



**ALLIANCE
INTEGRATED METALIKS LIMITED**

**24TH ANNUAL REPORT
2012-2013**

ALLIANCE INTEGRATED METALIKS LIMITED

24TH ANNUAL REPORT 2012-2013

BOARD OF DIRECTORS

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

Company Secretary

Mr. Rakesh Vij

Auditors

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

Registered & Corporate Office:

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

Works:

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

Registrar & Share Transfer Agent

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

Banker

Indian Overseas Bank

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NOTICE

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

ORDINARY BUSINESS:

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

By Order of the Board
For Alliance Integrated Metaliks Limited

Place : New Delhi
Date : 5th December, 2013

Sd/-
(Mahesh Ochani)
Managing Director

NOTES:

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



ALLIANCE INTEGRATED METALIKS LIMITED

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

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

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

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

By Order of the Board
For Alliance Integrated Metaliks Limited

Place : New Delhi
Date : 5th December, 2013

Sd/-
(Mahesh Ochani)
Managing Director

DIRECTORS' REPORT

TO
THE MEMBERS,
ALLIANCE INTEGRATED METALIKS LIMITED

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

FINANCIAL RESULTS**(Rupees in Lacs)**

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

PERFORMANCE

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

CHANGE IN CAPITAL STRUCTURE

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

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

DIVIDEND

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

DIRECTORS

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



AUDITOR REPORT

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

AUDITORS

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

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

COST AUDITOR

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

PUBLIC DEPOSITS

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

DE- MATERIALISATION OF SHARES

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

LISTING AT STOCK EXCHANGES

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

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

STATUTORY INFORMATION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned – Nil

Foreign Exchange outgo – 70.82 Lacs

BUY BACK

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

INDUSTRIAL RELATIONS

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

INVESTOR RELATIONS

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

EMPLOYEE'S WELFARE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

ACKNOWLEDGEMENT

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

By Order of the Board
For Alliance Integrated Metaliks Limited

Place : New Delhi
Date : 5th December, 2013

Sd/-
(Ashish Pandit)
Chairman

ANNEXURE – I TO THE DIRECTORS’ REPORT 2012-13

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

1. Research & Development (R&D)

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

2. Technology Absorption:

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

3. Foreign Exchange Outgo:

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

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

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

B. Consumption Per Unit of Production

	Current Year	Previous Year
Production (In MT)	3855.84	971.99
Cost/MT	2690.97	3067.14

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

II. BOARD OF DIRECTORS

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

A. Composition of Directorships

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

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

Notes:

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

B. Board Procedure

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

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

C. Inter – se and Pecuniary Relationship

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

III. COMMITTEES OF THE BOARD

A. Audit Committee

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

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

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

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

B. Remuneration Committee

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

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

During the financial year, no committee meeting was held.

C. Shareholder's/Investor's Grievance Committee

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

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

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