

ALANKIT LIMITED

ANNUAL REPORT 2014-15



Health & Wealth, We Manage Both

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajeshwar Prasad Agrawal	-	Chairman
Mr. Ankit Agarwal	-	Managing Director
Mr. Pradip Kumar Banerji	-	Independent Director
Mr. Yash Jeet Basrar	-	Independent Director
Mr. Shyam Kishore Lal	-	Independent Director
Ms. Preeti Puri	-	Additional Director

BOARD LEVEL COMMITTEES

I AUDIT COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Rajeshwar Prasad Agrawal	Member
Mr. Pradip Kumar Banerji	Member

II STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Rajeshwar Prasad Agrawal	Member
Mr. Pradip Kumar Banerji	Member
Mr. Shyam Kishore Lal	Member

III NOMINATION & REMUNERATION COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Rajeshwar Prasad Agrawal	Member
Mr. Pradip Kumar Banerji	Member

IV MANAGEMENT COMMITTEE

Mr. Ankit Agarwal	Chairman
Mr. Yash Jeet Basrar	Member
Mr. Rajeshwar Prasad Agrawal	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kamal N. Gupta

REGISTERED AND CORPORATE OFFICE

Regd. Office : 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110 055

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

Corporate Office : 4E/2, Jhandewalan Extension, New Delhi-110055,

Tel: 91-11-42541234

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 110 055

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Limited

"Alankit House", 1E/ 13, Jhandewalan Extension, New Delhi - 110 055

Tel: 91-11-42541234

DIRECTORS' REPORT

To,
The Members,
Alankit Limited
New Delhi

Your Directors have pleasure to present their 26th Annual Report together with the Audited financial statements for the financial year ended 31.03.2015.

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 (₹)		Consolidated in (₹) 31-03-2015
	31-03-2015	31-03-2014	
Net Sales/Income from Operations	39,812,500	16,643,967	42,983,311
Total Income	39,812,500	16,643,967	42,983,311
Profit before Depreciation & Tax Depreciation	10,843,613 (621,656)	1,975,465 -	10,859,530 (997,083)
Profit before Tax	10,221,957	1,975,465	9,862,447
Provision for current year Income Tax	(1,838,756)	(374,787)	(1,894,286)
Mat Credit Receivable	1,838,756	374,787	1,838,756
Deferred Tax	(6,479,404)	(607,761)	(6,365,650)
Net Profit after tax	3,742,553	1,367,704	3,441,267
Income tax adjustment for earlier year taxation	(41,690)	-	(41,690)
Profit & Loss transfer for Goodwill / Capital Reserve	-	-	307,116
Net Profit after tax and adjustments	3,700,863	1,367,704	3,706,693
Opening Balance	16,187,364	14,819,660	16,187,364
Proposed Dividend (Including Corporate Dividend Tax)	(8,577,066)	-	(8,577,066)
Balance carried to the Balance Sheet	11,311,161	16,187,364	11,316,991
EPS (Basic)	0.61	0.28	0.61
(Diluted)	0.58	0.28	0.58

RESERVES

There was no transfer to General reserves during the financial year ended 31st March, 2015.

DIVIDEND

Your directors recommend a dividend of Re. 1/- per equity share (Face value : Rs. 10.00) for the financial year ended 31.03.2015.

INTERNAL FINANCIAL CONTROLS

There are adequate internal control procedures commensurate with the size of the company and the nature of business. The Company has appointed Internal Auditors to ensure that the procedures are adequately followed.

CHANGE IN NAME

The Members of the Company at the 25th Annual General Meeting of the Company held on 5th July, 2014 approved the change of Company's name from “Euro Finmart Limited” to “Alankit Limited”, in terms of Section 13 of the Companies Act, 2013. Your Directors are happy to state that the Company has received approval for the change of name from the Government of India-Ministry of Corporate affairs vide its certificate dated 21st August, 2014. Your Directors are of the view that change in Company's name will reinforce the value of “Alankit” brand and will enhance the Company's reputation and goodwill over a period of time.

REVIEW OF OPERATIONS

Your Company is into the following businesses presently:-

- We are empanelled as Enrolment Agency for enrolment of Indian citizens by UIDAI and are currently doing enrolments of residents in 12 States in India.
- Aadhaar authentication is the process wherein aadhar number along with other attributes (demographic / biometrics / OTP) is submitted to UIDAI for verification.
- Aadhaar Seeding is a process by which Aadhaar Numbers are included in the service delivery database of service providers for enabling de-duplication of database.
- Providing services to policyholders as National Insurance Repository (NIR).
- Providing services of National Skills Registry (NSR), a national database of registered and verified knowledge workers in the industry. This is a unique initiative by NASSCOM in partnership with the IT/ITeS/BPO companies in India.
- Offering services for establishing and managing the Paper to Follow (P2F) process of Grid based Cheque Truncation System (CTS), as a Business Associate of NSDL Database Management Ltd. (NSDL), who has been awarded the project by National Payments Corporations of India (NPCI).
- RecordXpert deals with digital consultation of client health records at one place, accessible anytime anywhere.
- Your company is also in the business of Manpower Outsourcing, Data Digitization & Scanning. Our Clients include Ministries, Govt. Departments, Banks, etc.

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

The Board appointed Mrs. Ishleen Kaur as the Company Secretary of the company w.e.f 14th April, 2015. She was also appointed as an Additional Director w.e.f 14th April, 2015 and on the same date was further elevated as the Whole Time Director of the Company. Mrs. Ishleen Kaur resigned from the post of Company Secretary and Director of the Company w.e.f 11th May, 2015.

The Board of Directors approved the appointment of Mr. Kamal Narain Gupta as Company Secretary and Compliance officer in their meeting held on 11th July, 2015.

Your Directors are happy to state that the Company received the approval for listing of equity shares from National Stock Exchange of India Limited (NSE) on 26th June, 2015 and the Company's equity shares were admitted to dealings on NSE with effect from 30th June, 2015.

BUSINESS RESPONSIBILITY REPORT

The provisions of Business Responsibility Report as stipulated under the Listing Agreement is not applicable to the Company.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956, the company is not required to transfer any amount to the Investor Education and Protection Fund as there are no unclaimed dividends or other amount specified in the Act.

SHARE CAPITAL**Preferential Allotment of Shares**

The Shareholders in the 25th Annual General Meeting held on 05.07.2014 authorised the Board of Directors to issue and allot by way of Preferential allotment upto 23.00 Lacs convertible warrants to the promoters and other investors. The Board of Directors in their meeting held on 31.07.2014 allotted the 23.00 Lacs convertible warrants to the applicants. During the year under review, these convertible warrants were converted into Equity Shares of Rs. 10/- each at a premium of Rs. 100/- per share.

SUBSIDIARY COMPANIES

The Company is having 4 subsidiary companies namely Europlus Financial Services Limited, Euro Global Reinsurance 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 Director's Report.

DIRECTORS**A. Changes in Directors and Key Managerial Personnel**

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. Rajeshwar Prasad Agrawal was appointed as Additional Director in the Board Meeting held on 26th May, 2014 and his appointment was regularized in the 25th Annual General Meeting held on 5th July, 2014. Mr. Rajeshwar Prasad Agrawal retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Ankit Agarwal was appointed as Managing Director of the Company and his appointment was regularized in the 25th Annual General Meeting held on 5th July, 2014.

Mr. Alok Kumar Agarwal and Mr. Mukesh Chandra Agrawal resigned from Directorship of the Company w.e.f. 26th May, 2014 and the Board placed on record its appreciation for the services rendered to the Company.

Ms. Preeti Puri, Company Secretary and Whole-Time Director of the Company resigned from the Company w.e.f. 1st March, 2015 and the Board placed on record its appreciation for the services rendered by her to the Company.

B. Independent Directors and their re-appointment

Mr. Pradip Kumar Banerji and Mr. Shyam Kishore Lal were appointed as Additional Directors of the Company w.e.f. 26th May, 2014 designated as Independent Director. Their appointments were regularized as Independent Director of the Company for the period of 5 years in the 25th Annual General Meeting held on 5th July, 2014.

Mr. Yashjeet Basrar was re-appointed as an Independent Director in the 25th Annual General Meeting held on 5th July, 2014.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement.

PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE

Particulars of loans, investments and guarantees covered under Section 186 of the Companies Act, 2013 are provided in the standalone financial statement (Please refer to Note 2.12 of the standalone financial statement).

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 further comments. Your directors recommend the re-appointment of M/s Krishan K. Gupta & Co., as Statutory Auditors of the company for the financial year 2015-16. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

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 2014-15 and the Secretarial Audit report is being attached with the Directors Report which is self explanatory and needs no further comments. It is proposed to authorize Board of Directors to appoint Practicing Company Secretaries as Secretarial Auditors of the company for the financial year 2015-16.

PUBLIC DEPOSITS

During the year, your Company did not accept 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). The Company is regular in paying Annual Listing Fees and custodian fees to both the depositories namely National Securities Depository Ltd (NSDL) and Central Depository Securities Ltd (CDSL). An Application was submitted to National Stock Exchange (NSE) for listing of Equity Shares of the Company and same was approved by NSE vide its letter dated 26.06.2015. The Company's equity shares were admitted to dealing on NSE with effect from 30th June, 2015.

BOARD MEETINGS

The Board of Directors duly met Six (6) times respectively on 17th April, 2014, 26th May, 2014, 5th July, 2014, 31st July, 2014, 27th October, 2014 and 4th February, 2015 and in respect of which proper notices were given and the proceedings were properly recorded.

CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance Practices and follows the guidelines prescribed by SEBI and Stock Exchanges from time to time. The Company has been implementing all of its major stipulations as applicable to the Company. As required by Clause 49 of the Listing Agreements, a Report on Corporate Governance together with the Certificate in respect of the compliance with the conditions of Corporate Governance issued by Statutory Auditor of the Company is appended and forms an integral part of this report.

CFO/CEO CERTIFICATION

The Company has made regular efforts to appoint Chief Financial Officer. The selected candidate joined the Company on 14th April, 2015. The Chief Financial Officer (CFO) has duly given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement with the Stock Exchanges.

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..

INSURANCE & RISK MANAGEMENT

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

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.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee as also the Board for approval.

Your Directors draw attention of the members to Note-2.22 of the Stand alone financial statements which sets out related party disclosures.

VIGIL MECHANISM

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

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**A. Conservation of Energy**

The Company is engaged in providing financial and e-governance services 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 and spent anything in Foreign Exchange.

PARTICULARS OF EMPLOYEES

None of the employee including managerial personnel has drawn in excess of the limits prescribed under Section 197(12) of Companies act, 2013 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 Director's Report.

COMPOSITION OF VARIOUS COMMITTEES OF THE BOARD

The following Committees of the Board were constituted:

1. Audit Committee

Mr. Yashjeet Basrar- Chairman
Mr. Pradip Kumar Banerji- Member
Mr. Rajeshwar Prasad Agrawal- Member

2. Nomination & Remuneration Committee

Mr. Yashjeet Basrar- Chairman
Mr. Pradip Kumar Banerji- Member
Mr. Rajeshwar Prasad Agrawal- Member

3. Stakeholder Relationship Committee

Mr. Yashjeet Basrar- Chairman
Mr. Shyam Kishore Lal- Member
Mr. Rajeshwar Prasad Agrawal- Member
Mr. Pradip Kumar Banerji- Member

4. Management Committee

Mr. Ankit Agarwal- Chairman
Mr. Rajeshwar Prasad Agrawal- Member
Mr. Yashjeet Basrar- Member

DETAILS OF MANAGERIAL REMUNERATION AS PER SECTION 197 (12)

Details of Ratio of Remuneration of Director and other information as required under Section 197(12) of Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014] is annexed herewith forming part of the Director's Report.

EXTRACT OF THE ANNUAL RETURN

The Extract of the Annual Return in the Form-MGT-9 for the financial year 2014-15 is being annexed and forms 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.

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, 2015, 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, 2015 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, in the case of a listed company 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.

INSIDER TRADING REGULATION

In terms of the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from 15.05.2015, the Board of Directors of the Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive information. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Board has appointed, Company Secretary to act as Compliance Officer under the Code.

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 2014-15:

No. of Complaints received: Nil
No. of Complaints disposed off: Nil

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the support, co-operation and assistance received from investors, business associates, SEBI, NSDL, CDSL, UIDAI, NDML 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**

RAJESHWAR PRASAD AGRAWAL
 CHAIRMAN

DATE: 11.07.2015
 PLACE: New Delhi