as is mentioned in terms of reference to the Audit Committee.

The committee met 3 times during the period under review. The Composition of the committee and the attendance of members at the meetings was as follows:

| Name of Member           | Status      | No. of Meeting during the financial year 2015-16 |          |
|--------------------------|-------------|--|----------|
|                          |             | Held   | Attended |
| Mr. Gaurav Pabby         | Chairperson | 3  | 3        |
| Mr. Avijit Banerjee      | Member      | 3  | 3        |
| Mr. Devinder Singh Sodhi | Member      | 3  | 3        |

**IV. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations 2015, read with Section 178 of the Companies Act, 2013. The Committee comprises of one non-executive and two independent Directors. The Terms of reference of the nomination and remuneration committee are as under:

- Recommend to the Board the setup and composition of the Board and its committees, including the “formulation of the criteria for determining qualifications, positive attributes and independence of a Director.”
- Formulate the criteria for evaluation of performance of Independent Directors and Board of Directors.
- Devise a policy on diversity of Board of Directors.
- Recommend to the Board, appointment and removal of Directors.

The remuneration Policy of the Company is available on company’s website <http://www.aiml.in/investor.html>

The committee met 2 times during the year. The Composition and the attendance of members at the meetings was as follows:

| Name of Member           | Status      | No. of Meeting during the financial year 2015-16 |          |
|--------------------------|-------------|--|----------|
|                          |             | Held   | Attended |
| Mr. Gaurav Pabby         | Chairperson | 2  | 2        |
| Mr. Avijit Banerjee      | Member      | 2  | 2        |
| Mr. Devinder Singh Sodhi | Member      | 2  | 2        |

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

**V. Remuneration of Directors**

The remuneration of Executive Directors is fixed by the Board of Directors upon the recommendation of Nomination and Remuneration committee and approved by the members of the Company. During the year 2015-16 the Company has not paid any sitting fees to its non-executive directors of the Board.



## ALLIANCE INTEGRATED METALIKS LIMITED

Details of the remuneration for the period ended March 31, 2016 is given below:-

### Executive Director

| Executive Director      | Salary* (Rs. in Lacs) | Commission | Total (Rs. in Lacs) |
|-------------------------|-----------------------|------------|---------------------|
| Mr. Daljit Singh Chahal | 21.38                 | –          | 21.38               |

\*Salary includes basic salary, perquisites and allowances, contribution to provident fund etc.

### VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The Committee inter alia looks into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports. During the year, the committee met two (2) times.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

| Name of Member      | Status      | No. of Meeting during the financial year 2015-16 |          |
|---------------------|-------------|--|----------|
|                     |             | Held   | Attended |
| Mr. Avijit Banerjee | Chairperson | 2  | 2        |
| Mr. Mahesh Ochani   | Member      | 2  | 2        |

During the period under review, no complaint was received. As on 31<sup>st</sup> March, 2016, there were Nil complaints pending with the Company.

Ms. Prerna Wadhwa, Company Secretary of the Company acts as the Secretary to the Stakeholders' Relationship Committee.

### VII. OTHER COMMITTEES

#### i) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year under review, the Board in terms of Section 135 of the Companies Act, 2013 has constituted a Corporate Social Responsibility Committee. The Committee comprises three directors including one Independent Director. The Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount of expenditure to be incurred on the CSR activities.

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by its members are given below:

| Name of Member      | Status      | No. of Meeting during the financial year 2015-16 |          |
|---------------------|-------------|--|----------|
|                     |             | Held   | Attended |
| Mr. Avijit Banerjee | Chairperson | 1  | 1        |
| Mr. Mahesh Ochani   | Member      | 1  | 1        |
| Mr. Gaurav Pabby    | Member      | 1  | 1        |

**VIII. SUBSIDIARY MONITORING FRAMEWORK**

In terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website (URL: <http://www.aiml.in/investors.php>).

**IX. COMPLIANCE OFFICER**

The Board has designated Ms. Prerna Wadhwa, Company Secretary as Compliance Officer of the Company.

**VI GENERAL BODY MEETINGS**

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

| YEAR    | DATE & TIME                                   | LOCATION  | WHETHER SPECIAL RESOLUTION(S) WERE PASSED |
|---------|---|---|---|
| 2012-13 | 30 <sup>th</sup> December, 2013 at 12.30 P.M. | Mapple Emerald, Rajokari, NH-8, New Delhi-110038                    | No Special resolution was passed          |
| 2013-14 | 27 <sup>th</sup> December, 2014 at 10.00 A.M. | Mapple Exotica, Chattarpur Mandir, Road Satbari, New Delhi – 110074 | No Special resolution was passed          |
| 2014-15 | 26 <sup>th</sup> December, 2015 at 3.00 A.M.  | Mapple Exotica, Chattarpur Mandir, Road Satbari, New Delhi – 110074 | 2 Special Resolutions were passed.*       |

\*Special resolutions passed were- i) Alteration of Memorandum of Association in conformity with Companies Act, 2013. ii) Alteration of Articles of Association in conformity with Companies Act, 2013.

No Special Resolution through postal ballot was passed during the financial period 2015-16.

**XI. MEANS OF COMMUNICATION**

During the year under review, Financial Results for quarter ended 30<sup>th</sup> September, 2015, 31<sup>st</sup> December, 2015 and the period ended 31<sup>st</sup> March, 2016 have been published in English and Hindi newspapers (viz The Statesman and Hari Bhoomi) and also displayed on the website of the Company [www.aiml.in](http://www.aiml.in) after submission to the Stock Exchanges.

In addition, the Company also uploads its Shareholding Pattern and other information on its website i.e. [www.aiml.in](http://www.aiml.in)

The Company had submitted all compliances for the quarter ended on 30<sup>th</sup> September, 2015, 31<sup>st</sup> December, 2015 and for the period ended on 31<sup>st</sup> March, 2016 to the Ahmedabad Stock Exchange, Jaipur Stock Exchange and BSE Limited and on the BSE online portal – BSE Corporate Compliance & Listing Center.

**XII. GENERAL SHAREHOLDERS' INFORMATION**

**A. GENERAL INFORMATION**

|   |  |
|---|--|
| Registered Office                               | 910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001   |
| Plant Location                                  | Village – Sarai Banjara, P.O. – Basant Pura, Tehsil – Rajpura, Distt. – Patiala, Punjab - 140401                               |
| Annual General Meeting:<br>Day/Date/Time/Venue: | Monday, the 26 <sup>th</sup> September, 2016 at 9.30 A.M.<br>Mapple Exotica, Chattarpur Mandir Road, Satbari New Delhi- 110074 |
| Financial Year                                  | 1 <sup>st</sup> July to 2015 to 31 <sup>st</sup> March 2016 (9 Months)   |
| Book Closure                                    | 20 <sup>th</sup> September, 2016 to 26 <sup>st</sup> September, 2016 (Both days inclusive)                                     |
| Equity Dividend payment date                    | No dividend has been recommended by the Board for the period 2015-16.  |



# ALLIANCE INTEGRATED METALIKS LIMITED

|  |   |
|--|---|
| Listing on Stock Exchanges                       | 1. BSE LIMITED<br>2. AHMEDABAD STOCK EXCHANGE LIMITED<br>3. JAIPUR STOCK EXCHANGE LIMITED<br>The Company has paid the Listing fee for the year 2016-17. |
| ISIN CODE  | INE 123D01016   |
| Stock Code-<br>Equity Share:   BSE<br>ASE<br>JSE | 534064<br>10067<br>991  |

## B. Tentative Calendar for the Financial Year 2016-2017 (subject to change)

| PARTICULARS                               | DATES                  |
|---|------------------------|
| First Quarter Results                     | Mid of August, 2016    |
| Second Quarter Results                    | Mid of November, 2016  |
| Third Quarter Results                     | Mid of February, 2017  |
| Fourth Quarter and the year ended Results | Up to end of May, 2017 |

## C. Dematerialization of shares and liquidity

As on 31<sup>st</sup> March, 2016, 9,24,2499 Equity Shares representing 79.59% of the Company's Equity Share Capital were held in dematerialized form with NSDL and CDSL. The Equity Shares of the Company are traded on BSE.

## D. Share Transfer System

Pursuant to directions of SEBI, the facility to hold the Company's shares in electronic form is available to the shareholders as the Company is registered with both the Depositories namely NSDL & CDSL. Share Transfer documents for physical transfer and requests for dematerialization of shares may be sent to Company's Registrar and Share Transfer Agents.

## E. Registrar & Share Transfer Agent

M/s Beetal Financial & Computer Services (P) Limited  
"Beetal House, "3<sup>rd</sup> Floor, Madangir,  
B/H, L.S.C., New Delhi- 110062  
Tel No.: 011-29961281-83, Fax No: 011-29961284,  
Email: [beetalrta@gmail.com](mailto:beetalrta@gmail.com), Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

## F. Market Price Data

### Monthly High/Low prices per share during the Financial Period 2015-2016

| Months          | BSE        |           |
|-----------------|------------|-----------|
|                 | High (Rs.) | Low (Rs.) |
| July, 2015      | 187.0      | 119.1     |
| August, 2015    | 119.3      | 101.0     |
| September, 2015 | 105.3      | 104.0     |
| October, 2015   | 99.0       | 99.0      |
| January, 2016   | 112.0      | 103.0     |
| February, 2016  | 115.0      | 110.0     |
| March, 2016     | 115.0      | 115.0     |

**BSE**

**Historical Graphs**

|                         |           |                 |          |
|-------------------------|-----------|-----------------|----------|
| ALLIANCE INTEG<br>- BSE | X         | SENSEX<br>- BSE | X        |
| 99.00                   | (-45.45%) | 26,160.90       | (-6.64%) |



Historic Graph 01-07-2015 to 31.03.2016

**G. Shareholding Pattern as on 31<sup>st</sup> March, 2016**

| CATEGORY             | NUMBER OF SHARES HELD | (%) PERCENTAGE OF SHAREHOLDING |
|----------------------|-----------------------|--------------------------------|
| Promoters            | 8285865               | 71.35                          |
| Bodies Corporates    | 895548                | 7.72                           |
| Resident Individuals | 2431087               | 20.93                          |
| <b>TOTAL</b>         | <b>11612500</b>       | <b>100</b>                     |

**H. Distribution of Shareholding as on 31<sup>st</sup> March, 2016**

| RANGE OF SHARES  | NO. OF SHAREHOLDERS | NO. OF SHARES   |
|------------------|---------------------|-----------------|
| Upto 5000        | 159                 | 6135            |
| 5001-10000       | 8                   | 7306            |
| 10001-20000      | 6                   | 8867            |
| 20001-30000      | 527                 | 1324380         |
| 30001-40000      | 27                  | 107040          |
| 40001-50000      | 142                 | 709148          |
| 50001-100000     | 3                   | 24990           |
| 100001 and above | 19                  | 9424634         |
| <b>Total</b>     | <b>891</b>          | <b>11612500</b> |



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

The Company has not issued GDRs / ADRs / Warrant or any other convertible instruments during the financial period ended 31<sup>st</sup> March, 2016.

## J. INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO:

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

## XIII. OTHER DICLOSURES

### (A) Basis of related Party Transactions

The details of all related parties transactions are placed before the audit committee for its approval. Details of related party transactions are provided in the Notes to Accounts. These transactions are not likely to have conflict with the interest of the Company at large. Policy on dealing with related party transactions is available on the website of the Company (URL: <http://www.aiml.in/investors.php>).

### (B) Vigil Mechanism/ Whistle Blower Policy

The Company encourages an open door policy where its employees have access to the Head of the business/function. In terms of the Whistle Blower Policy of the Company, any instance of non adherence to the policy, employee misconduct, illegality or 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. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides adequate safeguards against victimization of Whistle Blower who avail of such mechanism. Under the Policy, every Director and employee has been provided direct access to the Chairman of the Audit Committee.

### (C) Details of non-compliance by the Company

There were no instances of non-compliance by the Company and no penalties, or strictures were 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.

### (D) Code of Business Conduct and Ethics for Directors and Managerial Personnel

The Board has framed a Code of Conduct for all Board members and senior management of the Company. The Code has been posted on the website of the Company ([www.aiml.in](http://www.aiml.in)). All Board members and senior management personnel have confirmed compliance with the Code for the financial period 2015-16. A declaration to this effect signed by the Managing Director of the Company forms part of this Annual Report.

### (E) Disclosure of Accounting Treatment

In the preparation of financial statements for the period ended 31<sup>st</sup> March, 2016; there was no treatment different from that prescribed in Accounting Standards that had been followed.

### (F) Risk Management

The Company has framed a Risk Management Policy to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework. The Company's Risk Management Policy focuses on ensuring that risks are identified and addressed on a timely basis. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**G) Proceeds from Public Issues, Rights Issues, and Preferential Issues etc.**

During the year under review, there were no proceeds from Public issues, Rights issues or Preferential issues.

**H) Details of Compliance with Mandatory Requirements and adoption of Non Mandatory Requirements****Mandatory requirements**

The Company is fully compliant with the applicable mandatory requirements specified under Schedule V of SEBI (LODR) Regulations, 2015.

**Non Mandatory Requirements**

Details of non-mandatory requirements specified under Schedule V of SEBI (LODR) Regulations, 2015 to the extent to which the Company has adopted are given below:

**a) The Board**

Mr. Avijit Banerjee, the Non-Executive Chairman has not desired an office at the Company's expense.

**b) Audit qualifications**

There is no audit qualification in respect of financial statements of the Company.

**c) Separate posts of Chairman and CEO**

Mr. Avijit Banerjee is the Non Executive Chairman of the Company and Mr. Daljit Singh Chahal is the Whole-time Director of the Company .The Company has complied with the requirement of having separate persons to the post of Chairman and Whole-Time Director.

**d) Reporting of Internal Auditor**

The Internal auditors report directly to the Audit Committee.

**VIII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

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

Place : New Delhi  
Date : 6<sup>th</sup> August, 2016

Sd/-  
**(Avijit Banerjee)**  
Chairman  
DIN: 01357534



**AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE**

**TO  
THE MEMBERS  
ALLIANCE INTEGRATED METALIKS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Alliance Integrated Metaliks Limited** for the period ended on 31<sup>st</sup> March, 2016 as stipulated in Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the stock exchanges

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above-mentioned SEBI (LODR) Regulations, 2015.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the Stakeholder Relationship Committee has maintained records to show the Investors Grievance and certify that as on 31<sup>st</sup> March, 2016 there were no investors grievance remaining unattended/pending for more than 30 days.

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

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

Place : New Delhi  
Date : 06.08.2016

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

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, it is hereby confirmed that for the period ended 31<sup>st</sup> March, 2016, the Directors of Alliance Integrated Metaliks Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Code of Conduct as applicable to them.

Place : New Delhi  
Date : 06.08.2016

Sd/-  
**(Daljit Singh Chahal)**  
Whole-time Director  
DIN: 03331560



**CEO AND CFO CERTIFICATION**

We, Daljit Singh Chahal, Whole-Time Director and Mr. Pawan Kumar, Chief Financial Officer, responsible for the finance functions certify to the Board that:

- a) We have reviewed the financial statements and Cash Flow Statement for the period ended 31<sup>st</sup> March, 2016 and to the best of our 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 our knowledge and belief, no transactions entered into by the Company during the period ended 31<sup>st</sup> March, 2016 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we 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 we are 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) We are 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 : 06.08.2016

Sd/-  
**(Pawan Kumar)**  
Chief Financial Officer

Sd/-  
**(Daljit Singh Chahal)**  
Whole - time Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**1. GLOBAL ECONOMIC OVERVIEW**

The global economic recovery continued to be weighed down in FY2016 by weak aggregate demand, falling commodity prices (in particular crude oil), sharper than expected slowdown in the Chinese economy and increasing financial market volatility in some of the major economies. These developments, coupled with sluggishness in many of the emerging and developing markets, which constitute more than 70% of the global economy, offset the slight recovery in the developed economies. World GDP growth slowed to 2.4% in CY2015. Emerging Market and Developing Economies grew at 3.4%, while the US and the Euro Area grew at 2.4% and 1.6%, respectively. Japan grew at 0.6%.

According to the World Bank, Emerging Market and Developing Economies (EMDEs) are facing stronger headwinds, including weaker growth among advanced economies and low commodity prices. Significant divergences persist between commodity exporters struggling to adjust to depressed prices and commodity importers showing continued resilience. In addition, UK’s impending exit from the European Union, as a consequence of the Brexit referendum, has also presented a cause of concern for the global economy. The World Bank revised its world GDP growth forecast for 2016 down to 2.4%, 0.5 percentage points below the January 2016 forecast. The 2017 GDP forecast stands at 2.8%.

Global growth is projected to pick up to 3% by 2018, as stabilizing commodity prices provide support to commodity exporting EMDEs. Downside risks have become more pronounced. These include deteriorating conditions among key commodity exporters, softer-than-expected activity in advanced economies, rising private sector debt in some large emerging markets, and heightened policy and geopolitical uncertainties.

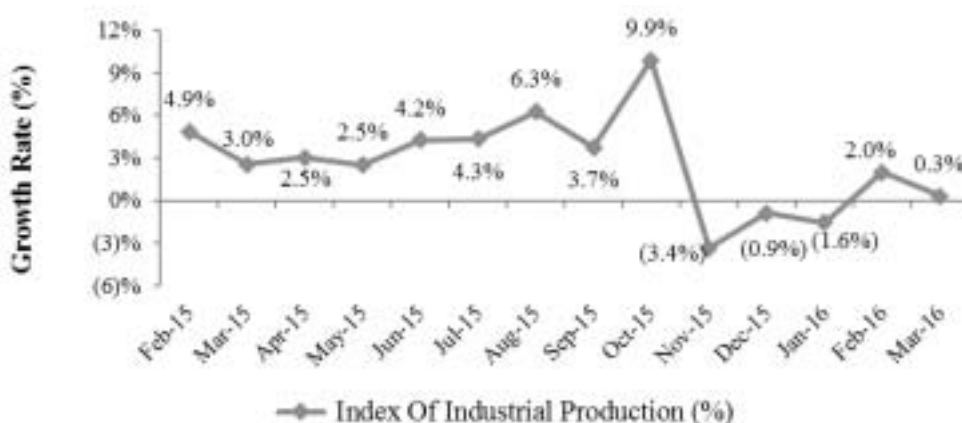
Source: IMF World Economic Outlook, January, 2016

**2. INDIAN ECONOMIC OVERVIEW**

Amidst a challenging global growth scenario and after a prolonged slowdown, the Indian economy recovered slightly and grew 7.6% in FY2016, compared to 7.2% in FY2015. This was led by strong domestic demand and supported by several policy initiatives of the Government of India, a low current account deficit, low inflation levels and adherence to fiscal prudence. Furthermore, the current account deficit declined and foreign exchange reserves rose to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy. FDI to India has surged 37% since the launch of the ‘Make in India’ campaign in October 2014 to February 2016.

However, the economy is still suffering from sluggishness in rural demand, caused by deficient monsoons for two years. Moreover, despite five interest rate cuts since 2015, credit growth to the corporate sector remains subdued because of stressed asset quality in the banking sector. Weak exports also weigh on growth: February marked the 15th consecutive month of decline. World Bank has forecasted the GDP growth of India at 7.6% for 2016 and 7.7% for 2017.

According to one of India’s leading research and credit rating firms, the medium-term outlook will be shaped by progress on initiatives such as reforms in banking and successful implementation of the Goods and Services Tax (GST). Other key factors crucial to sustaining growth include physical infrastructure issues such as seamless availability of electricity, creation of road network and social aspects such as health and education.



Source: MOSPI

### **3. INDIAN INFRASTRUCTURE SECTOR**

India's 2016-2017 Union Budget provides a significant outlay for the infrastructure sector. This spending is seen as a key element of the government's plans to boost India's growth levels to projections ranging between 7-9%. The allocation of US\$32.41-32.70 billion (Rs 2.19-2.21 lakh crores) and a newly liberalized foreign direct investment (FDI) policy further underscore the government's commitment in this regard.

The infrastructure sector is wide-ranging and includes electricity, roads, airports, railways, water systems, public utilities, and telecommunications, the development of which raises the country's economic productivity. Highways, ports, airports, roads, and rail are all necessary conduits for commerce, making their construction, improvement, and expansion all the more vital. (Source: India briefing dated 26th May, 2016)

The road and rail sector in the infrastructure industry are the key areas for the company. The road sector has remained slow in the last few years, as projects were awarded 7-9 years back to companies on BOT basis. Companies had bid aggressively based on the then economic and operating assumptions. This model did not take off as intended because a slowdown in economic activity led to lower toll collections, delays due to land acquisition and environmental clearances and limited financial capability of the companies to sustain the heavy investment under BOT. In the last couple of years, the government has revisited policy in the sector, leading to a shift to the cash contract and EPC model. The government has also cleared many bottlenecks towards the environmental clearance. More recently, fresh contracts have been awarded by NHAI and state governments under the new policy, resulting in a surge in demand from the infrastructure sector.

Rail infrastructure is also expanding. In addition, the slow moving DFC (Dedicated Freight Corridor) projects have now been accelerated with fresh deadlines for 2019. Twelve additional cities have been announced to be covered by Metro rail networks.

The infrastructure industry, as a whole, may have started to recover but the two segments currently relevant for AIML are showing a visible upturn.

### **4. INDIA POWER SECTOR**

The power sector is a significant customer segment for the Company. Sustained economic growth has continued to drive electricity demand in India over the last few years. The Indian Government's focus on attaining 'Power for all' has accelerated capacity additions in the sector. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

Total capacity of renewable energy plants in India stood at 42,850 megawatts (MW) as on 30th April, 2016, surpassing the 42,783 MW capacity of large hydroelectricity projects in the country.

Cumulative solar installations in India crossed the 7.5 gigawatt (GW) mark in May 2016, about 2.2 GW more than all of the solar installations in 2015.

The power sector has remained sluggish in the last few years, due to disturbance in the coal mining sector. Previously allotted coal mines were cancelled across the board and therefore, fuel supply agreements for power plants were not in place; in addition, general economic slowdown has affected the sale of power. Coal mines have been re-allotted and are now starting to be functional. Fuel supply being in place, the government has fixed has an ambitious target of adding 261 gigawatt (GW) fresh capacity by 2022.

Source: IBEF dated January 2016

### **5. INDIA STEEL FABRICATION INDUSTRY**

Fabrication applies to the building of machines, structures and other equipment, by cutting, shaping and assembling components made from raw materials by using various mechanical processes such as welding, soldering, forging, brazing, forming, pressing, bending and stress removal. The steel fabrication industry has traditionally been fragmented, labour intensive, and low on quality. The demand for high quality and precision steel fabricated structures has resulted in the need for automated and high quality precision manufacturers.

In infrastructure applications such as road/rail/metro bridges and spans, safety during and after erection of heavy structures has come into focus due to certain recent mishaps. This has led to an increasingly greater preference for factory made structures, as opposed to site fabrication, as the former are made in a quality controlled environment.



## 6. AIML: STRATEGY AND OUTLOOK

AIML is a world class steel fabrication company delivering high levels of quality and performance. It has set up a state of the art, fully automated (including robotic processes) plant for steel fabrications ranging from medium to heavy projects. The Company operates in a wide range of markets from heavy steel structures for infrastructure projects including road and rail and power projects to steel structures for building projects.

The Company has adopted best in class manufacturing standards and is constantly seeking to improve productivity to the highest levels. With opportunities now emerging in many of our targeted markets, the Company is focussed on improving capacity utilisation and fulfill the incremental demand for our products and services.

The Company remains focused on the following growth areas.

- Metro rail
- Power plant projects
- Infrastructure markets

There is renewed optimism in all of these target customer segments - road, rail (including metro and DFCC) and power. The Union Budget 2015-16 announced a number of measures to boost investments, which will provide opportunities for infrastructure and construction companies. Innovative funding structures have also been unveiled to improve availability of funds. While the budget provisions are positive, measures addressing land acquisition and other clearances may further enable an increase in investments in the sector.

AIML has become the most favoured supplier of steel bridges to Delhi Metro (DMRC). Management is confident of replicating similar success in Tier 2 cities such as Chandigarh, Ludhiana, Amritsar, Jaipur, Lucknow, Ahmedabad and Nagpur.

AIML's growth strategy will centre on:

- Enhancing the forward business integration by venturing into assembly and erection, and focussing on site erection teams for structures supplied after fabrication at the plant. In addition, launching bridges as part of total solution to steel super structure requirements
- Targeting growth as an EPC executor for end user infrastructure clients
- Promoting our superior plant technology to the end user clients, with the aim of becoming a preferred supplier to its EPC customers

## 7. OPPORTUNITIES & STRENGTHS

AIML has positioned itself as a premium supplier for bridges & power sector and has won orders from a number of the major power and infrastructure companies in the recent past.

With the announcement of measures by the Indian Government such as the cancellation and the subsequent e-auctioning of coal blocks in the country, coal will start to be available more easily in the medium to long term. This development presents significant opportunities in the power sector for power generators and subsequently for power equipment manufacturers and ancillaries. AIML is in a position to fulfil the supply gap with its specialized knowledge and technical expertise required for manufacture and supply of heavy structures and equipment related to power plants, roads & railways, bridges, steel plants and the oil and gas sector.

Furthermore, AIML's location is ideally suited for the large infrastructure projects being developed in the northern part of India.

With a renewed thrust on reforms and the announcement of 'Smart Cities', the need for more roads, bridges and metro & rail lines is certain, thereby potentially opening up numerous opportunities for AIML.

## 8. RISK AND CONCERNS

The Company is currently addressing the following risks and concerns through appropriate risk mitigation measures and strategies:

**Strategic Risks:** Strategic risks refer to those associated with the long-term strategy and plans of the Company, including risks related to the macro environment in which the Company operates. However, the Company has adopted a focused approach and has employed various means to mitigate the risk. The risk of a rebound in steel prices is one of the key risks that the Company faces at this stage.

**Operational Risks:** Operational risks refer to risks impacting the operations of the Company. These include risks associated with the supply chain, employee productivity, health and safety of employees and environmental impact, and risks to business reputation. The Company is exposed to various risks which may impact the Company's reputation such as labour relations, product mix, innovations and effective deployment of technology. The Company closely monitors the developments in the supply chain and takes effective steps to mitigate all operational risks.

**Financial Risks:** Financial risks refer to those related to the ability of the Company to meet its financial obligations and to the impact of factors such as interest rates, foreign currency exchange rates etc. Also included are those associated with the ability to increase funds for working capital, to raise new debt or to refinance existing debt on favourable terms.

**Legal and Compliance Risks:** Legal and Compliance risks refer to risks arising from the outcome of legal proceedings and government and/ or regulatory action, which could result in additional costs. The Company is subject to various laws, regulations and contractual commitments. AIML has policies, systems and procedures to enforce substantial compliance in this respect.

## **9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company understands that with expanding operations and a constant evolution of technology, an effective internal control system is very important. AIML is committed to maintaining the highest standards of corporate governance and believes that a strong internal control framework is one of the most important pillars of corporate governance.

In-line with its philosophy and tenets, the Company has put in place adequate systems of internal control commensurate with its size and the nature of its operations. The systems have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information complying with applicable statutes, safeguarding of assets, executing transactions with proper authorisations and ensuring compliance of corporate policies.

AIML ensures that internal audit is conducted by a reputed firm having considerable experience in the sector on a regular basis. These audit reports are submitted to the Audit Committee which reviews it and takes note of the remedial measures taken by the concerned departmental heads with reference to the audit observations. The Company has appointed M/s. Bhatia and Bhatia Company, Chartered Accountants, as their internal auditors.

## **10. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the nine months ended 31st March, 2016, the Company generated revenues of Rs. 16,307.90 Lacs as compared to Rs. 43,312.42 Lacs in the previous year. EBITDA stood at Rs. 716.58 Lacs as compared to Rs. 3,785.01 Lacs in previous year.

A number of the major Indian infrastructure projects, in the markets served by AIML, have been stalled for the last few years. The decline in the Company's revenues and EBITDA is a direct consequence of this slowdown. However, there is renewed optimism owing to a growing number of approved projects, a trend that is likely to lead to a recovery in AIML's revenues in times to come.

## **11. FINANCIAL CONDITION**

AIML monitors its financial position regularly and deploys a robust cash management system. The Company has also been able to arrange adequate liquidity at an optimum cost to meet its business and liquidity requirements. AIML would like to thank the financial institutions, shareholders and other stakeholders for their continuous support.

## **12. DEBT POSITION**

As of 31st March, 2016, the Company had total debt of Rs. 31,409.60 Lacs.



## 13. CAPITAL EMPLOYED

The capital employed in the business stood at Rs. 80,619.88 Lacs as on 31st March, 2016 as compared to Rs. 86,601.91 Lacs as on 30th June, 2015.

## 14. SHAREHOLDERS' FUNDS AND NET WORTH

The authorized share capital of the Company as at 31st March, 2016 stood at Rs. 10,000 Lacs divided into 3,00,00,000 equity shares of Rs. 10 each and 7,00,00,000 Preference shares of Rs. 10/- each. The paid up share capital as of 31st March, 2016 was Rs. 7,661.25 Lacs divided into 1,16,12,500 equity shares of Rs. 10/- each and 6,50,00,000 Preference shares of Rs. 10/- each.

During the period under review there was no change in the authorized and paid up capital of the Company. As at 31st March, 2016 the reserves and surplus of the Company stood at Rs. 48,104.72 Lacs and the net worth stood at Rs. 55,765.97 Lacs.

## 15. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year, the Company delivered value to its customers and investors. This was made possible by the relentless efforts of each and every employee. The Company has developed a robust and diverse talent pipeline which enhances AIML's organizational capabilities for future readiness, further driving greater employee engagement. Our human resource program is focused on attracting the right talent, providing excellent on the job training opportunities, and finally giving them the growth opportunities consistent with their aspirations. In addition, the trust our employees place in us is evident in our ability to retain key employees and senior executives during FY2016.

AIML has always enjoyed strong industrial relations. The company has a systematic grievance redressal system to further strengthen these relationships. This system encourages employees to share their views and opinion with the management. The Company reflects on this feedback and incorporates relevant changes into the existing policies, systems and processes.

The Company had more than 362 employees as on 31st March, 2016 which includes contractor, departmental, contractual, trainees and staff executives. Industrial relations remained cordial during the year. The Directors would like to place on record their appreciation and recognition towards all its employees who continue to exude confidence and commitment toward the Company.

## 16. STATUTORY COMPLIANCE

The Whole Time Director makes a declaration to the Board of Directors every quarter regarding compliance with provisions of various statutes as applicable. The Company Secretary ensures compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance with the guidelines on insider trading for prevention of the same.

## 17. CAUTION STATEMENT

*The above mentioned statements are only 'forward looking statements' based on certain assumptions and expectations. The Company's actual performance could differ materially from those expressed/projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in forward looking statements', on the basis of subsequent developments, information or events etc.*

*Important developments that could affect the Company's operations include a downward trend in the domestic automotive industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.*

---

**INDEPENDENT AUDITOR'S REPORT****To the Members of Alliance Integrated Metaliks Limited, New Delhi  
Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Alliance Integrated Metaliks Limited ('The Company'), which comprises the Balance Sheet as at 31<sup>st</sup> March 2016, the statement of Profit and Loss and the Cash Flow Statement for the nine months then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The company's board of directors is responsible for the matters specified in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatements.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2016 and its loss, and its cash flows for the nine months ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the act, we give in annexure A , a statement on the matters specified in paragraph 3 & 4 of the Order, to the extent applicable.



## ALLIANCE INTEGRATED METALIKS LIMITED

---

2. As required by section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - (c) The balance sheet, the profit and loss statement, and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which impact on its financial position in its standalone financial statements.
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

**For A. C. Gupta & Associates**

Chartered Accountants

Firm's registration number: 008079N

Sd/-

**A.C. Gupta**

Partner

Membership number: 08565

New Delhi

28<sup>th</sup> May 2016



**Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the nine months ended 31st March 2016.

- (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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) We have been informed that the inventories are physically verified during the period by the management at reasonable intervals. The frequency of physical verification, in our opinion, is reasonable having regard to the size of the company and nature of its business. The discrepancies noticed on verification between the physical inventories and the book records were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company during the period has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company..
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.
- (v) Since the company has not accepted any deposit from public, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public are not applicable.
- (vi) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central government under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the activities of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with appropriate authority during the nine months ended 31st March 2016, Accordingly to the above information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March 2016 for a period of more than six months from the date on when they become payable..
- (b) According to the information and explanations given to us, and as per our verification of records of the company, the company does not have any dues which have not been deposited by the Company on account of dispute.
- (viii) According to the information and explanations given to us and as per our verification of the records of the company, there had been delays in payment of instalments and Interest of term loan to the banks during the period. Note No. 2.27 of the financial statements contains details in this regard.
- (ix) According to the information and explanations given to us, and as per our verification of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer (Including debt instruments). The term loans availed by the company have been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the Nine Months ended 31<sup>st</sup> March 2016.



## **ALLIANCE INTEGRATED METALIKS LIMITED**

---

- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, and according to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of Clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and as per our verification of the records of the company all transactions with the related parties are in compliance with the Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and as per our verification of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of Clause 3 (xiv) of the order are not applicable to the Company.
- (xv) According to the information and explanations given to us, and as per our verification of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3 (xv) of the order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

**For A.C. Gupta & Associates**

Chartered Accountants

Firm's registration number: 008079N

Sd/-

**A.C. Gupta**

Partner

Membership number: 08565

New Delhi

28<sup>th</sup> May 2016

**Annexure - B to the Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Alliance Integrated Metaliks Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the nine months ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and



## **ALLIANCE INTEGRATED METALIKS LIMITED**

---

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For A.C. Gupta & Associates**

Chartered Accountants

Firm's registration number: 008079N

Sd/-

**A.C. Gupta**

Partner

Membership number: 08565

New Delhi

28<sup>th</sup> May 2016

**BALANCE SHEET AS AT 31ST MARCH, 2016**

(Rupees In Lacs)

| Particulars                        | Note No. | As at 31.03.2016 | As at 30.06.2015 |
|------------------------------------|----------|------------------|------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |          |                  |                  |
| <b>(1) Shareholders' Funds</b>     |          |                  |                  |
| (a) Share Capital                  | 2.1      | 7,661.25         | 7,661.25         |
| (b) Reserves and Surplus           | 2.2      | 48,104.72        | 51,219.69        |
| <b>(2) Non-Current Liabilities</b> |          |                  |                  |
| (a) Long Term Borrowings           | 2.3      | 17,074.01        | 21,098.17        |
| (b) Other Long Term Liabilities    | 2.4      | 6,384.37         | 2,003.46         |
| (c) Long Term Provisions           | 2.5      | 68.10            | 54.99            |
| <b>(3) Current Liabilities</b>     |          |                  |                  |
| (a) Short-term borrowings          | 2.6      | 6,555.69         | 5,110.30         |
| (b) Trade Payables                 | 2.7      | 983.50           | 786.42           |
| (c) Other Current Liabilities      | 2.8      | 9,472.56         | 7,870.70         |
| (d) Short-Term Provisions          | 2.9      | 1.44             | 81.96            |
| <b>Total</b>                       |          | <b>96,305.64</b> | <b>95,886.94</b> |
| <b>II. ASSETS</b>                  |          |                  |                  |
| <b>(1) Non Current Assets</b>      |          |                  |                  |
| <i>(a) Fixed assets</i>            |          |                  |                  |
| (i) Tangible Assets                | 2.10     | 41,355.54        | 43,377.10        |
| (ii) Capital work-in-progress      |          | 169.70           | 168.70           |
| (b) Deferred Tax Asset (Net)       | 2.11     | 2,304.49         | 878.70           |
| (c) Non-Current Investment         | 2.12     | 40,423.43        | 40,423.43        |
| (d) Long Term Loans and Advances   | 2.13     | 419.58           | 841.50           |
| <b>(2) Current Assets</b>          |          |                  |                  |
| (a) Inventories                    | 2.14     | 5,227.97         | 4,192.87         |
| (b) Trade Receivables              | 2.15     | 3,750.74         | 3,967.10         |
| (c) Cash and Cash Equivalents      | 2.16     | 888.63           | 476.31           |
| (d) Short Term Loans and Advances  | 2.17     | 1,758.15         | 1,539.22         |
| (e) Other Current Assets           | 2.18     | 7.41             | 22.01            |
| <b>Total</b>                       |          | <b>96,305.64</b> | <b>95,886.94</b> |

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

**1 to 2.28**

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

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants

Firm Regd. No. 008079N

Sd/-

**A.C Gupta**

(Partner)

M.No. 8565

Place : Delhi

Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole Time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer



# ALLIANCE INTEGRATED METALIKS LIMITED

## PROFIT AND LOSS STATEMENT FOR THE NINE MONTHS ENDED 31ST MARCH, 2016

(Rupees In Lacs)

| Particulars   | Note No. | For the nine months ended 31.03.2016 | For the year ended 30.06.2015 |
|---|----------|--------------------------------------|-------------------------------|
| Revenue from operations   | 2.19     | 16,238.52                            | 43,119.35                     |
| Other Income  | 2.20     | 69.38                                | 193.07                        |
| <b>I. Total Revenue</b>   |          | <b>16,307.90</b>                     | <b>43,312.42</b>              |
| II. Expenses:   |          |                                      |                               |
| Cost of Materials Consumed  | 2.21     | 13,382.47                            | 36,679.47                     |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 2.22     | 303.16                               | (1,948.66)                    |
| Employee Benefit Expense  | 2.23     | 721.46                               | 1,928.35                      |
| Finance Costs   | 2.23     | 3,287.68                             | 4,379.73                      |
| Depreciation and Amortization of Expenses                                     | 2.23     | 2,030.69                             | 2,116.98                      |
| Other Expenses  | 2.23     | 1,184.23                             | 2,857.45                      |
| <b>Total Expenses</b>   |          | <b>20,909.69</b>                     | <b>46,013.32</b>              |
| <b>III. Profit before exceptional and extraordinary items and tax (I-II)</b>  |          | <b>(4,601.79)</b>                    | <b>(2,700.90)</b>             |
| IV. Exceptional Items   |          | -                                    | -                             |
| <b>V. Profit before extraordinary items and tax (III + IV)</b>                |          | <b>(4,601.79)</b>                    | <b>(2,700.90)</b>             |
| VI. Extraordinary Items   |          | -                                    | -                             |
| <b>VII. Profit before tax (V - VI)</b>  |          | <b>(4,601.79)</b>                    | <b>(2,700.90)</b>             |
| VIII. Tax expense   |          |                                      |                               |
| (1) Current Tax   |          | -                                    | -                             |
| (2) Deferred Tax  |          | (1,425.79)                           | (869.08)                      |
| (3) Credit for MAT Entitlement/MAT Reversal                                   |          | 12.90                                | -                             |
| <b>Total Tax Expenses</b>   |          | <b>(1,412.89)</b>                    | <b>(869.08)</b>               |
| <b>IX. Profit/(Loss) for the period (VII-VIII)</b>                            |          | <b>(3,188.90)</b>                    | <b>(1,831.82)</b>             |
| X. Earning per equity share: (Rs Per Share)                                   |          |                                      |                               |
| (1) Basic after extraordinary item  | 2.24     | (27.46)                              | (16.43)                       |
| (2) Diluted after extraordinary item  | 2.24     | (27.46)                              | (16.43)                       |

Significant Accounting Policies & Notes on Financial Statements 1 to 2.28

For & on Behalf of the Board of Directors

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-

**A.C Gupta**  
(Partner)  
M.No. 8565

Place : Delhi  
Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole Time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer

## CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 31ST MARCH, 2016

(Rupees In Lacs)

| PARTICULARS   | For the Nine Month Ended<br>31.03.2016 | For the year ended<br>30.06.2015 |
|---|--|----------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                             |  |                                  |
| Profit as per Profit & Loss Account (PBT)                                 | (4,601.79)                             | (2,700.90)                       |
| Add: Depreciation & Amortisation  | 2,030.69                               | 2,116.98                         |
| Add: Financial Expenses   | 3,287.68                               | 4,379.73                         |
| Less: Dividend Income   | -                                      | (113.04)                         |
| Less: Interest Received & Other Income                                    | (69.38)                                | (75.67)                          |
|   | <b>647.20</b>                          | <b>3,607.10</b>                  |
| <b>Change in Current / Non Current Liabilities:</b>                       |  |                                  |
| (Increase)/Decrease in Inventories  | (1,035.10)                             | (2,926.28)                       |
| (Increase)/Decrease in Trade Receivables                                  | 216.36                                 | 356.71                           |
| (Increase)/Decrease in short term loans & advances & Other Current Assets | (195.89)                               | 99.72                            |
| Increase/(Decrease) in Current Liabilities                                | 1,737.30                               | (4,238.84)                       |
| Increase/(Decrease) in Non Current Liabilities & Provisions               | 4,389.55                               | 1,268.42                         |
|   | <b>5,759.42</b>                        | <b>(1,833.17)</b>                |
| <b>Cash generation from operations activities</b>                         | <b>5,759.42</b>                        | <b>(1,833.17)</b>                |
| Direct Tax Paid   | (21.34)                                | (45.46)                          |
|   | <b>5,738.08</b>                        | <b>(1,878.63)</b>                |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                              |  |                                  |
| Addition to Fixed Assets  | (9.13)                                 | (11,460.94)                      |
| Adjustment to Capital work in progress & Long term Capital Advances       | 420.92                                 | 17,465.79                        |
| Interest Received & Other income  | 69.38                                  | 75.67                            |
| Dividend Received   | -                                      | 113.04                           |
| Purchase of investments (Net)   | -                                      | (0.04)                           |
|   | <b>481.17</b>                          | <b>6,193.52</b>                  |
| <b>Net Cash from Investing activities</b>                                 | <b>481.17</b>                          | <b>6,193.52</b>                  |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                              |  |                                  |
| Repayment of borrowings   | (2,867.06)                             | (2,726.28)                       |
| Finance Charges Paid  | (2,937.75)                             | (3,530.64)                       |
| Payment of Preference Dividend & tax thereon                              | (2.12)                                 | (76.20)                          |
|   | <b>(5,806.93)</b>                      | <b>(6,333.12)</b>                |
| <b>Net Cash from financing activities</b>                                 | <b>(5,806.93)</b>                      | <b>(6,333.12)</b>                |
| <b>Net cash flows during the year (A+B+C)</b>                             | <b>412.32</b>                          | <b>(2,018.23)</b>                |
| <b>Cash &amp; cash equivalents (opening balance)</b>                      | <b>476.31</b>                          | <b>2,494.54</b>                  |
| <b>Cash &amp; cash equivalents (closing balance)</b>                      | <b>888.63</b>                          | <b>476.31</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.
- The Closing Cash Balance includes Rs. 799.85 Lacs (Previous year Rs. 377.77 Lacs) as margin money against Bank Guarantees's/Letter of credit etc.

We have examined the above cash flow statement of Alliance Integrated Metaliks Limited for the Nine Months ended 31st March, 2016 and verify that it has been derived from the audited accounts (and underlying records) of the company reported on by us as per our report.

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

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants  
Firm Regd. No. 008079N

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

Place : Delhi  
Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole Time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer



## **Note 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS (ATTACHED TO AND FORM PART OF ACCOUNTS) FOR THE NINE MONTH ENDED 31ST MARCH, 2016.**

### **1. Significant accounting policies**

#### **1.1 Basis of accounting and preparation of financial statements**

The financial statements are prepared under historical cost convention, on a going concern basis and on accrual basis and are in compliance with the accounting standards notified under section 133 of the Companies Act, 2013 and the relevant provisions thereof.

#### **1.2 Use of estimates**

The preparation of the financial statements requires the Management to make certain estimates and assumptions that affect the amount reported in financial statements and notes thereto. Differences between the actual results and estimates are recognized in period in which the results are known/ materialize.

#### **1.3 Revenue Recognition and Accounting for Sales**

- (a) Revenue from sales is recognized at the point of dispatch of goods to the customers when risk and reward stands transferred to the customers. Sales are net of trade discount, sales tax and excise duty.
- (b) Interest income is recognized on time proportion basis.
- (c) All expenses and income are accounted for on accrual basis.

#### **1.4 Fixed Assets**

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

#### **1.5 Depreciation and amortization**

- (a) Depreciation (including amortization) is provided on straight line method as per useful life method prescribed under Part C of Schedule II of the Companies Act, 2013. Leasehold Land is being amortized over the tenure of respective leases.
- (b) Additions/deletions during the year are depreciated pro-rata from the date of such addition/ deletion. The residual value of the asset has been taken to be 5 percent of the original cost of the asset.
- (c) Intangible assets are amortized over their estimated useful Life.

#### **1.6 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.

#### **1.7 Investments**

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

Noncurrent 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.



**1.8 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.

**1.9 Employees' 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.

**1.10 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.

**1.11 Foreign Currency Transactions**

- (a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.
- (b) Non Monetary items denominated in the foreign currency are valued at the exchange rate prevailing on the date of transaction.
- (c) In the case of forward exchange contracts, the premium or discount arising at the inception of such contracts, is amortized as income or expense over the life of the contract as well as exchange difference on such contracts, i.e. difference between the exchange rate at the reporting/settlement date and the exchange rate on the date of inception/last reporting date, is recognized as income/expense for the period.

**1.12 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.

**1.13 Tax on Income**

- (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.

**1.14 Provisions and Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized, when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.



## 1.15 Impairment of Asset

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.

**2 NOTES TO ACCOUNTS**

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

**2.1 SHARE CAPITAL**

(Rs. In Lacs)

| Particulars   | As At 31.03.2016 | As At 30.06.2015 |
|---|------------------|------------------|
| <b>Authorized Capital</b>   |                  |                  |
| Equity Shares, Rs. 10/- Par Value   |                  |                  |
| 3,00,00,000 (Previous Year 3,00,00,000) Equity Shares                     | 3,000.00         | 3,000.00         |
| Preference Shares, Rs. 10/- Par Value                                     |                  |                  |
| 7,00,00,000 ( Previous Year 7,00,00,000) Preference Shares                | 7,000.00         | 7,000.00         |
|   | <u>10,000.00</u> | <u>10,000.00</u> |
| <b>Issued, Subscribed and Paid - Up Capital</b>                           |                  |                  |
| Equity Shares, Rs. 10/- Par Value   |                  |                  |
| 1,16,12,500 ( Previous Year 1,16,12,500) Equity Shares, fully paid up     | 1,161.25         | 1,161.25         |
| 1% Non Cumulative Redeemable Preference Shares, Rs. 10/- Par Value        |                  |                  |
| 6,50,00,000 ( Previous Year 6,50,00,000) Preference Shares, Fully paid up | 6,500.00         | 6,500.00         |
| <b>Total</b>  | <u>7,661.25</u>  | <u>7,661.25</u>  |

**2.1.1 Rights, preferences and restrictions attached to Shares**

**Equity Shares :** The Company currently has Issued equity shares having a par value of Rs 10/- per share. Each shareholder is eligible to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors , is subject to the approval of the shareholders in the in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential Rupees. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Preference Shares:** The Company currently has Issued 1% non cumulative redeemable preference shares of Rs 10/- each. Preference shares will not be redeemed before 11 years & not later than 15 years from the date of allotment i.e May 2013 at such premium as may be decided by the board of directors in accordance with the provisions of Companies Act, 2013 or any re-enactment thereof.

**2.1.2 RECONCILIATION OF SHARE CAPITAL**

The reconciliation of the number of Equity shares outstanding and the amount of Equity share capital as at March 31, 2016 and June 30, 2015 is set out below:

(Rs. In Lacs)

| Particulars                       | As At March 31, 2016             |                 | As At June 30,2015               |                 |
|-----------------------------------|----------------------------------|-----------------|----------------------------------|-----------------|
|                                   | Number<br>of Shares<br>(In Lacs) | Amount          | Number<br>of Shares<br>(In Lacs) | Amount          |
| Number of shares at the beginning | 116.13                           | 1,161.25        | 116.13                           | 1,161.25        |
| Add : Shares Issued               | -                                | -               | -                                | -               |
| Less: Shares Bought Back          | -                                | -               | -                                | -               |
| Number of Shares at the end       | <u>116.13</u>                    | <u>1,161.25</u> | <u>116.13</u>                    | <u>1,161.25</u> |



# ALLIANCE INTEGRATED METALIKS LIMITED

The reconciliation of the number of Preference shares outstanding and the amount of Preference share capital as at March, 31, 2016 and June 30, 2015 is set out below:

(Rupees In Lacs)

| Particulars                       | As At March 31, 2016       |          | As At June 30, 2015        |          |
|-----------------------------------|----------------------------|----------|----------------------------|----------|
|                                   | Number of Shares (In Lacs) | Amount   | Number of Shares (In Lacs) | Amount   |
| Number of shares at the beginning | 650.00                     | 6,500.00 | 650.00                     | 6,500.00 |
| Add: Shares Issued                | —                          | —        | —                          | —        |
| Number of Shares at the end       | 650.00                     | 6,500.00 | 650.00                     | 6,500.00 |

## 2.1.3 Details of bonus shares issued during the last five years. (In Numbers)

| Nature        | 30.06.2015 | 30.06.2014 | 30.06.2013 | 30.06.2012 | 30.06.2011 |
|---------------|------------|------------|------------|------------|------------|
| Equity Shares | Nil        | Nil        | Nil        | Nil        | Nil        |

## 2.1.4 Details of shares bought back, during the last five years.(In Numbers)

| Nature        | 30.06.2015 | 30.06.2014 | 30.06.2013 | 30.06.2012 | 30.06.2011 |
|---------------|------------|------------|------------|------------|------------|
| Equity Shares | Nil        | 3850000    | Nil        | Nil        | Nil        |

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

| Particulars               | As At March 31, 2016       |              | As At June 30, 2015        |              |
|---------------------------|----------------------------|--------------|----------------------------|--------------|
|                           | Number of Shares (In Lacs) | % of Holding | Number of Shares (In Lacs) | % of Holding |
| <b>Equity Shares</b>      |                            |              |                            |              |
| WLD INVESTMENTS PVT. LTD. | 82.86                      | 71.35%       | 82.86                      | 71.35%       |
| <b>Preference Shares</b>  |                            |              |                            |              |
| FIRST FORGE LTD.          | 621.00                     | 95.54%       | 621.00                     | 95.54%       |
| KARAM AUTO LTD.           | 29.00                      | 4.46%        | 29.00                      | 4.46%        |

## 2.2 RESERVES & SURPLUS

(Rs. In Lacs)

| Particulars   | As At 31.03.2016  | As At 30.06.2015 |
|---|-------------------|------------------|
| <b>General Reserve</b>                                    |                   |                  |
| Opening Balance as on 01.07.2015                          | 261.48            | 263.59           |
| Add: Transferred from Profit & Loss A/c                   | —                 | —                |
| Less: Amount on transition of depreciation                | —                 | 3.05             |
| Add: Impact of deferred tax on transition of depreciation | —                 | 0.94             |
| <b>Closing Balance as on 31.03.2016</b>                   | <b>(A) 261.48</b> | <b>261.48</b>    |

# ALLIANCE INTEGRATED METALIKS LIMITED



|  |            |                   |                   |
|--|------------|-------------------|-------------------|
| <b>Securities Premium Account</b>                        |            |                   |                   |
| Opening Balance as on 01.07.2015                         |            | 52,812.80         | 52,812.80         |
| Add: Addition during the current year                    |            | –                 | –                 |
| Less: Written back during current year                   |            | –                 | –                 |
| <b>Closing Balance as on 31.03.2016</b>                  | <b>(B)</b> | <b>52,812.80</b>  | <b>52,812.80</b>  |
| <b>Profit &amp; Loss Account</b>                         |            |                   |                   |
| Opening Surplus as on 01.07.2015                         |            | (1,854.59)        | 53.43             |
| Less: Reversal of proposed dividend on preference shares |            | (65.00)           | –                 |
| Less: Reversal of Corporate Dividend Tax                 |            | (11.05)           | –                 |
| Add: Transferred from Profit & Loss A/c                  |            | (3,188.90)        | (1,831.82)        |
|  |            | <b>(4,967.44)</b> | <b>(1,778.39)</b> |
| <b>Appropriations</b>                                    |            |                   |                   |
| Less: Proposed dividend on preference shares             |            | –                 | 65.00             |
| Less: Corporate Dividend Tax                             |            | –                 | 11.05             |
| Less: Corporate Dividend Tax for earlier year            |            | 2.12              | 0.15              |
| <b>Closing Balance as on 31.03.2016</b>                  | <b>(C)</b> | <b>(4,969.56)</b> | <b>(1,854.59)</b> |
| <b>Total (A+B+C)</b>                                     |            | <b>48,104.72</b>  | <b>51,219.69</b>  |

## 2.3 LONG TERM BORROWINGS

(Rs. In Lacs)

| Particulars                           | As At 31.03.2016 | As At 30.06.2015 |
|---------------------------------------|------------------|------------------|
| <b>SECURED LOANS</b>                  |                  |                  |
| <b>Term Loans</b>                     |                  |                  |
| – From Banks & Financial Institutions | 17,074.01        | 21,098.17        |
| <b>Total</b>                          | <b>17,074.01</b> | <b>21,098.17</b> |

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

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

(Rs. In Lacs)

| Financial Year | As At 31.03.2016 | As At 30.06.2015 |
|----------------|------------------|------------------|
| 2016-17        | –                | 5,401.12         |
| 2017-18        | 5,401.12         | 5,401.12         |
| 2018-19        | 5,401.12         | 5,508.40         |
| 2019-20        | 5,330.64         | 4,787.53         |
| 2020-21        | 941.13           | –                |
| <b>Total</b>   | <b>17,074.01</b> | <b>21,098.17</b> |

**Note:** 1. There is default in repayment of loans for Rs. 2378.78 Lacs and payment of interest of Rs. 1199.02 Lacs as on Balance sheet date.

## 2.4 OTHER LONG TERM LIABILITIES

(Rupees In Lacs)

| Particulars                        | As At 31.03.2016 | As At 30.06.2015 |
|------------------------------------|------------------|------------------|
| Advance From Customers             | 2,278.05         | 2,003.46         |
| Advance Against Long term Supplies | 4,106.32         | –                |
| <b>Total</b>                       | <b>6,384.37</b>  | <b>2,003.46</b>  |



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.5 LONG TERM PROVISIONS (Rupees In Lacs)

| Particulars                            | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| <b>Provision for Employee Benefits</b> |                  |                  |
| Gratuity                               | 32.22            | 30.11            |
| Leave Encashment                       | 35.88            | 24.88            |
| <b>Total</b>                           | <b>68.10</b>     | <b>54.99</b>     |

## 2.6 SHORT-TERM BORROWINGS (Rupees In Lacs)

| Particulars                                | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| <b>SECURED LOANS</b>                       |                  |                  |
| <b>Bank Borrowings for working Capital</b> |                  |                  |
| – From Banks                               | 6,555.69         | 5,110.30         |
| <b>Total</b>                               | <b>6,555.69</b>  | <b>5,110.30</b>  |

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

## 2.7 TRADE PAYABLES (Rupees In Lacs)

| Particulars            | As At 31.03.2016 | As At 30.06.2015 |
|------------------------|------------------|------------------|
| Trade Payables         | 983.50           | 759.67           |
| Advance From Customers | –                | 26.75            |
| <b>Total</b>           | <b>983.50</b>    | <b>786.42</b>    |

## 2.8 OTHER CURRENT LIABILITIES (Rupees In Lacs)

| Particulars                                  | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| Current Maturities of Long Term Borrowings   | 5,401.12         | 5,401.12         |
| Installments due, but not paid on Borrowings | 2,378.78         | 1,221.68         |
| Interest Accrued & due on Borrowings         | 1,199.02         | 849.09           |
| TDS and other Taxes payable                  | 6.49             | 6.22             |
| Expenses Payable                             | 120.46           | 64.84            |
| Personnel Expenses Payable                   | 61.27            | 22.42            |
| Other Liabilities*                           | 305.42           | 305.33           |
| <b>Total</b>                                 | <b>9,472.56</b>  | <b>7,870.70</b>  |

\*Other liabilities includes capital goods creditors & other short terms liabilities.

## 2.9 SHORT TERM PROVISIONS (Rupees In Lacs)

| Particulars                                | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| Provision of dividend on preference shares | –                | 65.00            |
| Provision of Corporate Dividend Tax        | –                | 11.05            |
| <b>Provision for Employee Benefits</b>     |                  |                  |
| - Gratuity                                 | 0.68             | 0.60             |
| - Leave Encashment                         | 0.76             | 5.31             |
| <b>Total</b>                               | <b>1.44</b>      | <b>81.96</b>     |

**Note - 2.10 FIXED ASSETS**

(Rupees In Lacs)

| Particulars                         | GROSS BLOCK      |                             |                 | DEPRECIATION         |                    |                            |                                | NET BLOCK           |                      |                     |
|-------------------------------------|------------------|-----------------------------|-----------------|----------------------|--------------------|----------------------------|--------------------------------|---------------------|----------------------|---------------------|
|                                     | Opening Balance  | Additions During the Period | Sales/ Transfer | As at 31st March, 16 | Upto 30th June, 15 | Provided During the Period | Written Back During the Period | Upto 31st March, 16 | As at 31st March, 16 | As at 30th June, 15 |
| <b>(A) Intangible Assets</b>        |                  |                             |                 |                      |                    |                            |                                |                     |                      |                     |
| Land-Freehold                       | 2,183.86         | –                           | –               | 2,183.86             | –                  | –                          | –                              | –                   | 2,183.86             | 2,183.86            |
| Building                            | 6,424.84         | –                           | –               | 6,424.84             | 560.25             | 152.48                     | –                              | 712.73              | 5,712.11             | 5,864.59            |
| Plant and Equipment                 | 39,868.12        | 8.72                        | –               | 39,876.84            | 4,620.32           | 1,860.06                   | –                              | 6,480.38            | 33,396.46            | 35,247.80           |
| Furnitures & Fixtures               | 27.41            | –                           | –               | 27.41                | 7.70               | 1.77                       | –                              | 9.47                | 17.94                | 19.71               |
| Vehicles                            | 25.24            | –                           | –               | 25.24                | 16.91              | 1.17                       | –                              | 18.08               | 7.16                 | 8.33                |
| Office Equipments                   | 113.22           | 0.41                        | –               | 113.63               | 60.41              | 15.21                      | –                              | 75.62               | 38.01                | 52.81               |
| <b>TOTAL (A) Current Year</b>       | <b>48,642.69</b> | <b>9.13</b>                 | <b>–</b>        | <b>48,651.82</b>     | <b>5,265.59</b>    | <b>2,030.69</b>            | <b>–</b>                       | <b>7,296.28</b>     | <b>41,355.54</b>     | <b>43,377.10</b>    |
| <b>Previous Year</b>                | <b>37,181.75</b> | <b>11,460.94</b>            | <b>–</b>        | <b>48,642.69</b>     | <b>3,145.56</b>    | <b>2,116.98</b>            | <b>3.05</b>                    | <b>5,265.59</b>     | <b>43,377.10</b>     | <b>–</b>            |
| <b>(B) Capital Work in Progress</b> |                  |                             |                 |                      |                    |                            |                                |                     |                      |                     |
| <b>TOTAL (B)</b>                    | <b>–</b>         | <b>–</b>                    | <b>–</b>        | <b>–</b>             | <b>–</b>           | <b>–</b>                   | <b>–</b>                       | <b>–</b>            | <b>169.70</b>        | <b>168.70</b>       |



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.11 DEFERRED TAX LIABILITIES (ASSETS) ((NET)

(Rupees In Lacs)

| Particulars  | As At 31.03.2016  | As At 30.06.2015  |
|--|-------------------|-------------------|
| <b>Deferred Tax Liabilities</b>  |                   |                   |
| On account of depreciation of Fixed Assets                                       | 2,912.64          | 2,437.47          |
|  | <u>2,912.64</u>   | <u>2,437.47</u>   |
| <b>Deferred Tax Assets</b>   |                   |                   |
| On account of Amortisation of Expenses/Business Loss/<br>Unabsorbed Depreciation | (5,217.13)        | (3,315.23)        |
| On account of transition of Depreciation   | –                 | (0.94)            |
|  | <u>(5,217.13)</u> | <u>(3,316.17)</u> |
|  | <u>(2,304.49)</u> | <u>(878.70)</u>   |

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

## 2.12 NON-CURRENT INVESTMENT

(Rupees In Lacs)

| Particulars  | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| <b>Investment in Equity Instrument</b>   |                  |                  |
| <b>Unquoted - Long Term Trade (at Cost)</b>  |                  |                  |
| <b>Domestic Associates companies</b>   |                  |                  |
| 94,20,188 (94,20,188) shares of ARGL Limited of Rs10/- each<br>46% (46%) of Equity Shares held   | 18,840.38        | 18,840.38        |
| 68,46,336 (68,46,336 ) shares of ACIL Limited of Rs 10/- each<br>46% (46%) of Equity Shares held                                       | 20,593.01        | 20,593.01        |
| <b>Unquoted - Long Term Trade (at cost) Overseas Company</b>   |                  |                  |
| 100 (100) Equity Shares of Amtek Universal Technologies Pte Ltd,<br>Singapore of SGD 100/- each<br>0.99% (0.99%) of Equity Shares held | 0.04             | 0.04             |
| <b>Unquoted-Long Term Trade at Cost in Domestic Company</b>  |                  |                  |
| 9,90,000 (9,90,000) Equity Shares of<br>MGR Investment Pvt. Ltd of Rs. 10/- each<br>9.22% (9.22%) of Equity Shares held                | 990.00           | 990.00           |
| <b>Total</b>   | <u>40,423.43</u> | <u>40,423.43</u> |

Aggregate amount of unquoted investments Rs 40,423.43 Lacs (Rs. 40,423.43 Lacs)

## 2.13 LONG TERM LOANS AND ADVANCES

(Rupees In Lacs)

| Particulars                           | As At 31.03.2016 | As At 30.06.2015 |
|---------------------------------------|------------------|------------------|
| <b>Long Term Loans &amp; Advances</b> |                  |                  |
| Unsecured, Considered Good            | 407.98           | 829.90           |
| <b>Security Deposits</b>              |                  |                  |
| Unsecured, Considered Good            | 11.60            | 11.60            |
| <b>Total</b>                          | <u>419.58</u>    | <u>841.50</u>    |

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



**2.14 INVENTORIES (As CERTIFIED BY THE MANAGEMENT)\***

(Rupees In Lacs)

| Particulars      | As At 31.03.2016 | As At 30.06.2015 |
|------------------|------------------|------------------|
| Raw Material     | 2,541.48         | 1,199.13         |
| Work in Progress | 2,628.41         | 2,691.12         |
| Finished Goods   | 10.74            | 251.19           |
| Stores & Spares  | 47.34            | 51.43            |
| <b>Total</b>     | <b>5,227.97</b>  | <b>4,192.87</b>  |

Refer Note No. 1.6 of Significant Accounting Policies for Mode of valuation of inventories.

**2.15 TRADE RECEIVABLES**

(Rupees In Lacs)

| Particulars   | As At 31.03.2016 | As At 30.06.2015 |
|---|------------------|------------------|
| <b>Outstanding for a period not exceeding Six Months from the date they are due for payment (unsecured considered good)</b> | 3,750.74         | 3,967.10         |
| <b>Total</b>  | <b>3,750.74</b>  | <b>3,967.10</b>  |

**2.16 CASH AND CASH EQUIVALENTS**

(Rupees In Lacs)

| Particulars  | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| Cash on Hand   | 1.87             | 1.22             |
| <b>Balances with Schedule Banks</b>  |                  |                  |
| – Current Accounts   | 86.91            | 93.99            |
| – Fixed Deposits (Maturing within 12 Months)   | –                | 3.33             |
| – Fixed Deposits (held as margin money against Letter of Credits/Bank Guarantees etc.) | 799.85           | 377.77           |
| <b>Total</b>   | <b>888.63</b>    | <b>476.31</b>    |

\* Cash and cash equivalents, as on 31st March 2016 and 30th June 2015 includes restricted bank balances of Rs. 799.85 Lacs and Rs. 377.77 Lacs respectively. The restriction is primarily on account of cash and bank balances held as margin money deposited against guarantee/LC's issued by bank and earmarked balances.

**2.17 SHORT TERM LOANS & ADVANCES**

(Rupees In Lacs)

| Particulars  | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| <b>Loans &amp; Advances recoverable in cash or in kind or for value to be received</b> |                  |                  |
| Unsecured, Considered Good :   | 1,606.93         | 1,375.10         |
| MAT Credit Entitlement   | 151.22           | 164.12           |
| <b>Total</b>   | <b>1,758.15</b>  | <b>1,539.22</b>  |



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.18 OTHER CURRENT ASSETS

(Rupees In Lacs)

| Particulars                  | As At 31.03.2016 | As At 30.06.2015 |
|------------------------------|------------------|------------------|
| Interest accrued on deposits | 7.41             | 22.01            |
| <b>Total</b>                 | <b>7.41</b>      | <b>22.01</b>     |

## 2.19 REVENUE FROM OPERATIONS

(Rupees In Lacs)

| Particulars            | For the Nine Months Ended 31.03.2016 | For the year ended 30.06.2015 |
|------------------------|--------------------------------------|-------------------------------|
| Sales of Products      | 16,106.14                            | 43,046.13                     |
| Other Sales & Services | 132.38                               | 73.22                         |
| <b>Total</b>           | <b>16,238.52</b>                     | <b>43,119.35</b>              |

## 2.20 OTHER INCOME

(Rupees In Lacs)

| Particulars  | For the Nine Months Ended 31.03.2016 | For the year ended 30.06.2015 |
|--|--------------------------------------|-------------------------------|
| Interest Received (Including TDS Rs.6.92 Lacs Previous Year Rs. 7.45 Lacs) | 69.25                                | 74.47                         |
| Dividend from Associate Companies  | –                                    | 113.04                        |
| Income from LD Charges   | –                                    | 4.06                          |
| Net Gain on Foreign Currency Transaction                                   | 0.02                                 | –                             |
| Rental Income  | –                                    | 1.20                          |
| Other Income (Misc)  | 0.11                                 | 0.30                          |
| <b>Total</b>   | <b>69.38</b>                         | <b>193.07</b>                 |

## 2.21 COST OF MATERIAL CONSUMED

(Rupees In Lacs)

| Particulars                                 | For the Nine Months Ended 31.03.2016 | For the year ended 30.06.2015 |
|---|--------------------------------------|-------------------------------|
| Opening Stock of Raw Material               | 1,199.13                             | 223.28                        |
| <b>Add : Purchases of Raw Material</b>      | <b>14,724.82</b>                     | <b>37,655.32</b>              |
|   | <b>15,923.95</b>                     | <b>37,878.60</b>              |
| <b>Less : Closing Stock of Raw Material</b> | <b>2,541.48</b>                      | <b>1,199.13</b>               |
| <b>Total</b>                                | <b>13,382.47</b>                     | <b>36,679.47</b>              |

## 2.21.1 IMPORTED AND INDIGENOUS RAW MATERIALS & SPARES PARTS

(Rupees In Lacs)

| Particulars  | For the Nine Months<br>Ended 31.03.2016                | For the year ended<br>30.06.2015                       |
|--|--|--|
|  | 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>–   | –<br>–   |
| Consumption of similar domestic Raw material<br>(Percentage of Consumption of Raw Material)                              | 13,382.47<br>100%                                      | 36,679.47<br>100%                                      |
| <b>Total Consumption of Raw material</b>   | <b>13,382.47</b>                                       | <b>36,679.47</b>                                       |
| <b>Spares parts and components</b>   |  |  |
| Consumption of imported spares parts and components<br>(Percentage of Consumption of Spare Parts and Components)         | 2.04<br>0.46%  | –<br>–   |
| Consumption of similar domestic spares parts and components<br>(Percentage of Consumption of Spare Parts and Components) | 437.26<br>99.54%                                       | 1,289.58<br>100.00%                                    |
| <b>Total Consumption of Spares and components</b>  | <b>439.30</b>  | <b>1,289.58</b>  |

## 2.22 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

(Rupees In Lacs)

| Particulars                                    | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|--|---|----------------------------------|
| <b>Opening Stock as on 01-07-2015</b>          |   |                                  |
| – Work in Process                              | 2,691.12                                | 345.46                           |
| – Finished Goods                               | 251.19                                  | 648.19                           |
| <b>Total Opening stock</b>                     | <b>2,942.31</b>                         | <b>993.65</b>                    |
| <b>Less : Closing Stock as on 31-03-2016</b>   |   |                                  |
| – Work in Process                              | 2,628.41                                | 2,691.12                         |
| – Finished Goods                               | 10.74                                   | 251.19                           |
| <b>Total Closing stock</b>                     | <b>2,639.15</b>                         | <b>2,942.31</b>                  |
| <b>Net (Increase)/ Decrease in Inventories</b> | <b>303.16</b>                           | <b>(1948.66)</b>                 |

## 2.23 EXPENSES

### Employee Benefit Expenses

(Rupees In Lacs)

| Particulars                        | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|------------------------------------|---|----------------------------------|
| Salaries & Wages                   | 696.01                                  | 1,869.70                         |
| Other Contribution & Staff Welfare | 25.45                                   | 58.65                            |
| <b>Total</b>                       | <b>721.46</b>                           | <b>1,928.35</b>                  |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Finance Costs (Rupees In Lacs)

| Particulars                 | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|-----------------------------|---|----------------------------------|
| Interest on Term Loans      | 2,660.07                                | 3,768.66                         |
| Interest on Working Capital | 610.83                                  | 600.27                           |
| Other Borrowing Costs       | 16.78                                   | 10.80                            |
| <b>Total</b>                | <b>3,287.68</b>                         | <b>4,379.73</b>                  |

## Depreciation and Amortisation Expenses (Rupees In Lacs)

| Particulars                   | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|-------------------------------|---|----------------------------------|
| Depreciation and Amortisation | 2,030.69                                | 2,116.98                         |
| <b>Total</b>                  | <b>2,030.69</b>                         | <b>2,116.98</b>                  |

## Other Expenses (Rupees In Lacs)

| Particulars                                      | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|--|---|----------------------------------|
| <b>A) Manufacturing Expenses</b>                 |   |                                  |
| Consumables & Store spares                       | 439.30                                  | 1,289.58                         |
| Power & Fuel                                     | 390.06                                  | 1,057.70                         |
| Testing Fees & Inspection Charges                | 2.04                                    | 6.72                             |
| Loading & Unloading Expenses                     | -                                       | 0.06                             |
| Erection & Commissioning Expenses                | 46.60                                   | 6.45                             |
| Packing Expenses                                 | 5.68                                    | 19.39                            |
| Freight Inwards                                  | 6.94                                    | 9.17                             |
| Repairs to Plant & Machinery                     | 45.84                                   | 43.75                            |
| <b>Total Manufacturing Expenses (A)</b>          | <b>936.46</b>                           | <b>2,432.82</b>                  |
| <b>B) Administrative &amp; Selling Expenses</b>  |   |                                  |
| Advertisement and Publicity                      | 0.70                                    | 5.72                             |
| Auditor's Remuneration                           | 1.55                                    | 1.85                             |
| Bank Charges                                     | 85.10                                   | 60.74                            |
| Books & Periodicals                              | 0.11                                    | 0.13                             |
| Business promotion Expenses                      | 0.09                                    | 0.05                             |
| Directors Remuneration & Perquisites             | 19.88                                   | 15.34                            |
| Insurance Charges                                | 5.08                                    | 8.82                             |
| ISO/QS Expenses                                  | -                                       | 0.35                             |
| Legal & Professional                             | 7.69                                    | 59.27                            |
| Office and Factory Expenses                      | 9.86                                    | 30.92                            |
| Printing & Stationery                            | 4.30                                    | 6.41                             |
| Rates, Fee & Taxes                               | 10.52                                   | 19.71                            |
| Rate, Fee & Taxes (Excise duty on closing Stock) | (31.38)                                 | (1.76)                           |
| Rent   | 4.36                                    | 32.01                            |
| Repairs & Maintenance of others                  | 6.10                                    | 4.86                             |

|  |                 |                 |
|--|-----------------|-----------------|
| Telephone, Postage & Courier Expenses                  | 5.18            | 6.89            |
| Travelling & Conveyance                                | 18.06           | 21.22           |
| Watch & Ward   | 7.70            | 11.77           |
| Rounding off   | 0.01            | –               |
| Vehicle hire & running Expenses                        | 19.08           | 29.20           |
| <b>Selling &amp; Distribution Expenses</b>             |                 |                 |
| Cash Discount, Warranty Claim Deduction                | 0.80            | 3.22            |
| Freight Outwards                                       | 72.98           | 107.91          |
|  | <hr/>           | <hr/>           |
| <b>Total Administrative &amp; Selling Expenses (B)</b> | <b>247.77</b>   | <b>424.63</b>   |
|  | <hr/>           | <hr/>           |
| <b>Total (A + B)</b>                                   | <b>1,184.23</b> | <b>2,857.45</b> |
|  | <hr/>           | <hr/>           |

**2.23.1 OTHER EXPENSES**

(Rupees In Lacs)

| Particulars              | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|--------------------------|---|----------------------------------|
| <b>Auditors Payments</b> |   |                                  |
| As Auditor               | 1.30                                    | 1.60                             |
| For taxation matters     | 0.25                                    | 0.25                             |
|                          | <hr/>                                   | <hr/>                            |
| <b>Total</b>             | <b>1.55</b>                             | <b>1.85</b>                      |
|                          | <hr/>                                   | <hr/>                            |

**2.23.1 EXPENDITURE IN FOREIGN CURRENCY**

(Rupees In Lacs)

| Particulars       | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|-------------------|---|----------------------------------|
| Professional fees | –                                       | 4.67                             |
|                   | <hr/>                                   | <hr/>                            |
| <b>Total</b>      | <b>–</b>                                | <b>4.67</b>                      |
|                   | <hr/>                                   | <hr/>                            |

**2.23.2 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS**

(Rupees In Lacs)

| Particulars                | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|----------------------------|---|----------------------------------|
| Components and spare parts | 2.04                                    | –                                |
|                            | <hr/>                                   | <hr/>                            |
| <b>Total</b>               | <b>2.04</b>                             | <b>–</b>                         |
|                            | <hr/>                                   | <hr/>                            |

**2.23.3 CONTINGENT LIABILITIES**

(Rupees In Lacs)

| Particulars   | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|---|---|----------------------------------|
| *Estimated amount of contracts remaining to be executed on capital account and not provided for | NIL                                     | NIL                              |
| Unexpired Letter of Credit  | 606.51                                  | –                                |
| Bank Guarantees   | 1,618.67                                | 2,077.88                         |
|   | <hr/>                                   | <hr/>                            |
| <b>Total</b>  | <b>2,225.18</b>                         | <b>2,077.88</b>                  |
|   | <hr/>                                   | <hr/>                            |

\*Contingent Assets are neither recognised nor disclosed



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.24 BASIC EPS & DILUTED EPS

(Rupees In Lacs)

| Particulars  | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|--|---|----------------------------------|
| <b>Basic</b>   |   |                                  |
| Opening number of Shares( In Lacs)                                       | 116.13                                  | 116.13                           |
| Less: Shares Bought Back (In Lacs)                                       | –                                       | –                                |
| Total Shares outstanding(In Lacs)  | 116.13                                  | 116.13                           |
| Number of shares considered as basic weighted average shares outstanding | 116.13                                  | 116.13                           |
| Profit/(Loss) after Tax and Preference Dividend and Tax (Rs. In Lacs)    | (3,188.90)                              | (1,908.02)                       |
| EPS (Rs.Per Share)   | (27.46)                                 | (16.43)                          |
| <b>Diluted</b>   |   |                                  |
| Opening number of Shares (In Lacs)                                       | 116.13                                  | 116.13                           |
| Less: Shares Bought Back (In Lacs)                                       | –                                       | –                                |
| Total Shares outstanding (In Lacs)                                       | 116.13                                  | 116.13                           |
| Number of shares considered as basic weighted average shares outstanding | 116.13                                  | 116.13                           |
| Profit/(Loss) after Tax and Preference Dividend and Tax (Rs. In Lacs)    | (3,188.90)                              | (1,908.02)                       |
| Diluted Earning Per Share  | (27.46)                                 | (16.43)                          |

## 2.25 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:-

(Rupees In Lacs)

| Particulars                            | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|--|---|----------------------------------|
| Discount rate                          | 8.00%                                   | 8.00%                            |
| Future Salary Escalation Rate          | 5.50%                                   | 5.50%                            |
| Average Remaining working life (Years) | 24.67                                   | 24.73                            |
| Retirement Age                         | 58                                      | 58                               |

## GRATUITY (UNFUNDED)

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

(Rupees In Lacs)

| Particulars   | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|---|---|----------------------------------|
| Present Value of Obligation as at the beginning of the period   | 30.70                                   | 23.77                            |
| Present Service Cost  | 4.55                                    | 6.01                             |
| Interest Cost   | 1.85                                    | 2.02                             |
| Actuarial ( Gain) /Loss on obligation                           | (0.89)                                  | (1.10)                           |
| Benefits Paid   | (3.31)                                  | –                                |
| <b>Present Value of Obligations as at the end of the period</b> | <b>32.90</b>                            | <b>30.70</b>                     |

**ii. Expenses Recognised in the Statement of Profit & Loss** (Rupees In Lacs)

| Particulars  | For the Nine Months<br>ended 31.03.2016 | For the year ended<br>30.06.2015 |
|--|---|----------------------------------|
| Current Service Cost   | 4.55                                    | 6.01                             |
| Interest Cost  | 1.85                                    | 2.02                             |
| Expected Return on plan assets                                       | –                                       | –                                |
| Net Actuarial (Gain)/ Loss recognized in the year                    | (0.89)                                  | (1.10)                           |
| <b>Expenses recognised in the Statement of Profit &amp; Loss A/c</b> | <b>5.51</b>                             | <b>6.93</b>                      |

**iii. Amount Recognised in Balance Sheet** (Rupees In Lacs)

| Particulars  | As At<br>31.03.2016 | As At<br>30.06.2015 |
|--|---------------------|---------------------|
| Present Value of Obligation as at the end of the year          | 32.90               | 30.70               |
| Fair Value of Plan Assets as at the end of the year            | –                   | –                   |
| Funded Status  | (32.90)             | (30.70)             |
| Unrecognised Actuarial (Gain) / Losses                         | –                   | –                   |
| <b>Net Assets/ (Liability) Recognised in the Balance Sheet</b> | <b>(32.90)</b>      | <b>(30.70)</b>      |

**iv. Bifurcation of PBO at the end of year as per revised schedule VI to the Companies Act.**

(Rupees In Lacs)

| Particulars                                      | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| Current Liability (Amount due within one year)   | 0.68             | 0.60             |
| Non Current Liability (Amount due over one year) | 32.22            | 30.10            |
| <b>Total PBO at the end of year</b>              | <b>32.90</b>     | <b>30.70</b>     |

**LEAVE ENCASHMENT (UNFUNDED)**

**i. Change in Present Value of obligations:** (Rupees In Lacs)

| Particulars   | For the Nine Months<br>Ended 31.03.2016 | For the year ended<br>30.06.2015 |
|---|---|----------------------------------|
| Present Value of Obligation as at the beginning of the period   | 30.19                                   | 28.03                            |
| Present Service Cost  | 3.38                                    | 5.32                             |
| Interest Cost   | 1.81                                    | 2.38                             |
| Actuarial ( Gain) / Loss on obligation                          | 11.34                                   | (2.76)                           |
| Benefits Paid   | (10.08)                                 | (2.78)                           |
| <b>Present Value of Obligations as at the end of the period</b> | <b>36.64</b>                            | <b>30.19</b>                     |



# ALLIANCE INTEGRATED METALIKS LIMITED

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

(Rupees In Lacs)

| Particulars  | For the Nine Months Ended 31.03.2016 | For the year ended 30.06.2015 |
|--|--------------------------------------|-------------------------------|
| Current Service Cost   | 3.38                                 | 5.32                          |
| Interest Cost  | 1.81                                 | 2.38                          |
| Expected Return on plan assets                                       | —                                    | —                             |
| Net Actuarial (Gain)/ Loss recognized in the year                    | 11.34                                | (2.76)                        |
| <b>Expenses recognised in the Statement of Profit &amp; Loss A/c</b> | <b>16.53</b>                         | <b>4.94</b>                   |

## iii. Amount Recognised in Balance Sheet

(Rupees In Lacs)

| Particulars  | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| Present Value of Obligation as at the end of the year          | 36.64            | 30.19            |
| Fair Value of Plan Assets as at the end of the year            | —                | —                |
| Funded Status  | (36.64)          | (30.19)          |
| Unrecognised Actuarial (Gain) / Losses                         | —                | —                |
| <b>Net Assets/ (Liability) Recognised in the Balance Sheet</b> | <b>(36.64)</b>   | <b>(30.19)</b>   |

## iv. Bifurcation of PBO at the end of year as per revised schedule VI to the Companies Act.

(Rupees In Lacs)

| Particulars                                      | As At 31.03.2016 | As At 30.06.2015 |
|--|------------------|------------------|
| Current Liability (Amount due within one year)   | 0.76             | 5.32             |
| Non Current Liability (Amount due over one year) | 35.88            | 24.87            |
| <b>Total PBO at the end of year</b>              | <b>36.64</b>     | <b>30.19</b>     |



Note: 2.27 Default in payment of Installment and Interest on Loan

**A As at 31.03.2016** **(Rs in Lacs)**

| Particulars                             | (0-90)<br>Days  | (91-180)<br>Days | More than<br>180 Days | Total           |
|---|-----------------|------------------|-----------------------|-----------------|
| <b>1 Long Term Borrowings (Secured)</b> |                 |                  |                       |                 |
| Principal                               | 1,350.28        | 385.70           | 642.80                | 2,378.78        |
| Interest                                | 630.67          | 244.42           | 323.93                | 1,199.02        |
| <b>Total</b>                            | <b>1,980.95</b> | <b>630.12</b>    | <b>966.73</b>         | <b>3,577.80</b> |

**B As at 28.05.2016** **(Rs in Lacs)**

| Particulars                             | (0-90)<br>Days  | (91-180)<br>Days | More than<br>180 Days | Total           |
|---|-----------------|------------------|-----------------------|-----------------|
| <b>1 Long Term Borrowings (Secured)</b> |                 |                  |                       |                 |
| Principal                               | 1,350.28        | 385.70           | 642.80                | 2,378.78        |
| Interest                                | 432.21          | 168.23           | 485.07                | 1,085.51        |
| <b>Total</b>                            | <b>1,782.49</b> | <b>553.93</b>    | <b>1,127.87</b>       | <b>3,464.29</b> |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Note No. 2.26

Previous year figures being for 12 months are not comparable with the figures of current period.

## Note No. 2.28 RELATED PARTY DISCLOSURES & TRANSACTIONS

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

### A) Names of related parties & description of relationship

|                             |  |
|-----------------------------|--|
| 1) Holding Company          | WLD Investments Pvt Ltd.   |
| 2) Associates               | (a) ARGL Limited<br>(b) ACIL Limited   |
| 3) Key Management Personnel | (a) Shri Daljit Singh Chahal, Whole time Director<br>(b) Shri Pawan Kumar, Chief Financial Officer<br>(c) Ms. Ritika Kamboj, Company Secretary till 16.10.2016<br>(d) Ms. Prerna Wadhwa, Company Secretary w.e.f. 24.02.2016 |

### B) Description of Transactions with Related Parties

(Rupees In Lacs)

| Particulars                              | Associates/Holding Subsidiaries or Associate of Holding Company | Key Management Personnel | For the Nine Month ended 31.03.2016 | For the year ended 30.06.2015 |
|--|---|--------------------------|-------------------------------------|-------------------------------|
| Purchase of Goods                        | –   | –                        | –                                   | 1,499.70                      |
| Sale of Goods                            | –   | –                        | –                                   | 665.48                        |
| Advance Given                            | –   | –                        | –                                   | 1,651.84                      |
| Dividend Received                        | –   | –                        | –                                   | 113.04                        |
| Remuneration to Key Management Personnel | –   | 28.29                    | 28.29                               | 15.34                         |
| Rent paid                                | 1.90  | –                        | 1.90                                | 2.65                          |
| Payable at the year end                  | –   | –                        | –                                   | –                             |
| Receivable at the year end               | –   | –                        | –                                   | 1,484.30                      |

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

As per our report of even date attached

#### A.C Gupta & Associates

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-

#### A.C Gupta

(Partner)

M.No. 8565

Place : Delhi

Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole -time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer

**CONSOLIDATED FINANCIAL STATEMENT**  
of  
**ALLIANCE INTEGRATED METALIKS LIMITED**  
and  
**ITS ASSOCIATES**

**Form AOC - I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures**

**Part "A": Subsidiaries**

|  |                |
|--|----------------|
| Subsidiary Company   | NOT APPLICABLE |
| 1. Names of subsidiaries which are yet to commence operations                | NIL            |
| 2. Names of subsidiaries which have been liquidated or sold during the year. | NIL            |

**Part "B": Associates & Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(Rs. in Lacs)

| S.No                  | Name of Associates/Joint Ventures | Latest Audited Balance Sheet Date | Shares of Associate/Joint Ventures held by the Company on year end |   |                     | Description of how there is significant influence | Reason why the associate/Joint venture is not consolidated | Net Worth attributable to Shareholding as per latest Audited Balance Sheet | Profit/(Loss) for the year  |                                 |
|-----------------------|-----------------------------------|-----------------------------------|--|---|---------------------|---|--|--|-----------------------------|---------------------------------|
|                       |                                   |                                   | No.  | Amount of Investment in Associate/Joint Venture | Extent of Holding % |   |  |  | Considered in Consolidation | Not Considered in Consolidation |
| <b>Joint Ventures</b> |                                   |                                   | <b>NOT APPLICABLE</b>  |   |                     |   |  |  |                             |                                 |
| <b>Associates</b>     |                                   |                                   |  |   |                     |   |  |  |                             |                                 |
| 1                     | ARGL Ltd                          | 31st March                        | 9,420,188  | 18,840.38                                       | 46.00%              | Note-1  | Consolidated   | 21,516.19  | (4,738.62)                  | (5,562.72)                      |
| 2                     | ACIL Ltd                          | 31st March                        | 6,864,336  | 20,593.01                                       | 46.00%              | Note-1  | Consolidated   | 25,295.77  | (3,648.88)                  | (4,283.49)                      |

- 1 Names of associates or joint ventures which are yet to commence operations. NIL  
 2 Names of associates or joint ventures which have been liquidated or sold during the year. NIL  
 Note 1 : There is significant influence due to percentage (%) of the Share Capital.

As per our report of even date attached

Chartered Accountants  
 Firm Regd. No. 008079N

Sd/-

Sd/-

Sd/-

Partner  
 Membership No. - 8565

Director

Wholetime Director

Sd/-

Sd/-

Place : New Delhi  
 Dated : 28th May, 2016

Company Secretary

Chief Financial Officer

## **Independent Auditors' Report on Consolidated Financial Statements**

### **To the Members of Alliance Integrated Metaliks Limited, New Delhi Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Alliance Integrated Metaliks Limited ("the Holding Company") and its associate Companies, comprising of the consolidated balance sheet as at 31<sup>st</sup> March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the nine months then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company and its Associate Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Holding Company and its Associate Companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company and its Associate Companies as at 31<sup>st</sup> March 2016, and its consolidated net loss and its consolidated cash flows for nine months ended on that date.



## Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its associate companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Associate Companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Holding Company and its Associate Companies has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. (Refer Note No. 2.25).
    - ii. The Holding Company and its Associate Companies did not have any material foreseeable losses on long term contracts including derivatives contracts.
    - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associates incorporated in India.

### For A.C. Gupta & Associates

Chartered Accountants

Firm's registration number: 008079N

Sd/-

**A.C. Gupta**

Partner

Membership number: 08565

New Delhi

28<sup>th</sup> May 2016

---

**Annexure - A to the Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Group as of and for the nine months ended 31<sup>st</sup> March 2016, we have audited the internal financial controls over financial reporting of Alliance Integrated Metaliks Limited ("the Holding Company") and its associate companies which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Holding Company and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

## **For A.C.Gupta & Associates**

Chartered Accountants

Firm's Registration Number: 008079N

Sd/-

**A.C. Gupta**

Partner

Membership number: 08565

New Delhi

28<sup>th</sup> May 2016



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

(Rupees In Lacs)

| Particulars                        | Note No. | As at 31.03.2016 |
|------------------------------------|----------|------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |          |                  |
| <b>(1) Shareholders' Funds</b>     |          |                  |
| (a) Share Capital                  | 2.1      | 7,661.25         |
| (b) Reserves and Surplus           | 2.2      | 39,717.22        |
| <b>(2) Non-Current Liabilities</b> |          |                  |
| (a) Long Term Borrowings           | 2.3      | 17,074.01        |
| (b) Other Long Term Liabilities    | 2.4      | 6,384.37         |
| (c) Long Term Provisions           | 2.5      | 68.10            |
| <b>(3) Current Liabilities</b>     |          |                  |
| (a) Short-term borrowings          | 2.6      | 6,555.69         |
| (b) Trade Payables                 | 2.7      | 983.50           |
| (c) Other Current Liabilities      | 2.8      | 9,472.56         |
| (d) Short-Term Provisions          | 2.9      | 1.44             |
| <b>Total</b>                       |          | <b>87,918.14</b> |
| <b>II. ASSETS</b>                  |          |                  |
| <b>(1) Non Current Assets</b>      |          |                  |
| <i>(a) Fixed assets</i>            |          |                  |
| (i) Tangible Assets                | 2.10     | 41,355.54        |
| (ii) Capital work-in-progress      |          | 169.70           |
| (b) Deferred Tax Asset (Net)       | 2.11     | 2,304.49         |
| (c) Non-Current Investment         | 2.12     | 32,035.93        |
| (d) Long Term Loans and Advances   | 2.13     | 419.58           |
| <b>(2) Current Assets</b>          |          |                  |
| (a) Inventories                    | 2.14     | 5,227.97         |
| (b) Trade Receivables              | 2.15     | 3,750.74         |
| (c) Cash and Cash Equivalents      | 2.16     | 888.63           |
| (d) Short Term Loans and Advances  | 2.17     | 1,758.15         |
| (e) Other Current Assets           | 2.18     | 7.41             |
| <b>Total</b>                       |          | <b>87,918.14</b> |

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

**1 to 2.26**

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

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-

**A.C Gupta**  
(Partner)  
M.No. 8565

Place : Delhi

Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole Time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer



# ALLIANCE INTEGRATED METALIKS LIMITED

## Statement of Consolidated Profit and Loss for the Nine Months ended 31ST MARCH, 2016 (Rupees In Lacs)

| Particulars  | Note No.         | For the Nine Months Ended 31.03.2016 |
|--|------------------|--------------------------------------|
| Revenue from operations  | 2.19             | 16,238.52                            |
| Other Income   | 2.20             | 69.38                                |
| <b>I. Total Revenue</b>  |                  | <b>16,307.90</b>                     |
| II. Expenses:  |                  |                                      |
| Cost of Materials Consumed   | 2.21             | 13,382.47                            |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade  | 2.22             | 303.16                               |
| Employee Benefit Expense   | 2.23             | 721.46                               |
| Finance Costs  | 2.23             | 3,287.68                             |
| Depreciation and Amortization of Expenses                                      | 2.23             | 2,030.69                             |
| Other Expenses   | 2.23             | 1,184.23                             |
| <b>Total Expenses</b>  |                  | <b>20,909.69</b>                     |
| <b>III. Profit before exceptional and extraordinary items and tax (I - II)</b> |                  | <b>(4,601.79)</b>                    |
| IV. Exceptional Items  |                  | —                                    |
| <b>V. Profit before extraordinary items and tax (III + IV)</b>                 |                  | <b>(4,601.79)</b>                    |
| VI. Extraordinary Items  |                  | —                                    |
| <b>VII. Profit before tax (V - VI)</b>   |                  | <b>(4,601.79)</b>                    |
| VIII. Tax expense  |                  |                                      |
| (1) Current Tax  |                  | —                                    |
| (2) Deferred Tax   |                  | (1,425.79)                           |
| (3) Credit for MAT Entitlement/MAT Reversal                                    |                  | 12.90                                |
| <b>Total Tax Expenses</b>  |                  | <b>(1,412.89)</b>                    |
| <b>IX. Profit/(Loss) for the period (VII - VIII)</b>                           |                  | <b>(3,188.90)</b>                    |
| Less: Minority Interest  |                  | —                                    |
| Add: Profit (Loss) From Associates   |                  | (8,387.50)                           |
| <b>X. Profit/(Loss) for the period Carried to Consolidated Balance Sheet</b>   |                  | <b>(11,576.40)</b>                   |
| <b>XI. Earning per equity share: (Rs Per Share)</b>                            |                  |                                      |
| (1) Basic after extraordinary item   | 2.24             | (27.46)                              |
| (2) Diluted after extraordinary item   | 2.24             | (27.46)                              |
| <b>Significant Accounting Policies &amp; Notes on Financial Statements</b>     | <b>1 to 2.26</b> |                                      |

For & on Behalf of the Board of Directors

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-

**A.C Gupta**  
(Partner)  
M.No. 8565

Place : Delhi

Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole Time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer

## CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 31ST MARCH, 2016

(Rupees In Lacs)

| PARTICULARS   | For the Nine Month Ended<br>31.03.2016 |
|---|--|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                             |  |
| Profit as per Profit & Loss Account (PBT)                                 | (4,601.79)                             |
| Add: Depreciation & Amortisation  | 2,030.69                               |
| Add: Financial Expenses   | 3,287.68                               |
| Less: Dividend Income   | -                                      |
| Less: Interest Received & Other Income                                    | (69.38)                                |
|   | <b>647.20</b>                          |
| <b>Change in Current / Non Current Liabilities:</b>                       |  |
| (Increase)/Decrease in Inventories  | (1,035.10)                             |
| (Increase)/Decrease in Trade Receivables                                  | 216.36                                 |
| (Increase)/Decrease in short term loans & advances & Other Current Assets | (195.89)                               |
| Increase/(Decrease) in Current Liabilities                                | 1,737.30                               |
| Increase/(Decrease) in Non Current Liabilities & Provisions               | 4,389.55                               |
|   | <b>5,759.42</b>                        |
| <b>Cash generation from operations activities</b>                         | <b>5,759.42</b>                        |
| Direct Tax Paid   | (21.34)                                |
|   | <b>5,738.08</b>                        |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                              |  |
| Addition to Fixed Assets  | (9.13)                                 |
| Adjustment to Capital work in progress & Long term Capital Advances       | 420.92                                 |
| Interest Received & Other income  | 69.38                                  |
|   | <b>481.17</b>                          |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                              |  |
| Repayment of borrowings   | (2,867.06)                             |
| Finance Charges Paid  | (2,937.75)                             |
| Payment of Preference Dividend & tax thereon                              | (2.12)                                 |
|   | <b>(5,806.93)</b>                      |
| <b>Net cash from financing activities</b>                                 | <b>(5,806.93)</b>                      |
| <b>Net cash flows during the year (A+B+C)</b>                             | <b>412.32</b>                          |
| <b>Cash &amp; cash equivalents (opening balance)</b>                      | <b>476.31</b>                          |
|   | <b>888.63</b>                          |
| <b>Cash &amp; cash equivalents (closing balance)</b>                      | <b>888.63</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.
- The Closing Cash Balance includes Rs. 799.85 Lacs (Previous year Rs. Nil) as margin money against Bank Gurantees's/Letter of credit etc.

We have examined the above cash flow statement of Alliance Integrated Metaliks Limited & its Associates for the Nine Months ended 31st March, 2016 and verify that it has been derived from the audited accounts (and underlying records) of the company reported on by us as per our report.

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

As per our report of even date attached  
**A.C Gupta & Associates**  
 Chartered Accountants  
 Firm Regd. No. 008079N

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

Place : Delhi  
 Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
 Director

Sd/-  
**Daljit Singh Chahal**  
 Whole Time Director

Sd/-  
**Purna Wadhwa**  
 Company Secretary

Sd/-  
**Pawan Kumar**  
 Chief Financial Officer



Note: 1

## ALLIANCE INTEGRATED METALIKS LIMITED & ASSOCIATES

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED ACCOUNTS (ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE NINE MONTHS ENDED 31<sup>ST</sup> MARCH 2016)

#### 1. ACCOUNTING POLICIES –

##### A. Principles of Consolidation :

- i. The consolidated Financial Statement relates to Alliance Integrated Metaliks Limited (the Parent Company), ARGL Limited (Associate) and ACIL Limited (Associate)
- ii. The Consolidated Financial statements have been prepared on the basis of AS-13 issued by ICAI read along with the following assumptions :
  - (a) The share of profit and loss of associates is accounted for in the Consolidated Financial Statement of the Group.
  - (b) Investments of the parent company in the associates are adjusted for the share of the loss/profit of the associate companies.

##### B. Notes to the Consolidated Financial Statements

The notes to the consolidated financial statement are intended to serve as a means of informative disclosure and guide to better understanding of the financial information about the economic activities and the economic resources controlled as single economic entity. Recognizing this purpose, the company has disclosed only such notes from the individual financial statement, which fairly presents the needed disclosures. Practical consideration and lack of uniformity on account of local laws and practices made it desirable to exclude notes to account and accounting policies which in the opinion of the management could be better viewed when referred to individual financial statements. Consolidated financial statement have been prepared using uniform accounting policies for like transaction and other events in similar circumstance.

**2 NOTES TO ACCOUNTS**

The been the first year of consolidation, Previous period figures are not applicable.

**2.1 SHARE CAPITAL**

(Rupees In Lacs)

| Particulars  | As At 31.03.2016 |
|--|------------------|
| <b>Authorized Capital</b>  |                  |
| Equity Shares, Rs. 10/- Par Value                                  |                  |
| 3,00,00,000 Equity Shares  | 3,000.00         |
| Preference Shares, Rs. 10/- Par Value                              |                  |
| 7,00,00,000 Preference Shares                                      | 7,000.00         |
|  | <b>10,000.00</b> |
| <b>Issued, Subscribed and Paid - Up Capital</b>                    |                  |
| Equity Shares, Rs. 10/- Par Value                                  |                  |
| 1,16,12,500 Equity Shares, fully paid up                           | 1,161.25         |
| 1% Non Cumulative Redeemable Preference Shares, Rs. 10/- Par Value |                  |
| 6,50,00,000 Preference Shares, Fully paid up                       | 6,500.00         |
|  | <b>7,661.25</b>  |

**2.1.1 Rights, preferences and restrictions attached to Shares**

**Equity Shares :** The Company currently has Issued equity shares having a par value of Rs 10/- per share. Each shareholder is eligible to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors , is subject to the approval of the shareholders in the in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential Rupees. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Preference Shares:** The Company currently has Issued 1% non cumulative redeemable preference shares of Rs 10/- each. Preference shares will not be redeemed before 11 years & not later than 15 years from the date of allotment i.e May 2013 at such premium as may be decided by the board of directors in accordance with the provisions of Companies Act, 2013 or any re-enactment thereof.

**2.1.2 RECONCILIATION OF SHARE CAPITAL**

The reconciliation of the number of Equity shares outstanding and the amount of Equity share capital as at March 31, 2016 is set out below:

(Rupees In Lacs)

| Particulars                       | As At March 31, 2016       |                 |
|-----------------------------------|----------------------------|-----------------|
|                                   | Number of Shares (In Lacs) | Amount          |
| Number of shares at the beginning | 116.13                     | 1,161.25        |
| Add : Shares Issued               | -                          | -               |
| Less: Shares Bought Back          | -                          | -               |
| Number of Shares at the end       | <b>116.13</b>              | <b>1,161.25</b> |



# ALLIANCE INTEGRATED METALIKS LIMITED

The reconciliation of the number of Preference shares outstanding and the amount of Preference share capital as at March, 31, 2016 is set out below:

(Rupees In Lacs)

| Particulars                       | As At March 31, 2016       |          |
|-----------------------------------|----------------------------|----------|
|                                   | Number of Shares (In Lacs) | Amount   |
| Number of shares at the beginning | 650.00                     | 6,500.00 |
| Add: Shares Issued                | —                          | —        |
| Number of Shares at the end       | 650.00                     | 6,500.00 |

## 2.1.3 Details of bonus shares issued during the last five years. (In Numbers)

| Nature        | 30.06.2015 | 30.06.2014 | 30.06.2013 | 30.06.2012 | 30.06.2011 |
|---------------|------------|------------|------------|------------|------------|
| Equity Shares | Nil        | Nil        | Nil        | Nil        | Nil        |

## 2.1.4 Details of shares bought back, during the last five years.(In Numbers)

| Nature        | 30.06.2015 | 30.06.2014 | 30.06.2013 | 30.06.2012 | 30.06.2011 |
|---------------|------------|------------|------------|------------|------------|
| Equity Shares | Nil        | 3850000    | Nil        | Nil        | Nil        |

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

| Particulars               | As At March 31, 2016       |              |
|---------------------------|----------------------------|--------------|
|                           | Number of Shares (In Lacs) | % of Holding |
| <b>Equity Shares</b>      |                            |              |
| WLD INVESTMENTS PVT. LTD. | 82.86                      | 71.35%       |
| <b>Preference Shares</b>  |                            |              |
| FIRST FORGE LTD.          | 621.00                     | 95.54%       |
| KARAM AUTO LTD.           | 29.00                      | 4.46%        |

## 2.2 RESERVES & SURPLUS

(Rs. In Lacs)

| Particulars   | As At 31.03.2016 |               |
|---|------------------|---------------|
|   |                  |               |
| <b>General Reserve</b>                                    |                  |               |
| Opening Balance as on 01.07.2015                          |                  | 261.48        |
| Add: Transferred from Profit & Loss A/c                   |                  | —             |
| Less: Amount on transition of depreciation                |                  | —             |
| Add: Impact of deferred tax on transition of depreciation |                  | —             |
| <b>Closing Balance as on 31.03.2016</b>                   | <b>(A)</b>       | <b>261.48</b> |

|  |            |                    |
|--|------------|--------------------|
| <b>Securities Premium Account</b>                        |            |                    |
| Opening Balance as on 01.07.2015                         |            | 52,812.80          |
| Add: Addition during the current year                    |            | –                  |
| Less: Written back during current year                   |            | –                  |
| <b>Closing Balance as on 31.03.2016</b>                  | <b>(B)</b> | <b>52,812.80</b>   |
| <b>Profit &amp; Loss Account</b>                         |            |                    |
| Opening Surplus as on 01.07.2015                         |            | (1,854.59)         |
| Less: Reversal of proposed dividend on preference shares |            | (65.00)            |
| Less: Reversal of Corporate Dividend Tax                 |            | (11.05)            |
| Add: Transferred from Profit & Loss A/c                  |            | (11,576.40)        |
|  |            | <b>(13,354.94)</b> |
| <b>Appropriations</b>                                    |            |                    |
| Less: Proposed dividend on preference shares             |            | –                  |
| Less: Corporate Dividend Tax                             |            | –                  |
| Less: Corporate Dividend Tax for earlier year            |            | 2.12               |
| <b>Closing Balance as on 31.03.2016</b>                  | <b>(C)</b> | <b>(13,357.06)</b> |
| <b>Total (A+B+C)</b>                                     |            | <b>39,717.22</b>   |

## 2.3 LONG TERM BORROWINGS (Rs. In Lacs)

| Particulars                           | As At 31.03.2016 |
|---------------------------------------|------------------|
| <b>SECURED LOANS</b>                  |                  |
| <b>Term Loans</b>                     |                  |
| – From Banks & Financial Institutions | 17,074.01        |
| <b>Total</b>                          | <b>17,074.01</b> |

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

### Maturity Profile of Secured Term Loans classified as Long Term Borrowings is set out below: (Rs. In Lacs)

| Financial Year | As At 31.03.2016 |
|----------------|------------------|
| 2017-18        | 5,401.12         |
| 2018-19        | 5,401.12         |
| 2019-20        | 5,330.64         |
| 2020-21        | 941.13           |
| <b>Total</b>   | <b>17,074.01</b> |

**Note:** 1. There is default in repayment of loans for Rs. 2378.78 Lacs and payment of interest of Rs. 1199.02 Lacs as on Balance sheet date.

## 2.4 OTHER LONG TERM LIABILITIES (Rupees In Lacs)

| Particulars                        | As At 31.03.2016 |
|------------------------------------|------------------|
| Advance From Customers             | 2,278.05         |
| Advance Against Long term Supplies | 4,106.32         |
| <b>Total</b>                       | <b>6,384.37</b>  |



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.5 LONG TERM PROVISIONS (Rupees In Lacs)

| Particulars                            | As At 31.03.2016 |
|--|------------------|
| <b>Provision for Employee Benefits</b> |                  |
| Gratuity                               | 32.22            |
| Leave Encashment                       | 35.88            |
| <b>Total</b>                           | <b>68.10</b>     |

## 2.6 SHORT-TERM BORROWINGS (Rupees In Lacs)

| Particulars                                | As At 31.03.2016 |
|--|------------------|
| <b>SECURED LOANS</b>                       |                  |
| <b>Bank Borrowings for working Capital</b> |                  |
| – From Banks                               | 6,555.69         |
| <b>Total</b>                               | <b>6,555.69</b>  |

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

## 2.7 TRADE PAYABLES (Rupees In Lacs)

| Particulars    | As At 31.03.2016 |
|----------------|------------------|
| Trade Payables | 983.50           |
| <b>Total</b>   | <b>983.50</b>    |

## 2.8 OTHER CURRENT LIABILITIES (Rupees In Lacs)

| Particulars                                 | As At 31.03.2016 |
|---|------------------|
| Current Maturities of Long Term Borrowings  | 5,401.12         |
| Instalments due, but not paid on Borrowings | 2,378.78         |
| Interest Accrued & due on Borrowings        | 1,199.02         |
| TDS and other Taxes payable                 | 6.49             |
| Expenses Payable                            | 120.46           |
| Personnel Expenses Payable                  | 61.27            |
| Other Liabilities*                          | 305.42           |
| <b>Total</b>                                | <b>9,472.56</b>  |

\*Other liabilities includes capital goods creditors & other short terms liabilities.

## 2.9 SHORT TERM PROVISIONS (Rupees In Lacs)

| Particulars                            | As At 31.03.2016 |
|--|------------------|
| <b>Provision for Employee Benefits</b> |                  |
| - Gratuity                             | 0.68             |
| - Leave Encashment                     | 0.76             |
| <b>Total</b>                           | <b>1.44</b>      |



**Note - 2.10 FIXED ASSETS**

(Rupees In Lacs)

| Particulars                         | GROSS BLOCK      |                             |                 |                      | DEPRECIATION       |                            |                                |                     | NET BLOCK            |
|-------------------------------------|------------------|-----------------------------|-----------------|----------------------|--------------------|----------------------------|--------------------------------|---------------------|----------------------|
|                                     | Opening Balance  | Additions During the Period | Sales/ Transfer | As at 31st March, 16 | Upto 30th June, 15 | Provided During the Period | Written Back During the Period | Upto 31st March, 16 | As at 31st March, 16 |
| <b>(A) Intangible Assets</b>        |                  |                             |                 |                      |                    |                            |                                |                     |                      |
| Land-Freehold                       | 2,183.86         | -                           | -               | 2,183.86             | -                  | -                          | -                              | -                   | 2,183.86             |
| Building                            | 6,424.84         | -                           | -               | 6,424.84             | 560.25             | 152.48                     | -                              | 712.73              | 5,712.11             |
| Plant and Equipment                 | 39,868.12        | 8.72                        | -               | 39,876.84            | 4,620.32           | 1,860.06                   | -                              | 6,480.38            | 33,396.46            |
| Furnitures & Fixtures               | 27.41            | -                           | -               | 27.41                | 7.70               | 1.77                       | -                              | 9.47                | 17.94                |
| Vehicles                            | 25.24            | -                           | -               | 25.24                | 16.91              | 1.17                       | -                              | 18.08               | 7.16                 |
| Office Equipments                   | 113.22           | 0.41                        | -               | 113.63               | 60.41              | 15.21                      | -                              | 75.62               | 38.01                |
| <b>TOTAL (A) Current Year</b>       | <b>48,642.69</b> | <b>9.13</b>                 | <b>-</b>        | <b>48,651.82</b>     | <b>5,265.59</b>    | <b>2,030.69</b>            | <b>-</b>                       | <b>7,296.28</b>     | <b>41,355.54</b>     |
| <b>Previous Year</b>                | <b>-</b>         | <b>-</b>                    | <b>-</b>        | <b>-</b>             | <b>-</b>           | <b>-</b>                   | <b>-</b>                       | <b>-</b>            | <b>-</b>             |
| <b>(B) Capital Work in Progress</b> | <b>-</b>         | <b>-</b>                    | <b>-</b>        | <b>-</b>             | <b>-</b>           | <b>-</b>                   | <b>-</b>                       | <b>-</b>            | <b>169.70</b>        |
| <b>TOTAL (B)</b>                    | <b>-</b>         | <b>-</b>                    | <b>-</b>        | <b>-</b>             | <b>-</b>           | <b>-</b>                   | <b>-</b>                       | <b>-</b>            | <b>169.70</b>        |

**2.11 DEFERRED TAX LIABILITIES / (ASSETS ) (NET)** (Rupees In Lacs)

| <b>Particulars</b>   | <b>As At 31.03.2016</b> |
|--|-------------------------|
| <b>Deferred Tax Liabilities</b>  |                         |
| On account of depreciation of Fixed Assets                                   | 2,912.64                |
|  | <b>2,912.64</b>         |
| <b>Deferred Tax Assets</b>   |                         |
| On account of Amortisation of Expenses/Business Loss/Unabsorbed Depreciation | (5,217.13)              |
|  | <b>(5,217.13)</b>       |
|  | <b>(2,304.49)</b>       |

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

**2.12 NON-CURRENT INVESTMENT** (Rupees In Lacs)

| <b>Particulars</b>   | <b>As At 31.03.2016</b> |
|--|-------------------------|
| <b>Investment in Equity Instrument</b>   |                         |
| <b>Unquoted - Long Term Trade (at Cost)</b>  |                         |
| <b>Domestic Associates companies</b>   |                         |
| 94,20,188 shares of ARGL Limited of Rs10/- each  | 14,101.77               |
| 46%of Equity Shares held   |                         |
| 68,46,336 shares of ACIL Limited of Rs 10/- each                                       | 16,944.12               |
| 46% of Equity Shares held  |                         |
| <b>Unquoted - Long Term Trade (at cost) Overseas Company</b>                           |                         |
| 100 Equity Shares of Amtek Universal Technologies Pte Ltd, Singapore of SGD 100/- each | 0.04                    |
| 0.99%of Equity Shares held   |                         |
| <b>Unquoted-Long Term Trade at Cost in Domestic Company</b>                            |                         |
| 9,90,000 Equity Shares of MGR Investment Pvt. Ltd of Rs. 10/- each                     | 990.00                  |
| 9.22% of Equity Shares held  |                         |
| <b>Total</b>   | <b>32,035.93</b>        |

Aggregate amount of unquoted investments Rs 32,035.93 Lacs

**2.13 LONG TERM LOANS AND ADVANCES** (Rupees In Lacs)

| <b>Particulars</b>                    | <b>As At 31.03.2016</b> |
|---------------------------------------|-------------------------|
| <b>Long Term Loans &amp; Advances</b> |                         |
| Unsecured, Considered Good            | 407.98                  |
| <b>Security Deposits</b>              |                         |
| Unsecured, Considered Good            | 11.60                   |
| <b>Total</b>                          | <b>419.58</b>           |

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

**2.14 INVENTORIES (As CERTIFIED BY THE MANAGEMENT)\*** (Rupees In Lacs)

| Particulars      | As At 31.03.2016 |
|------------------|------------------|
| Raw Material     | 2,541.48         |
| Work in Progress | 2,628.41         |
| Finished Goods   | 10.74            |
| Stores & Spares  | 47.34            |
| <b>Total</b>     | <b>5,227.97</b>  |

**2.15 TRADE RECEIVABLES** (Rupees In Lacs)

| Particulars   | As At 31.03.2016 |
|---|------------------|
| <b>Outstanding for a period not exceeding Six months from the date they are due for payment</b> |                  |
| Unsecured considered good:  | 3,750.74         |
| <b>Total</b>  | <b>3,750.74</b>  |

**2.16 CASH AND CASH EQUIVALENTS** (Rupees In Lacs)

| Particulars   | As At 31.03.2016 |
|---|------------------|
| Cash on Hand  | 1.87             |
| <b>Balances with Schedule Banks</b>   |                  |
| – Current Accounts  | 86.91            |
| – Fixed Deposits (held as margin money against Letter of Credits/ Bank Guarantees etc.) | 799.85           |
| <b>Total</b>  | <b>888.63</b>    |

\* Cash and cash equivalents, as on 31st March 2016 includes restricted bank balances of Rs. 799.85 Lacs  
The restriction is primarily on account of cash and bank balances held as margin money deposited against guarantee/LC's issued by bank and earmarked balances.

**2.17 SHORT TERM LOANS & ADVANCES** (Rupees In Lacs)

| Particulars  | As At 31.03.2016 |
|--|------------------|
| <b>Loans &amp; Advances recoverable in cash or in kind or for value to be received</b> |                  |
| Unsecured, Considered Good :   | 1,606.93         |
| MAT Credit Entitlement   | 151.22           |
| <b>Total</b>   | <b>1,758.15</b>  |

**2.18 OTHER CURRENT ASSETS** (Rupees In Lacs)

| Particulars                  | As At 31.03.2016 |
|------------------------------|------------------|
| Interest accrued on deposits | 7.41             |
| <b>Total</b>                 | <b>7.41</b>      |



# ALLIANCE INTEGRATED METALIKS LIMITED

## 2.19 REVENUE FROM OPERATIONS

(Rupees In Lacs)

| Particulars            | For the Nine Months Ended 31.03.2016 |
|------------------------|--------------------------------------|
| Sales of Products      | 16,106.14                            |
| Other Sales & Services | 132.38                               |
| <b>Total</b>           | <b>16,238.52</b>                     |

## 2.20 OTHER INCOME

(Rupees In Lacs)

| Particulars                                    | For the Nine Months Ended 31.03.2016 |
|--|--------------------------------------|
| Interest Received (Including TDS Rs.6.92 Lacs) | 69.25                                |
| Net Gain on Foreign Currency Transaction       | 0.02                                 |
| Other Income (Misc)                            | 0.11                                 |
| <b>Total</b>                                   | <b>69.38</b>                         |

## 2.21 COST OF MATERIAL CONSUMED

(Rupees In Lacs)

| Particulars                                 | For the Nine Months Ended 31.03.2016 |
|---|--------------------------------------|
| Opening Stock of Raw Material               | 1,199.13                             |
| <b>Add : Purchases of Raw Material</b>      | <b>14,724.82</b>                     |
|   | <b>15,923.95</b>                     |
| <b>Less : Closing Stock of Raw Material</b> | <b>2,541.48</b>                      |
| <b>Total</b>                                | <b>13,382.47</b>                     |

### 2.21.1 IMPORTED AND INDIGENOUS RAW MATERIALS & SPARES PARTS

(Rupees In Lacs)

| Particulars   | For the Nine Months Ended 31.03.2016 | 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)         | –                                    | –  |
| Consumption of similar domestic Raw material<br>(Percentage of Consumption of Raw Material) | 13,382.47                            | 100%   |
| <b>Total Consumption of Raw material</b>  | <b>13,382.47</b>                     |  |

**Spares parts and components**

|   |               |
|---|---------------|
| Consumption of imported spares parts and components         | 2.04          |
| (Percentage of Consumption of Spare Parts and Components)   | 0.46%         |
| Consumption of similar domestic spares parts and components | 437.26        |
| (Percentage of Consumption of Spare Parts and Components)   | 99.54%        |
| <b>Total Consumption of Spares and components</b>           | <b>439.30</b> |

**2.22 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS** (Rupees In Lacs)

| Particulars                                    | For the Nine Months<br>Ended 31.03.2016 |
|--|---|
| <b>Opening Stock as on 01-07-2015</b>          |   |
| – Work in Process                              | 2,691.12                                |
| – Finished Goods                               | 251.19                                  |
| <b>Total Opening stock</b>                     | <b>2,942.31</b>                         |
| <b>Less : Closing Stock as on 31-03-2016</b>   |   |
| – Work in Process                              | 2,628.41                                |
| – Finished Goods                               | 10.74                                   |
| <b>Total Closing stock</b>                     | <b>2,639.15</b>                         |
| <b>Net (Increase)/ Decrease in Inventories</b> | <b>303.16</b>                           |

**2.23 EXPENSES**

**Employee Benefit Expenses**

(Rupees In Lacs)

| Particulars                        | For the Nine Months<br>Ended 31.03.2016 |
|------------------------------------|---|
| Salaries & Wages                   | 696.01                                  |
| Other Contribution & Staff Welfare | 25.45                                   |
| <b>Total</b>                       | <b>721.46</b>                           |

**Finance Costs** (Rupees In Lacs)

| Particulars                 | For the Nine Months<br>Ended 31.03.2016 |
|-----------------------------|---|
| Interest on Term Loans      | 2,660.07                                |
| Interest on Working Capital | 610.83                                  |
| Other Borrowing Costs       | 16.78                                   |
| <b>Total</b>                | <b>3,287.68</b>                         |



# ALLIANCE INTEGRATED METALIKS LIMITED

## Depreciation and Amortisation Expenses (Rupees In Lacs)

| Particulars                   | For the Nine Months Ended 31.03.2016 |
|-------------------------------|--------------------------------------|
| Depreciation and Amortisation | 2,030.69                             |
| <b>Total</b>                  | <b>2,030.69</b>                      |

## Other Expenses (Rupees In Lacs)

| Particulars  | For the Nine Months Ended 31.03.2016 |
|--|--------------------------------------|
| <b>A) Manufacturing Expenses</b>                       |                                      |
| Consumables & Store spares                             | 439.30                               |
| Power & Fuel   | 390.06                               |
| Testing Fees & Inspection Charges                      | 2.04                                 |
| Erection & Commissioning Expenses                      | 46.60                                |
| Packing Expenses                                       | 5.68                                 |
| Freight Inwards  | 6.94                                 |
| Repairs to Plant & Machinery                           | 45.84                                |
| <b>Total Manufacturing Expenses (A)</b>                | <b>936.46</b>                        |
| <b>B) Administrative &amp; Selling Expenses</b>        |                                      |
| Advertisement and Publicity                            | 0.70                                 |
| Auditor's Remuneration                                 | 1.55                                 |
| Bank Charges   | 85.10                                |
| Books & Periodicals                                    | 0.11                                 |
| Business promotion Expenses                            | 0.09                                 |
| Directors Remuneration & Perquisites                   | 19.88                                |
| Insurance Charges                                      | 5.08                                 |
| Legal & Professional                                   | 7.69                                 |
| Office and Factory Expenses                            | 9.86                                 |
| Printing & Stationery                                  | 4.30                                 |
| Rates, Fee & Taxes                                     | 10.52                                |
| Rates, Fee & Taxes (Excise duty on closing Stock)      | (31.38)                              |
| Rent   | 4.36                                 |
| Repairs & Maintenance of others                        | 6.10                                 |
| Telephone, Postage & Courier Expenses                  | 5.18                                 |
| Travelling & Conveyance                                | 18.06                                |
| Watch & Ward   | 7.70                                 |
| Rounding off   | 0.01                                 |
| Vehicle hire & running Expenses                        | 19.08                                |
| <b>Selling &amp; Distribution Expenses</b>             |                                      |
| Cash Discount, Warranty Claim Deduction                | 0.80                                 |
| Freight Outwards                                       | 72.98                                |
| <b>Total Administrative &amp; Selling Expenses (B)</b> | <b>247.77</b>                        |
| <b>Total (A + B)</b>                                   | <b>1,184.23</b>                      |

**2.23.1 OTHER EXPENSES** (Rupees In Lacs)

| Particulars              | For the Nine Months<br>Ended 31.03.2016 |
|--------------------------|---|
| <b>Auditors Payments</b> |   |
| As Auditor               | 1.30                                    |
| For taxation matters     | 0.25                                    |
| <b>Total</b>             | <b>1.55</b>                             |

**2.23.1 VALUE OF IMPORT CALCULATED ON C.I.F. BASIS** (Rupees In Lacs)

| Particulars                | For the Nine Months<br>Ended 31.03.2016 |
|----------------------------|---|
| Components and spare parts | 2.04                                    |
| <b>Total</b>               | <b>2.04</b>                             |

**2.23.2 CONTINGENT LIABILITIES AND COMMITMENTS (To The Extent Not Provided For)** (Rupees In Lacs)

| Particulars   | For the Nine Months<br>Ended 31.03.2016 |
|---|---|
| *Estimated amount of contracts remaining to be executed on capital account and not provided for | NIL                                     |
| Unexpired Letter of Credit  | 606.51                                  |
| Bank Guarantees   | 1,618.67                                |
| <b>Total</b>  | <b>2,225.18</b>                         |

\*Contingent Assets are neither recognised nor disclosed

**2.24 BASIC EPS & DILUTED EPS** (Rupees In Lacs)

| Particulars  | For the Nine Months<br>Ended 31.03.2016 |
|--|---|
| <b>Basic</b>   |   |
| Opening number of Shares( In Lacs)                                       | 116.13                                  |
| Less: Shares Bought Back (In Lacs)                                       | -                                       |
| Total Shares outstanding(In Lacs)  | 116.13                                  |
| Number of shares considered as basic weighted average shares outstanding | 116.13                                  |
| Profit/(Loss) after Tax and Preference Dividend and Tax (Rs. In Lacs)    | (11,576.40)                             |
| EPS (Rs.Per Share)   | (99.68)                                 |
| <b>Diluted</b>   |   |
| Opening number of Shares (In Lacs)                                       | 116.13                                  |
| Less: Shares Bought Back (In Lacs)                                       | -                                       |
| Total Shares outstanding (In Lacs)                                       | 116.13                                  |
| Number of shares considered as basic weighted average shares outstanding | 116.13                                  |
| Profit/(Loss) after Tax and Preference Dividend and Tax (Rs. In Lacs)    | (11,576.40)                             |
| Diluted Earning Per Share  | (99.68)                                 |



# ALLIANCE INTEGRATED METALIKS LIMITED

Note: 2.25 Default in payment of Installment and Interest on Loan

**A As at 31.03.2016** (Rs in Lacs)

| Particulars                             | (0-90)<br>Days  | (91-180)<br>Days | More than<br>180 Days | Total           |
|---|-----------------|------------------|-----------------------|-----------------|
| <b>1 Long Term Borrowings (Secured)</b> |                 |                  |                       |                 |
| Principal                               | 1,350.28        | 385.70           | 642.80                | 2,378.78        |
| Interest                                | 630.67          | 244.42           | 323.93                | 1,199.02        |
| <b>Total</b>                            | <b>1,980.95</b> | <b>630.12</b>    | <b>966.73</b>         | <b>3,577.80</b> |

**B As at 28.05.2016** (Rs in Lacs)

| Particulars                             | (0-90)<br>Days  | (91-180)<br>Days | More than<br>180 Days | Total           |
|---|-----------------|------------------|-----------------------|-----------------|
| <b>1 Long Term Borrowings (Secured)</b> |                 |                  |                       |                 |
| Principal                               | 1,350.28        | 385.70           | 642.80                | 2,378.78        |
| Interest                                | 432.21          | 168.23           | 485.07                | 1,085.51        |
| <b>Total</b>                            | <b>1,782.49</b> | <b>553.93</b>    | <b>1,127.87</b>       | <b>3,464.29</b> |



**Note No. 2.26****RELATED PARTY DISCLOSURES & TRANSACTIONS**

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

**A) Names of related parties & description of relationship**

- |                             |  |
|-----------------------------|--|
| 1) Holding Company          | WLD Investments Pvt Ltd.   |
| 2) Associates               | (a) ARGL Limited<br>(b) ACIL Limited   |
| 3) Key Management Personnel | (a) Shri Daljit Singh Chahal, Whole time Director<br>(b) Shri Pawan Kumar, Chief Financial Officer<br>(c) Ms. Ritika Kamboj, Company Secretary till 16.10.2016<br>(d) Ms. Prerna Wadhwa, Company Secretary w.e.f. 24.02.2016 |

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

As per our report of even date attached

**A.C Gupta & Associates**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-

**A.C Gupta**  
(Partner)  
M.No. 8565

Place : Delhi

Dated : 28th May, 2016

Sd/-  
**Mahesh Ochani**  
Director

Sd/-  
**Daljit Singh Chahal**  
Whole -time Director

Sd/-  
**Prerna Wadhwa**  
Company Secretary

Sd/-  
**Pawan Kumar**  
Chief Financial Officer

This Page has been Intentionally left Blank



**ALLIANCE INTEGRATED METALIKS LIMITED**  
Registered Office: 910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001  
Tel. : +91-11-41320015 E-mail: alliance.intgd@rediffmail.com  
Web : www.aiml.in CIN No. : L65993DL1989PLC035409

**ATTENDANCE SLIP**

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 Seventh Annual General Meeting of the Company held at Mapple Exotica, Chattarpur Mandir, Road, Satbari, New Delhi-110074 on Monday, the 26th day of September, 2016 at 09:30 a.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.



**ALLIANCE INTEGRATED METALIKS LIMITED**  
Registered Office: 910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001  
Tel. : +91-11-41320015 E-mail: alliance.intgd@rediffmail.com  
Web : www.aiml.in CIN No. : L65993DL1989PLC035409

**PROXY FORM - MGT - 11**

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

CIN: L65993DL1989PLC035409  
Name of the Company: ALLIANCE INTEGRATED METALIKS LIMITED  
Registered Office: 910, Ansal Bhawan, 16, K.G. Marg, New Delhi-110001

|  |
|--|
| Name of the member(s):<br>Registered address:<br>E-mail Id:<br>Folio No/Client Id:<br>DP ID: |
|--|

Registered address: \_\_\_\_\_

I/We, being the member(s) of ..... Shares of the above named Company, hereby appoint

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company, to be held on, 26th day of September, 2016 at 09.30 a.m. at Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi- 110074 and at any adjournment thereof, in respect of such resolution set out in the Notice convening the meeting, as are indicated below:

- Resolution No.1:** Adoption of Annual Standalone and Consolidated Audited Financial Statement, Report of Auditor's and Directors' for the financial year ended 31<sup>st</sup> March, 2016.
- Resolution No.2:** Re-appointment of Mr. Avijit Banerjee (DIN: 01357534), who retires by rotation.
- Resolution No.3:** Ratification of appointment of M/s A.C. Gupta & Associates, Chartered Accountants as Statutory Auditors of the Company.

Signed this .....day of ....., 2016

Signature of Shareholder

Signature of Proxy Holder (s)



**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.**

BOOK-POST

*If undelivered please return to :*

**ALLIANCE INTEGRATED METALIKS LIMITED**

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