



Health & Wealth, We Manage Both



ANNUAL REPORT

2015-16



ALANKIT LIMITED

www.alankit.in

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ankit Agarwal	-	Managing Director
Mr. Alok Kumar Agarwal	-	Director
Mr. Pradip Kumar Banerji	-	Independent Director
Mr. Yash Jeet Basrar	-	Independent Director
Mr. Shyam Kishore Lal	-	Independent Director
Ms. Preeti Puri	-	Whole Time Director

BOARD LEVEL COMMITTEES

I AUDIT COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Shyam Kishore Lal	Member
Ms. Preeti Puri	Member

II STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Pradip Kumar Banerji	Member
Mr. Shyam Kishore Lal	Member
Ms. Preeti Puri	Member

III NOMINATION & REMUNERATION COMMITTEE

Mr. Yashjeet Basrar	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Pradip Kumar Banerji	Member
Mr. Shyam Kishore Lal	Member

IV MANAGEMENT COMMITTEE

Mr. Ankit Agarwal	Chairman
Mr. Yashjeet Basrar	Member
Mr. Alok Kumar Agarwal	Member
Ms. Preeti Puri	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Preeti Puri

REGISTERED AND CORPORATE OFFICE

205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055

Tel: 91-11-41540028, Fax: 91-11-41540028

Website: www.alankit.in

Investor Helpdesk: investor@alankit.com

STATUTORY AUDITORS

M/s Krishan K. Gupta & Company

Chartered Accountants

1/3-10196, Devi Mandir Lane,

Jhandewalan, New Delhi – 110055

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Limited

“Alankit Heights”, 1E/ 13, Jhandewalan Extension,

New Delhi - 110055, Tel: 91-11-42541234

DIRECTORS' REPORT

To
The Members,
Alankit Limited
New Delhi

The Directors have pleasure in placing before you the 27th Annual Report of the Company along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2016.

FINANCIAL RESULTS

The Financial results of the Company for the year under review along with figures for the previous year are as follows:

Particulars	Stand Alone (In Rs.)		Consolidated (In Rs.)	Consolidated (In Rs.)
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Net Sales/Income from Operations	301,616,176	39,812,500	302,737,497	25,214,920
Other Income	1,036,062	-	4,655,114	17,768,391
Total Income	302,652,238	39,812,500	307,392,610	42,983,311
Profit before Depreciation & Tax	84,715,956	10,843,613	86,504,830	10,859,531
Less: Depreciation	34,064,279	621,656	34,084,680	997,083
Profit before Tax	50,651,677	10,221,957	52,420,150	9,862,448
Less: Provision for current year Income-tax	10,563,917	1,838,756	10,929,103	1,894,286
Less: Mat Credit Receivable	10,563,917	1,838,756	10,913,943	1,838,756
Add: Deferred Tax	(15,445,931)	(6,479,404)	(15,441,581)	(6,365,650)
Net Profit after tax	35,205,746	3,742,553	36,963,409	3,441,268
Less: Provision for earlier year taxation	-	41,690	-	41,690
Net Profit after tax and adjustments	35,205,746	3,700,863	36,963,409	3,399,577
Add : Opening Balance	11,311,161	16,187,364	11,316,991	16,187,364
Less: Paid Interim & Proposed Dividend	14,295,810	7,147,905	14,295,810	7,147,905
Less: Corporate Dividend Tax	2,910,290	1,429,161	2,910,290	1,429,161
Less: Profit transferred to General Reserve	-	-	-	307,116
Balance carried to the Balance Sheet	29,310,807	11,311,161	31,074,300	11,316,991
EPS (Basic)	0.99	0.61	1.03	0.61
(Diluted)	0.99	0.58	1.03	0.58

REVIEW OF OPERATIONS

The Company started e-Governance business w.e.f. 27th September, 2015 by acquiring at Rs. 27 Crores. from Alankit Assignments Limited. The cost of acquisition is reflected in the goodwill account. The resolution for acquisition was passed by the shareholders by way of postal ballot on 14th October, 2015. The Company also started the business of Distribution of LED Bulbs among various states of India and sale of e-Governance products. Turnover of the Company increased from Rs. 3.98 Cr. to Rs. 30.26 Cr. which represents 660% growth and profit from Rs. 37.42 Lacs to Rs. 352.03 Lacs which represents 840% growth.

DIVIDEND

The Board of Directors has recommended a final dividend of Rs.0.20/- per Equity Share (Face value Rs. 2 per equity share) for 2015-2016, amounting to Rs. 7,147,905/-. This is in addition to the interim dividend of Rs. 0.20 per equity share already paid. The total dividend for 2015-16 aggregates to Rs. 0.40/- per equity share, amounting to Rs. 14,295,810/-.

INTERNAL FINANCIAL CONTROLS

The Directors had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company 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.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, the company is not required to transfer any amount to the Investor Education and Protection Fund.

SERVICES PROVIDED

- TIN Facilitation Centre & PAN Centre
- Sale of e-Governance Products
- Aadhaar Enrolment
- Printing of PVC Aadhaar Card
- Business Correspondent (BC)
- Atal Pension Yojana (APY)
- Manpower Services
- Distribution Agency for LED Bulbs
- Aadhaar Seeding Agency
- National Insurance Repository (NIR)
- Distribution of ID Card Printers.
- P2F(Paper to Follow)
- Authentication User Agency (AUA)
- KYC User Agency (KUA)
- National Skills Registry (NSR)
- Scanning and Digitization of Medical Records

RESERVES

There was no transfer to General reserves during the financial year ended 31st March, 2016.

MATERIAL CHANGES, IF ANY, AFTER THE END OF FINANCIAL YEAR

The members of the Company have passed Special Resolutions in respect of Amendment in Articles of Association of the Company for the insertion of Clause- Chairman Emeritus and approval of related party transactions with the group companies by postal ballot vide notice dated 23rd February, 2016. Shareholders

approved both the resolutions and the result of the same was declared on 6th April, 2016.

Your Company has been registered under small category with Ministry of Micro, Small and Medium Enterprise on 26.02.2016. Further, your Company also filed an application for registration under NSIC, which was approved and Government Purchase Enlistment Certificate awarded on 30.03.2016.

SUBSIDIARIES COMPANIES

The Company is having 4 subsidiary companies namely Europlus Financial Services Limited, Euro Global Brokers Limited, Alankit Technologies Limited and Faith Business Advisors Limited.

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES

The statement containing the salient features of the financial statements of subsidiaries under the first proviso to sub-section (3) of section 129 is being attached with the Directors Report in Form AOC-1 annexed to and forming part of the Directors' Report.

SHARE CAPITAL

Sub-division of Shares

The Shareholders in the Annual General Meeting held on 10.08.2015 approved the sub-division of each equity share of the Company having face value of Rs. 10 each fully paid up into 5 equity shares of the face value of Rs. 2 each fully paid up w.e.f 24th September, 2015.

DIRECTORS

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. Mr. Alok Kumar Agarwal was appointed as Additional Director in the Board Meeting held on 31st August, 2015. He vacates his office as on date of Annual General Meeting and being eligible offers himself for re-appointment. Notice has been received from a member of the Company under Section 160 of the Companies Act, 2013 for his appointment as a Director of the Company. Mr. Ankit Agarwal retires as Director to meet the requirement of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Yash Jeet Basrar, retires at the conclusion of the AGM, being eligible offers himself for re-appointment, be and is hereby re-appointed as Independent Director of the Company for the period of five years.

Mr. Kamal Narain Gupta, Company Secretary and Compliance Officer of the Company who was appointed on 22nd June, 2015 resigned from the office with effect from 20th October, 2015 and Ms. Preeti Puri was appointed as Company Secretary w.e.f. 20th October, 2015. She was earlier appointed as Additional director of the Company w.e.f 11th July, 2015 and Whole Time Director of the Company w.e.f 20th October, 2015 subject to the approval of members.

Mr. Rajeshwar Prasad Agarwal resigned from Directorship of the Company with effect from 31st August, 2015. Mrs. Anju Miglani, Chief Financial Officer of the Company resigned from the office with effect from 14th March, 2016. Mr. Atul Kumar, CA has been appointed as Chief Financial Officer of the Company with effect from 28th May, 2016.

The Board of Directors placed on record their sincere appreciation for the valuable contribution made by Mr. Rajeshwar Prasad Agrawal, Mr. Kamal Narain Gupta and Mrs. Anju Miglani.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of your Company have given Declaration confirming that they meet the criteria of Independence as prescribed both under the Companies Act and the Listing Regulations.

STATUTORY AUDITORS AND THEIR REPORT

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments.

The tenure of the present Statutory Auditors of the Company, M/s Krishan K. Gupta & Co., Chartered Accountants, is expiring at the conclusion of AGM. They have resigned as per the provisions of Section 139 of the Companies Act, 2013. M/s Maheshwari Rajiv & Co. having FRN no. 007115NR is proposed to be appointed as Statutory Auditor of the Company.

SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS

The Company appointed M/s R. Shaw & Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the financial year 2015-16 and the Secretarial Audit report is being attached with the Directors Report which is self explanatory and needs no comments.

BOARD MEETINGS

The Board of Directors duly met Six (6) times respectively on 14th April, 2015, 11th July, 2015, 31st August, 2015, 20th October, 2015, 11th January, 2016 and 23rd February, 2016 and in respect of which proper notices were given and the proceedings were properly recorded.

INSURANCE & RISK MANAGEMENT

A statement about the implementation & development of the Risk Management Policy of the company were made available to employees.

PUBLIC DEPOSITS

During the year, your Company had not accepted any Deposit under Schedule V of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014. There are no small depositors in the Company.

PERSONNEL

The Company continued to have cordial relations with its employees.

LISTING WITH STOCK EXCHANGES

Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE). The Company is regular in paying Annual Listing Fees and custodian fees to both the depositories.

CODE OF CONDUCT

The Company continues to place emphasis on inclusive growth and has adopted a voluntary code of conduct for affirmative action.

EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS

The Directors of your Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of stakeholders' value.

Independent Directors are appointed keeping in view their diverse skills and experience as to provide strategic direction, guidance and constructive support to the management. The Board of Directors is at the core of your company's corporate governance practice and oversees how the management serves and protects the long term interests of the stakeholders.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under the provisions of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards, have been followed and there are no material departures from the same;
- ii) 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 as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- iii) the Directors had 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.
- iv) the Directors had prepared the Annual Accounts of the Company on a 'going concern' basis.
- v) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. "Internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of records, and the timely preparation of reliable financial information.
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

In terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulations"), a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is attached as Annexure and forms integral part of this Report (hereinafter "Corporate Governance Report")

CFO CERTIFICATION

The Chief Financial Officer has duly given a certificate to the board as contemplated in Regulation 17 (viii) of the listing agreement.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is included in a separate section annexed to and forming part of the Director's Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

The Company is engaged in providing e-governance services and e-governance products and such operations do not account for substantial Electricity, Gas & Steam, Power, Water or any other kind of energy consumption. However, the company is taking all possible measures to conserve the energy.

Your company is continuously looking for new ways of conservation of energy and wastes minimization for the protection of environment. The eco-friendly initiatives adopted by your company are:

- Implementing energy conservation schemes.
- Awareness programmes for employees at all levels and for community.
- Promoting the use of alternative fuels and materials.

B. Technology Absorption and Research & Development

Since the Company is not involved in manufacturing activity, hence the research & development and technology absorption is not applicable.

The Company has not incurred any expenditure on Research & Development. Your company has not imported technology during the last 8 years reckoned from the beginning of the financial year.

C. Foreign Exchange Earnings and Outgo

1. The company is not involved in activities relating to exports.
2. During the year, the Company has not earned anything in Foreign Exchange.
3. During the year, the Company has spent Rs. 29,268,462 on import of E-Governance Products.

PARTICULARS OF EMPLOYEES

None of the employee including managerial personnel draw in excess of the limits prescribed under Section 197(12) read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which needs to be disclosed in the Directors' report.

COMPOSITION OF VARIOUS COMMITTEES OF THE BOARD

The following Committees of the Board were constituted:

AUDIT COMMITTEE

- | | | | |
|----|-----------------------|---|----------|
| 1. | Mr. Yash Jeet Basrar | - | Chairman |
| 2. | Mr. Shyam Kishore Lal | - | Member |
| 3. | Ms. Preeti Puri | - | Member |

SHAREHOLDERS RELATIONSHIP COMMITTEE

- | | | | |
|----|--------------------------|---|----------|
| 1. | Mr. Yash Jeet Basrar | - | Chairman |
| 2. | Ms. Preeti Puri | - | Member |
| 3. | Mr. Pradip Kumar Banerji | - | Member |
| 4. | Mr. Shyam Kishore Lal | - | Member |

NOMINATION AND REMUNERATION COMMITTEE

- | | | | |
|----|--------------------------|---|----------|
| 1. | Mr. Yash Jeet Basrar | - | Chairman |
| 2. | Mr. Pradip Kumar Banerji | - | Member |
| 3. | Mr. Shyam Kishore Lal | - | Member |
| 4. | Mr. Alok Kumar Agarwal | - | Member |

MANAGEMENT COMMITTEE

- | | | | |
|----|------------------------|---|----------|
| 1. | Mr. Alok Kumar Agarwal | - | Chairman |
| 2. | Mr. Ankit Agarwal | - | Member |
| 3. | Mr. Yash Jeet Basrar | - | Member |
| 4. | Ms. Preeti Puri | - | Member |

RELATED PARTY TRANSACTIONS

For Related Party Transactions, please refer note no. 2.24 of Financial Statements of the Company and note no 13

of Annexure-I to the Auditor's report for the financial year 2015-16.

VIGIL MECHANISM

A statement about the implementation & development of the Vigil Mechanism Policy of the company were made available to employees.

DISCLOSURE OF MANAGERIAL REMUNERATION

The Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure to the Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16:

No. of Complaints received : Nil

No. of Complaints disposed off : Nil

ABSTRACT OF THE ANNUAL RETURN

The abstract of the Annual Return in Form MGT-9 for the year 2015-16 is being annexed to and forming part of the Director's Report.

COST AUDIT

The provisions of Cost Audit are not applicable to the company.

CORPORATE RESPONSIBILITY STATEMENT

The provisions of corporate responsibility statement are not applicable to the company.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, business associates, SEBI, NSDL, CDSL, UIDAI, NDML, EESL, Other Govt. Departments, Bankers and employees of the Company at all levels, who, through their dedication, co-operation, and support has enabled the Company to achieve rapid growth.

BY ORDER OF THE BOARD OF DIRECTORS

For ALANKIT LIMITED

ALOK KUMAR AGARWAL

CHAIRMAN

DATE: 28th May, 2016

PLACE: New Delhi