



**ALLIANCE
INTEGRATED METALIKS LIMITED**

**23rd ANNUAL REPORT
2011-2012**

ALLIANCE INTEGRATED METALIKS LIMITED

23rd ANNUAL REPORT 2011-2012

BOARD OF DIRECTORS

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

Company Secretary

Mr. Rakesh Vij

Auditors

M/s B. Lugani & Associates
Chartered Accountants

Regd. & Corporate Office:

910, Ansal Bhawan

16, K.G. Marg

New Delhi – 110001

Ph: +91-11-23752586/90/91

E-mail : alliance.intgd@rediffmail.com

Web : www.aiml.in/sitenew/index.php

Works:

Village - Sarai Banjara,

P.O. - Basant Pura,

Tehsil - Rajpura,

Distt. - Patiala

Punjab - 140401

Registrar & Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd

Beetal House, 3rd Floor, 99, Madangir,

Behind L.S.C., New Delhi-110062

Tel.: 011-29255230, Fax: 011-29252146

E-mail: beetal@rediffmail.com

Banker

Indian Overseas Bank

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NOTICE

Notice is hereby given that the Twenty-Third Annual General Meeting of the Company will be held on Monday, the 31st day of December, 2012 at 1:00 p.m. at the registered office of the Company at 910, Ansal Bhawan, 16, K. G. Marg, New Delhi - 110001 to transact the following business as:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2012 together with Profit and Loss Account for the year ended on that date and the Reports of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ashish Pandit who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

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

By Order of the Board
For Alliance Integrated Metaliks Limited

Sd/-
(Mahesh Ochani)
Managing Director

Place : New Delhi
Date : 5th December, 2012

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The proxy form duly completed, stamped and signed should reach Company's registered office at least 48 hours before the meeting.
- 3) Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 4) All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from 26th December, 2012 to 31st December, 2012 (both days inclusive).
- 6) The members are requested to bring their copies of Annual Report to the Meeting, as the same will not be redistributed at the venue of Annual General Meeting.
- 7) The Members attending the General Meeting are requested to bring the enclosed attendance slip and deliver the Same after filling in their folio number at the entrance of the meeting hall. Admission at the Annual General Meeting

venue will be allowed only after verification of the signature in the attendance slip. Duplicate Attendance Slip will be issued at the Registered Office of the Company up to a day preceding the day of Annual General Meeting.

- 8) Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make Nomination in respect of shares held by them. Shareholders desirous of making nominations are requested to send their requests in form No. 2B in duplicate (which will be made available on request) to the Registrar and Transfer (R&T) Agent of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
- 9) The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure members who have not registered their e-mail addresses so far are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with M/s Beetal Financial & Computer Services Private Limited, Registrar and Transfer Agent of the Company.

ANNEXURE TO NOTICE

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

ITEM NO. 4

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

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

ITEM NO. 5

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

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

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

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

By Order of the Board
For Alliance Integrated Metaliks Limited

Place : New Delhi
Date : 5th December, 2012

Sd/-
(Mahesh Ochani)
Managing Director

**DIRECTORS' REPORT**

TO

THE MEMBERS,
ALLIANCE INTEGRATED METALIKS LIMITED

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

FINANCIAL RESULTS**(Amount in Lacs)**

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

PERFORMANCE

During the year under review, the Company generated revenue of Rs. 2726.43 lacs with profit after tax of Rs 4.19 lacs as compared to revenue of Rs. 55.95 lacs and profit after tax of Rs. 15.40 lacs in the previous year.

CHANGE IN CAPITAL STRUCUTRE

During the year under review, the Authorised share capital of your Company was increased from Rs. 30,00,00,000 (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- each to Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- each and 2,50,00,000 (Two Crores Fifty Lacs) Preference Shares of Rs. 10/- each.

DIVIDEND

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

OPERATIONS

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

DIRECTORS

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

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

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

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

AUDITOR'S REPORT

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

AUDITORS

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

COST AUDITOR

Pursuant to the Companies (Cost Accounting Records) Rules, 2011 issued by the Ministry of Corporate Affairs Mr. Yash Pal Sardana (membership No. 17996) practicing Cost Accountant, was appointed to conduct audit of cost records of Company's Plant for the year ended 30th June, 2012. Cost Auditor Report would be submitted within prescribed time.

FIXED DEPOSITS

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

DE-MATERIALISATION OF SHARES

The Company's equity shares are available for de- materialization on both the depositories 'viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatory in de- materialized form. As on 30th June, 2012, 1,15,20,000 equity shares representing 74.51% of your Company's Equity share capital have been de-materialized.

LISTING AT STOCK EXCHANGES

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

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

STATUTORY INFORMATION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned - Nil

Foreign Exchange outgo - Rs. 2307.23 Lacs.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis (MDA) for the year under review, as required under clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate section forming part of Annual Report.

INDUSTRIAL RELATIONS

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

INVESTOR RELATIONS

Your Company always endeavors to promptly resolve shareholders' requests / grievances. Priority is accorded to address all the issues raised by the shareholders and provide them a satisfactory reply at the earliest possible time. The Shareholders' and Investors' Grievances Committee of the Board meets periodically and reviews the status of the redressal of investors' grievances.

EMPLOYEE WELFARE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period under review;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- That the Directors had prepared the annual accounts on a going concern basis

ACKNOWLEDGEMENT

Your Directors wish to place on record their acknowledgement for the contribution made by employees at all levels. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, our valued customers and the investors for their continued support, cooperation and assistance.

By Order of the Board
For Alliance Integrated Metaliks Limited

Sd/-
(Sunil Kumar)
Chairman

Place : New Delhi
Date : 5th December, 2012

ANNEXURE – I TO THE DIRECTORS' REPORT 2011-12

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

1. Research & Development (R&D)

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

2. Technology Absorption:

- | | | | | |
|----|--|---|-----|---|
| a) | Efforts in brief towards technology absorption | : | | The Company has indigenised and absorbed technological changes. |
| b) | Benefits derived as a result of | : | i) | Cost reduction to due savings in raw material dies & moulds & power & fuel. |
| | | | ii) | Increase in productivity & better quality |
| c) | In case of imported technology (import) during the last 6 years reckoned from the beginning of the financial year) | : | | N. A. |

3. Foreign Exchange Outgo:

(Amount in Rs.)

		Current Year	Previous year
Foreign Exchange Used	:	230,723,009.39	25,302,468.00

4. Conservation of Energy

Current Year Previous year

A. Power & Fuel consumption

1. Electricity Purchased

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

2. Own generation through Generator

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

B. Consumption Per Unit of Production

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

CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

II. BOARD OF DIRECTORS

The Company is in compliance with clause 49 of the Listing Agreement pertaining to Composition of Board of Directors. More than 50% of the Directors of the Company are non-executive with more than 1/3rd being independent. As on 30th June, 2012 Board of Directors of your Company consists of four members of which three are Non-Executive and Independent Directors. The Chairman of the Company is Non- Executive.

A. Composition of Directorships

The constitution of the Board as on 30th June 2012:-

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

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

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

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

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

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