



**ALOM EXTRUSIONS LIMITED**

ANNUAL REPORT  
2011 - 2012

**ALOM EXTRUSIONS LIMITED****BOARD OF DIRECTORS :**

- |                               |                                |
|-------------------------------|--------------------------------|
| 1) AJAY PRAKASH JHUNJHUNWALA  | Chairman and Managing Director |
| 2) SIDDHARTHA RAY             | Director                       |
| 3) SHREE PRAKASH JHUNJHUNWALA | Director                       |
| 4) GAURAV BHUWALKA            | Director                       |

**AUDITORS :**

K. PRASAD & COMPANY  
CHARTERED ACCOUNTANTS

**BANKERS :**

INDIAN BANK  
PUNJAB & SIND BANK

**REGISTRAR & SHARE-TRANSFER AGENT :**

NICHE TECHNOLOGIES PVT. LTD.  
D-511 BAGRI MARKET, 71 B.R.B. ROAD  
KOLKATA 700 001  
TEL.: 2235 7270/7271

**REGISTERED OFFICE :**

'ALOM HOUSE'  
7B PRETORIA STREET  
KOLKATA 700 071  
TEL: 2282 2540/8692  
FAX: 0091-33-2282 7305  
E-Mail: [info@alomextrusions.com](mailto:info@alomextrusions.com)  
Website: [www.alomextrusions.com](http://www.alomextrusions.com)

**WORKS - I**

184 J N MUKHERJEE ROAD  
BANDHAGHAT, HOWRAH 711 106  
TEL.: 2655 8344/8658/7555

**WORKS - II**

GANESWARPUR INDUSTRIAL ESTATE  
JANUGANJ, BALASORE (ORISSA)

**BRANCH OFFICE :**

2748/6 CHUNA MANDI  
PAHARGUNJ, NEW DELHI 110 055  
TEL: 0091-11-2358 5878/2356 1746



## ALOM EXTRUSIONS LIMITED

### NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the Members of **ALOM EXTRUSIONS LIMITED** will be held on Saturday, the 30th June, 2012 at 11:00 A.M. at the Registered Office of the Company at "ALOM HOUSE", 7B Pretoria Street, Kolkata - 700 071 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividends for the year ended 31st March, 2012.
3. To appoint a Director in place of Shri Siddhartha Ray who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Shree Prakash Jhunjunwala who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors for the next term and to fix their remuneration.

#### SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:  
"RESOLVED THAT Sri Gaurav Bhuwaka who was appointed an additional director on 31st January, 2012 u/s 260 of the Companies Act, 1956 be and is hereby appointed a director of the company liable to retire by rotation."

#### 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. The proxies should, however, be deposited with the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and the share transfer books of the Company will be closed from 25th June, 2012 to 30th June, 2012 (both days inclusive) for the purpose of dividend and AGM.
3. Explanatory Statement pursuant to section 173 of the Companies Act, 1956 relating to the special business to be transacted at this AGM is annexed.

Registered Office:  
"Alom House"  
7B, Pretoria Street  
Kolkata-700071  
Dated : The 7th June, 2012

By order of the Board

(S.S. Agarwal)  
Company Secretary

#### Explanatory Statement u/s 173(1) of the Companies Act, 1956 Item No. 6

Mr. Gaurav Bhuwaka was appointed an additional director of the company w.e.f. 31st January, 2012. Mr. Bhuwaka is a commerce graduate and an industrialist. He has a wide business experience of 20 years. Your Company will gain benefits of his vast business experience. A Notice u/s 257 of the Companies Act, 1956 has been received from a shareholder proposing candidature of Mr. Bhuwaka for appointment as a director in the company. It is therefore proposed to appoint him as a regular director liable to retire by rotation as per the articles of association of the Company.

Hence the resolution.

Sri A.P. Jhunjunwala, Sri S.P. Jhunjunwala, and Sri Gaurav Bhuwaka himself being the directors are interested in the resolution.

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting their 32nd Annual Report along with the Audited Accounts of your Company for the year ended 31st March 2012.

**FINANCIAL PERFORMANCE**

	FINANCIAL YEAR	
	2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
Income from Operations	18768.15	17733.07
Less: Excise Duty	1632.54	1511.60
Other Income	17135.61	16221.47
Profit before Interest & Depreciation	30.30	18.13
Interest & Financial Charges	651.95	1154.20
Depreciation	392.03	323.18
Profit/(Loss) after Interest & Depreciation	157.14	142.04
Provision for Taxation	102.78	688.98
Deferred Tax Provision	19.85	172.32
Profit/(Loss) after Tax	0.17	17.23
Balance brought forward from last year	82.75	499.43
Balance Available For Appropriation	2165.47	1734.21
	2248.21	2233.64
<b>APPROPRIATIONS</b>		
Transfer to General Reserve	10.00	50.00
Proposed Dividend on Preference Shares	1.80	1.80
Proposed Dividend on Equity Shares	13.78	13.78
Tax on Dividends	2.53	2.59
Balance Carried To Balance Sheet	2220.10	2165.47

**OPERATIONS**

Operations of the Company have been badly affected by the frequent changes in the raw material prices and uncertain pricing policy of its principal raw material producers. Further there has been an abnormal increase in other operational expenses due to which the profits of the Company have reduced substantially. Due to keen competition the market of aluminium extruded products has not responded favourably to the increased cost. However, the volume was maintained to retain the major customers of the Company.



## **ALOM EXTRUSIONS LIMITED**

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### **DIVIDEND**

The financial results of the Company do not support payment of any dividend this year, however, to maintain a track and consistency your directors recommend a dividend of 6% on Equity Shares of the Company after payment of 9% dividend on Preference shares for the current year subject to approval of the shareholders in the ensuing Annual General Meeting.

### **FUTURE PROSPECTS**

Because of gradual decline of margin in the home market your Company is more and more exploring new avenues for export and hope to increase its exports next year. In the home market also new consumers like Solar panel and equipment manufacturers have been approached and supplies have been started to them. With the increased production and use of solar energy in due course your directors see a promising future for the company's products in this area. This will give company an improved margin on its supplies to these customers. As reported last year the Company has made good capital expenditure to cater demands of these customers and favourable results are expected this year.

### **DIRECTORS**

Sri Gaurav Bhuwarka was appointed an additional director u/s 260 of the Companies Act, 1956 effective 31/01/2012 to the date of forthcoming Annual General Meeting of the Company and being eligible has offered himself for appointment as regular director.

Sri B.B.Guha has retired from the directorship w.e.f. 01/02/2012. The Board place on record its sincere appreciation for the valuable services rendered by Mr. Guha during his tenure.

Sri Siddhartha Ray and Sri S.P.Jhunjhwal, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

### **CORPORATE GOVERNANCE**

As the paid up Capital of the Company is less than Rs.5 Crores provisions of section 292A of the Companies Act, 1956 in respect of Audit Committee and implementation of Corporate Governance in terms of Listing Agreement are not applicable to it.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance to the Provisions of Sections 217 (2AA) of the Companies Act, 1956, your Directors wish to place on record:

- i) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such Accounting Policies and applied them consistently and made Judgement 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 that period;
- iii) 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;
- iv) that the Directors had prepared the Annual Accounts on a going concern basis.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed and forms a part of this report.

**AUDITORS' REPORT**

Observation of the Auditors in their report and the relevant notes on the accounts are self-explanatory.

**AUDITORS**

M/s K. Prasad & Company, Chartered Accountants, the existing auditors of the Company retire at the forthcoming Annual General Meeting and offer themselves for reappointment. The Company has received from them requisite certificate pursuant to section 224(1B) of the Companies Act, 1956 together with confirmation to comply with necessary guidelines.

**DEPOSITS**

The Company has not accepted any "Deposits" within the meaning of section 58A and 58AA of the companies Act, 1956 and the Rules framed there under.

**PERSONNEL**

There was no employee of the Company getting remuneration so as to attract the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended as on date.

**APPRECIATION**

Your Directors express their sincere appreciation for the support and contribution extended by the financial Institutions, Bankers, Central and State Governments, Suppliers, Customers and the employees at all levels for their valuable services rendered to the Company.

June 7, 2012  
Registered Office :  
"Alom House"  
7B, Pretoria Street  
Kolkata-700071

For and on behalf of the Board of Directors  
of Alom Extrusions Limited

(A. P. Jhunjhunwala)  
Chairman & Mg. Director

**ALOM EXTRUSIONS LIMITED****STATEMENT OF PARTICULARS UNDER THE COMPANIES  
(DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENERGY :****FORM - A**

The Company has made changes from time to time as required for the conservation of energy by installing new devices and equipment. The information required is presented hereunder:

I. POWER AND FUEL CONSUMPTION		Current Year	Previous Year
1.	Electricity		
(a)	Purchase Units (KWH)	8799175	8517952
	Total Amount (Rs.)	50973688	41490173
	Rate / Unit (Rs.)	5.79	4.87
(b)	Own Generation Units through		
	Diesel generator (KWH)	59299	65754
	Units per Litre of Diesel Oil (KWH)	3.57	2.77
	Cost / Unit (Rs.)	12.32	14.09
2.	Furnace Oil		
	Quantity (Lts)	1656207	1843312
	Total Amount (Rs.)	62697210	52131617
	Average Rate (Rs.)	37.86	28.28
3.	LPG Gas		
	Quantity (Lts)	453311	409380
	Total Amount (Rs.)	24184889	17014241
	Average Rate (Rs.)	53.35	41.56
II.	CONSUMPTION PER UNIT OF PRODUCTION		
	Electricity (KWH)	0.71	0.69
	Furnace Oil (Lts)	0.13	0.15
	LPG Gas (Kg.)	0.04	0.03

**B. TECHNOLOGY ABSORPTION****FORM - B****I. RESEARCH AND DEVELOPMENT**

Research and Development activities have been continued during the year. The Technical Team of the Company has further improved the tools to match the quality of the products with the technical standards and demands of its value added customers both for domestic and overseas markets.

**II. TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION NEW PRODUCTS AND TECHNOLOGY INNOVATION**

1. Installed the state-of-art log heating furnace with hot log shear on 2150 MT Press line which has improved the overall productivity and reduced the operational costs.
2. Modernised handling system associated with 1250 MT Press Lime which has had a direct impact on the product quality and has reduced rejections.
3. Carried out modifications in the melting furnace and subsequent molten metal handling in order to incorporate an improved filtration system to achieve a better quality of logs cast.

**ENERGY SAVING ACTIVITIES**

1. Installed drives on electrical installations to reduce energy consumption.
2. Revamped capacitor banks for optimising the power factor.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a) Activities relating to exports, initiatives taken to increase export, development of new export markets for products and services and export plans -  
The Company continued to maintain focus and avail of export opportunities based on economic consideration.
- b) Total foreign exchange earned - Rs. 607.47 lacs
- c) Total foreign exchange used - Rs. 197.28 lacs

June 7, 2012  
Registered Office :  
"Alom House"  
7B, Pretoria Street  
Kolkata-700071

For and on behalf of the Board of Directors  
of Alom Extrusions Limited

(A. P. Jhunjunwala)  
Chairman & Mg. Director



## AUDITORS' REPORT

To the Members of  
**ALOM EXTRUSIONS LIMITED**

1. We have audited the attached Balance Sheet of ALOM EXTRUSIONS LIMITED as at 31st March, 2012 and the annexed Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by Central Government of India in terms of sub-section (4A) of section 227 of The Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of 'The Act'.
  - e) On the basis of written representations received from the Directors of the Company as at 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified from being appointed as Director of the Company u/s 274(1)(g) of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Schedule - 25 and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
    - ii) In the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date, and
    - iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Kolkata,  
The 7th day of June, 2012

For K. Prasad & Company  
Chartered Accountants  
Rajesh Jalan  
Partner  
Membership No. 55232  
Firm Regn. No. 303062E





## ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date on the accounts of  
**ALOM EXTRUSIONS LIMITED**, for the year ended on 31st March, 2012)

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.  
(b) The fixed assets of the Company have been physically verified during the year by the management and no material discrepancies between the book record and the physical verification have been noticed.  
(c) The Company has not disposed off substantial part of fixed asset during the year and going concern status of the Company is not affected.
2. (a) The Inventories have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verifications of Inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper record of its inventories and no discrepancy noticed on physical verification.
3. The company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in register maintained u/s 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods.
5. (a) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements, that needs to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion and according to the information and explanation given to us, these transactions have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposit within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion, the internal audit system of the Company is commensurate with the size of the Company and nature of its business.
8. Cost records and accounts as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act, prima-facie are being maintained by the company, however the same needs updation. Though we have examined such books and records however, we have not made any detailed examination with a view to determine whether they are accurate or complete.
9. a) According to the records, the Company is regular in depositing undisputed statutory dues including Provident Funds, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.



**ANNEXURE TO THE AUDITOR'S REPORT (Contd.)**

b) The disputed statutory dues on account of matters pending before the appropriate authorities are as under :

Assessment Year to which Relates	Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Forum where the Dispute is pending
2008 - 09	Central Sales Tax, 1956	Sales Tax	8.05	Case under Appellate at South Circle, Kolkata
2005 - 06	West Bengal VAT Act, 2003	- Do -	Unascertained	Under Appellate & Revision Board
2006 - 07	- Do -	- Do -	- Do -	- Do -
2006 - 07	Central Sales Tax Act, 1956	- Do -	- Do -	- Do -
2007 - 08	West Bengal VAT Act, 2003	- Do -	- Do -	- Do -
2008 - 09	- Do -	- Do -	- Do -	Case under Appellate at South Circle, Kolkata

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit nor in the immediately preceding financial year.
11. The Company has not defaulted in payment of dues to a financial institution or bank or debenture-holders.
12. The Company has not granted loans and advances on the basis of security by way of pledge of share, debentures and other similar securities.
13. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Society are not applicable to this Company.
14. The Company has maintained proper records of purchases and sales of shares, securities, debentures or other investments. However, the investments made by the Company in shares and other securities have been held by the Company in its own name.
15. According to the information and explanation given to us the company has not given any guarantee for loans taken by others from banks or financial institutions excepting Quantum EURO 18.16 lac continuing from previous year.
16. On the basis of our examination and according to the information and explanation given to us, the term loans have been applied for the purpose for which the loans were obtained.
17. On the basis of our examination and according to the information and explanation given to us, the funds raised on the short-term basis have not been used for long-term investment and vice versa.
18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any secured debentures during the Year.
20. The Company has not raised any money during the year by public issue.
21. As per the information and explanations given by the management, no fraud on or by the Company has been noticed or reported during the year.

Kolkata,  
The 7th day of June, 2012

For K. Prasad & Company  
Chartered Accountants  
**Rajesh Jalan**  
Partner  
Membership No. 55232  
Firm Regn. No. 303062E

**ALOM EXTRUSIONS LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2012**

₹ (in Lacs)

PARTICULARS	Note No.	As at 31-03-2012		As at 31-03-2011
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	1	249.76	249.76	
Reserves and Surplus	2	<u>5948.61</u>	<u>6198.37</u>	<u>5995.93</u>
				6245.69
<b>Non-Current Liabilities</b>				
Long Term Borrowings	3	290.56	296.98	
Other Long Term Liabilities	4	10.15	6.80	
Long Term Provisions	5	<u>384.54</u>	<u>685.26</u>	<u>209.98</u>
				513.76
<b>Current Liabilities</b>				
Short term Borrowings	6	1322.10	653.18	
Trade Payables	7	2824.98	2871.98	
Other Current Liabilities	8	720.37	665.36	
Short Term Provisions	9	<u>43.81</u>	<u>4911.26</u>	<u>195.98</u>
				4386.49
<b>TOTAL</b>			<u><u>11794.89</u></u>	<u><u>11145.94</u></u>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
<b>Fixed Assets</b>				
(i) Tangible Assets	10	4534.41	4559.96	
(ii) Intangible Assets		7.76	9.29	
Investments	11	187.38	279.80	
Deferred Tax Assets (Net)		104.48	104.66	
Other Non-current Assets	12	<u>10.62</u>	<u>4844.66</u>	<u>19.90</u>
				4973.61
<b>Current assets</b>				
Inventories	13	1809.07	1749.38	
Trade Receivables	14	1785.17	1623.32	
Cash and Cash equivalents	15	311.43	216.99	
Short-term Loans and Advances	16	2003.41	1757.24	
Other Current Assets	17	<u>1041.16</u>	<u>6950.23</u>	<u>825.40</u>
				6172.33
<b>TOTAL</b>			<u><u>11794.89</u></u>	<u><u>11145.94</u></u>
Notes on Accounting Policies & Other Notes	25			

As per our Report attached.  
For K.PRASAD & CO.  
Chartered Accountants  
Rajesh Jalan  
Partner

Kolkata, the 7th day of June, 2012.

On Behalf of the Board of Directors  
of Alom Extrusions Limited

Ajay Prakash Jhunjhunwala  
Shree Prakash Jhunjhunwala

Chairman & Mg. Director  
Director

S. S. Agarwal

C.F.O. & Co. Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

PARTICULARS	Note No.	For the year ended	
		March 31, 2012	March 31, 2011
<b>INCOME</b>			
Revenue from Operations	18	17135.61	16221.47
Other Income	19	30.31	18.13
<b>Total Revenue</b>		<b>17165.92</b>	<b>16239.60</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	20	13328.95	11930.23
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	-172.09	222.85
Employees' Benefit Expenses	22	773.72	631.49
Finance Costs	23	392.03	323.18
Depreciation and Amortization Expense		157.14	142.04
Other Expenses	24	2583.39	2300.83
<b>Total Expenses</b>		<b>17063.14</b>	<b>15550.61</b>
<b>Profit before Tax</b>		<b>102.78</b>	<b>688.98</b>
<b>Tax Expense:</b>			
Current Tax		19.86	172.32
Deferred Tax		0.18	17.23
<b>Profit after Tax for the year</b>		<b>82.75</b>	<b>499.43</b>
<b>Earnings per Equity Share:</b>			
Basic & Diluted		3.52	21.66
Notes on Accounting Policies & Other Notes	25		

As per our Report attached.  
For **K.PRASAD & CO.**  
Chartered Accountants  
Rajesh Jalan  
Partner

Kolkata, the 7th day of June, 2012.

On Behalf of the Board of Directors  
of Alom Extrusions Limited

Ajay Prakash Jhunjhunwala *Chairman & Mg. Director*  
Shree Prakash Jhunjhunwala *Director*

S. S. Agarwal *C.F.O. & Co. Secretary*



**ALOM EXTRUSIONS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE - 1 SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
36,60,000 Equity Shares of Rs.10/- each	366.00	366.00
2,00,000 Non-Cumulative Redeemable Preference Shares Rs.10/- each	20.00	20.00
	<u>386.00</u>	<u>386.00</u>
<b>Issued, Subscribed and Paid up:</b>		
22,97,575 Equity Shares of Rs.10/- each fully paid up	229.76	229.76
2,00,000 - 9% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	20.00	20.00
	<u>249.76</u>	<u>249.76</u>

Shares held more than 5% by each shareholder

	No. of Shares	%	No. of Shares	%
1. Mr. A. P. Jhunjhunwala	591313	25.74%	591313	25.74%
2. Mr. S. P. Jhunjhunwala	460155	20.03%	460155	20.03%
3. M/s. S. R. Enclave Pvt. Ltd.	210000	9.14%	210000	9.14%
4. Mrs. K. D. Jhunjhunwala	179401	7.81%	179401	7.81%
5. Mrs. A. Jhunjhunwala	136442	5.94%	136442	5.94%
	<u>1577311</u>	<u>68.65%</u>	<u>1577311</u>	<u>68.65%</u>

**NOTE - 2 RESERVES AND SURPLUS**

Capital Reserve As per last A/c.				
Securities Premium Account As per last A/c.		33.58		33.58
Amalgamation Reserve As per last A/c.		532.22		532.22
Revaluation Reserve As per last A/c.		446.68		446.68
Less: Transferred to Depreciation on Revaluation Account	2667.98		2779.83	
General Reserve As per last A/c.	<u>111.95</u>	2556.03	<u>111.86</u>	2667.98
Add : Transferred from Profit & Loss Account	150.00		100.00	
Profit and Loss Account As per last A/c.	<u>10.00</u>	160.00	<u>50.00</u>	150.00
Add : Profit/(loss) for the year	2165.46		1734.21	
Less : Appropriations	<u>82.75</u>	2248.21	<u>499.43</u>	2233.64
Transferred to General Reserve	10.00			
Proposed Dividend on Equity Share	13.79		50.00	
Proposed Dividend on Preference share	1.80		13.79	
Tax on Dividend	2.53		1.80	
	<u>28.11</u>		<u>2.59</u>	68.17
	<u>5948.61</u>		<u>5995.93</u>	

Cumulative amount utilised on account of Depreciation on Revaluation is Rs.44754868/- as on 31/03/2012 and Rs.33559848/- upto 31/03/2011

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE - 3 LONG TERM BORROWINGS</b>		
<b>(a) Secured Loans</b>		
Term Loan From Bank	238.57	236.80
Car Loan from Bank	17.51	15.82
<small>(Term Loan from Bank is secured by hypothecation of Plant &amp; Machineries purchased from the said loan and Car Loan is secured by Hypothecation of Vehicles which were purchased from the said loan).</small>		
<b>(b) Deferred Payment Liabilities</b>		
Deferment of Sales Tax	34.48	44.37
	<u>290.56</u>	<u>296.98</u>
<b>NOTE - 4 OTHER LONG TERM LIABILITIES</b>		
Trade Payables	<u>10.15</u>	<u>6.80</u>
<b>NOTE - 5 LONG TERM PROVISIONS</b>		
Provision for Employees' Benefits	9.47	6.89
Provision for Income Tax	372.10	200.10
Provision for Wealth Tax	0.04	0.05
Provision for Fringe Benefit Tax	2.93	2.93
	<u>384.54</u>	<u>209.98</u>
<b>NOTE - 6 SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
<b>Working Capital Loans</b>		
Indian Bank (Cash Credit)	—	102.83
Punjab & Sind Bank(Cash Credit)	250.89	-118.07
Punjab & Sind Bank(Packing Credit)	32.45	—
Punjab & Sind Bank (Foreign bills)	128.73	27.54
Punjab & Sind Bank (Inland Bills)	121.96	128.99
	534.03	141.28
<small>(Working capital facilities from bank are secured by hypothecation of Inventories, Book Debts, Other Receivables, present &amp; future, and also by additional charge on Factory Land, Building and Plant &amp; Machinery and personal guarantee of two of the Directors of the Company.)</small>		
<b>Unsecured loans</b>		
From Bodies Corporate	788.07	494.90
From others	—	17.00
	<u>788.07</u>	<u>511.90</u>
	<u>1322.10</u>	<u>653.18</u>
<b>NOTE - 7 TRADE PAYABLES</b>		
Sundry Creditors for goods and services	<u>2824.98</u>	<u>2871.98</u>

**ALOM EXTRUSIONS LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012** ₹ (in Lacs)

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE - 8 OTHER CURRENT LIABILITIES</b>		
Indian Bank (Overdrawn Bank Balance)	126.06	-
Advance from Customers	404.59	454.01
Advance from Others	2.50	-
Statutory Liabilities	15.82	31.84
Liability for Expenses	171.41	179.50
	<u>720.37</u>	<u>665.36</u>
<b>NOTE - 9 SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits	5.84	5.48
Provision for Proposed Dividend	15.59	15.59
<b>Provision for Current Tax:</b>		
Provision for Income Tax	19.45	172.00
Provision for Wealth Tax	0.41	0.32
Tax on Dividend	2.53	2.59
	<u>43.81</u>	<u>195.98</u>
<b>NOTE - 10 FIXED ASSETS</b>		
<b>TANGIBLE ASSETS</b>		
Land	631.00	631.00
Buildings	895.94	925.10
Plant & Machineries	2710.82	2712.12
Electrical Installations	102.19	102.69
Vehicles	96.46	87.60
Office Equipments	66.26	67.23
Furniture and Fixtures	31.74	34.23
	<u>4534.41</u>	<u>4559.96</u>
<b>INTANGIBLE ASSETS</b>		
Computer Software	<u>7.76</u>	<u>9.29</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

**NOTE - 10.1 FIXED ASSETS**

Description	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As on 01.04.11	Additions during the year	Deletion during the year	As on 31.03.12	Upto 01.04.11 Revaluation	On Revaluation	For the Year	Adjustments	Upto 31.03.12	As on 31.03.12	As on 31.03.11
<b>A. TANGIBLE ASSETS :</b>											
LAND	631.00	-	-	631.00	-	-	-	-	-	631.00	631.00
BUILDING	1058.75	5.55	-	1064.30	133.65	22.93	11.78	-	168.36	895.94	925.10
PLANT & MACHINERY	3774.45	200.93	1.10	3974.28	1,062.33	87.40	113.73	-	1,263.46	2710.82	2712.12
ELECTRICAL INSTALLATIONS	151.38	6.57	-	157.95	48.69	1.16	5.92	-	55.77	102.19	102.68
VEHICLES	139.29	27.05	11.91	154.43	51.69	0.03	13.47	7.23	57.96	96.46	87.60
OFFICE EQUIPMENTS	114.47	6.66	-	121.13	47.24	0.43	7.20	-	54.87	66.26	67.23
FURNITURE & FIXTURES	62.42	1.04	-	63.46	28.19	-	3.52	-	31.71	31.74	34.23
<b>TOTAL ::</b>	<b>5931.76</b>	<b>247.80</b>	<b>13.01</b>	<b>6166.55</b>	<b>1,371.80</b>	<b>111.95</b>	<b>155.62</b>	<b>7.23</b>	<b>1,632.14</b>	<b>4534.41</b>	<b>4559.96</b>
<b>PREVIOUS YEAR ::</b>	<b>5699.88</b>	<b>232.32</b>	<b>0.44</b>	<b>5931.76</b>	<b>1,118.03</b>	<b>111.86</b>	<b>141.92</b>	<b>0.01</b>	<b>1,371.80</b>	<b>4559.96</b>	
<b>B. INTANGIBLE ASSETS :</b>											
COMPUTER SOFTWARE	9.54	-	-	9.54	0.26	-	1.53	-	1.78	7.76	9.26
<b>PREVIOUS YEAR ::</b>	<b>0.15</b>	<b>9.39</b>	<b>-</b>	<b>9.54</b>	<b>0.14</b>	<b>-</b>	<b>0.11</b>	<b>-</b>	<b>0.26</b>	<b>9.29</b>	
<b>TOTAL OF (A) + (B) ::</b>	<b>5941.30</b>	<b>247.80</b>	<b>13.01</b>	<b>6176.09</b>	<b>1,372.06</b>	<b>111.95</b>	<b>157.14</b>	<b>7.23</b>	<b>1,633.92</b>	<b>4542.17</b>	<b>4569.26</b>
<b>PREVIOUS YEAR ::</b>	<b>5700.03</b>	<b>241.72</b>	<b>0.44</b>	<b>5941.30</b>	<b>1,118.18</b>	<b>111.86</b>	<b>142.04</b>	<b>0.01</b>	<b>1,372.06</b>	<b>4569.25</b>	




**ALOM EXTRUSIONS LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	Face Value	As at 31.03.2012		As at 31.03.2011	
		Nos.	Amount	Nos.	Amount
<b>NOTE NO. 11 – INVESTMENTS</b>					
<b>INVESTMENTS IN EQUITY INSTRUMENTS</b>					
<b>(A) QUOTED (TRADE)</b>					
31 Infotech Ltd.	10	8000	5.46	8000	5.46
Anant Raj Industries Ltd.	2	-	-	3000	2.53
Century Extrusions Ltd.	1	36885	1.65	12885	0.76
Cosmo Films Ltd.	10	2000	2.09	2000	3.13
CRB Corporation Ltd.	10	5200	0.68	5200	0.68
Denso India Ltd.	10	2000	1.87	2000	1.87
Electrosteel Steels Ltd.	10	160000	14.48	110000	10.89
Facor Steels Ltd.	1	13000	0.61	13000	0.61
Godawari Power & Ispat Ltd.	10	-	-	1500	2.73
Grapco Industries Ltd.	10	2000	0.09	2000	0.09
HBL Power Systems Ltd.	1	20000	6.66	18000	7.07
Hindalco Industries Ltd	1	8000	10.43	-	-
IFCI Ltd.	10	4000	2.39	4000	2.39
IKF Technologies Ltd.	1	2000	0.16	2000	0.16
J. K. Synthetics Ltd.	10	4500	0.45	4500	0.45
JMC Projects (India) Ltd.	10	-	-	1500	2.57
Kitply Industries Ltd.	10	1900	0.27	1900	0.27
Landmark Property Development Company Ltd	1	8893	-	8893	-
Mahanagar Telephone Nigam Ltd.	10	35000	23.61	35000	23.61
Malanpur Steels Ltd.	10	7852	1.29	7852	1.29
Mangalore Chemicals & Fertilizers Ltd.	10	-	-	10000	4.18
Money Matters Financial Services Ltd	10	1000	1.11	-	-
MSP Steel & Power Ltd.	10	-	-	3000	2.05
National Aluminium Co. Ltd	5	13000	8.34	-	-
Navin Fluorine International Ltd.	10	-	-	2500	6.83
Reliance Power Ltd.	10	17000	17.25	29256	49.20
Satyam Computer Services Ltd.	2	-	-	16000	11.12
Sesa Goa Ltd.	1	5000	9.72	-	-
Silverline Animation Technology Ltd	10	600	-	600	-
Sterling Biotech Ltd.	1	10000	1.43	-	-
Super Forgings & Steels Ltd.	10	500	0.02	500	0.02
Suzlon Energy Ltd.	2	39000	17.52	37000	19.25
Tai Chonbang Textile Ltd.	10	20000	0.61	20000	0.61
Teledata Informatics Ltd	2	5000	0.28	5000	0.28
Teledata Marine Solutions Ltd	10	8000	-	8000	-
Teledata Technology Solutions Ltd.	2	8000	-	8000	-
Texmaco Infrastructure & Holdings Ltd	1	-	-	1000	1.73
Texmaco Rail & Engineering Ltd.	1	-	-	1000	-
Uniworth International Ltd.	10	2000	0.20	2000	0.20
Uniworth Ltd.	10	56000	1.47	100800	11.67
Uniworth Textile Ltd.	10	25650	1.38	30600	3.92
<b>TOTAL OF (A) ::</b>			<b>131.50</b>		<b>177.62</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012** ₹ (in Lacs)

	Face Value	As at 31.03.2012		As at 31.03.2011	
		Nos.	Amount	Nos.	Amount
<b>NOTE NO. 11 – INVESTMENTS (Contd.)</b>					
<b>(B) INVESTMENT IN ASSOCIATES</b>					
Uniwears Limited	10	-	-	100,000	10.00
Alom Housing & Infrastructure Ltd.	10	402,900	6.04	402,900	6.04
Alom Poly Extrusions Ltd.	10	122,400	1.84	122,400	1.84
Jams Builders Pvt. Ltd.	10	50,000	0.75	50,000	0.75
Mansion House Properties Pvt. Ltd.	10	-	-	160,000	5.80
Multitech Merchandise Pvt. Ltd.	10	-	-	4,000	2.00
Tasu Estate Pvt. Ltd.	10	-	-	12,000	6.00
Ajaygarh Commotrade Pvt Ltd	10	20,000	2.00	20,000	2.00
Rajahbhat Tea Co. Ltd.	10	45,250	45.25	67,750	67.75
<b>TOTAL OF (B) ::</b>			<u>55.88</u>		<u>102.18</u>
<b>TOTAL OF (A) + (B) ::</b>			<u>187.38</u>		<u>279.80</u>

- Notes :**
- 1) Aggregate Market value of quoted investments is Rs. 94.84 Lacs (Previous Year Rs. 132.41 Lacs) which includes Equity shares amounting to Rs.6.45 lacs, in respect of which Book value has been taken as Market value in absence of the market price as on 31.03.2012
  - 2) 8893 Equity shares of Landmark Properties Ltd have been allotted against Equity shares of OCL India Ltd pursuant to a scheme of Arrangement approved by the Hon'ble High Court, hence the cost of above shares has been taken as Nil.
  - 3) 600 Equity shares of Silverline Animation Technology Ltd have been allotted against Equity shares of Silverline Technology Ltd. pursuant to a scheme of Arrangement approved by the Hon'ble High Court, hence the cost of above shares has been taken as Nil.
  - 4) 8000 Equity shares of Teledata Marine Solutions Ltd and Teledata Technology Solutions Ltd. each have been allotted against Equity shares of Teledata Informatics Ltd pursuant to a scheme of Arrangement approved by the Hon'ble High Court, hence the cost of above shares has been taken as Nil.

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE -12 OTHER NON CURRENT ASSETS</b>		
Trade Receivables (Unsecured, Considered Good)	6.97	15.96
Advance to Suppliers	1.51	2.16
DEPB Receivables	0.07	0.07
Others :		
Advance to Staff	0.86	0.32
Security Deposit - Others	0.45	0.45
Sales Tax Security Deposit (Suppliers)	0.76	0.74
Prepaid Expenses	2.07	0.20
	<u>10.62</u>	<u>19.90</u>

<b>NOTE -13 INVENTORIES</b>		
<b>(As taken, valued &amp; certified by the Management)</b>		
Raw Materials- At lower of Cost or NRV	533.45	627.14
Work-in-Progress - At Cost or market value whichever is lower	656.41	396.14
Finished Goods -At Cost or market value whichever is lower	235.26	346.31
Stores & Spare Parts -At Cost	383.96	379.79
	<u>1809.07</u>	<u>1749.38</u>

**ALOM EXTRUSIONS LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE -14 TRADE RECEIVABLES</b>		
(Unsecured - Considered Good)		
Sundry Debtors :		
Outstanding over six months	4.07	2.91
Others	1781.10	1620.41
	<u>1785.17</u>	<u>1623.32</u>
<b>NOTE - 15 CASH AND CASH EQUIVALENTS</b>		
Margin money with Bank in FDR		
Maturity more than 12 months	216.94	185.23
Maturity within 12 months	88.32	5.31
Balances with Banks in Current Accounts	4.60	16.60
Cash in Hand	1.57	9.85
	<u>311.43</u>	<u>216.99</u>
<b>NOTE - 16 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured - Considered Good)		
Deposits :		
Entry Tax Appeal Deposit	3.40	3.40
CST Appeal Deposit	18.00	18.00
Security Deposit with NESCO	41.98	40.59
Earnest Money Deposits	3.63	1.63
Security Deposits with CESC	0.45	0.45
Cenvat Deposit against Appeal	7.97	-
Advances:		
Advance to Suppliers	49.40	232.99
Advance to Others	16.27	0.94
Advance to Staff	1.51	8.01
Income Tax Deducted at Source	40.40	29.10
Income tax paid in Advance	395.32	287.26
Other Loans and Advances (recoverable in cash or in kind or for value to be received)	1425.05	1134.88
[ For related parties refer Note : II (3) ]		
	<u>2003.41</u>	<u>1757.24</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE - 17 OTHER CURRENT ASSETS</b>		
DEPB Receivables	6.36	-
Duty Drawback Receivables	19.76	-
DEPB in Hand	10.16	16.57
Central Excise	62.50	49.51
Custom Duty	-	0.42
VAT Receivable	774.42	620.38
Entry Tax Receivable	156.98	130.51
Interest Receivable from NESCO	2.50	3.44
Prepaid Expenses	3.07	2.40
Discount Receivable	5.42	2.18
	<u>1041.16</u>	<u>825.40</u>

**NOTE - 18 REVENUE FROM OPERATIONS**

Sale of Products			
Domestic Sale	17278.67		15986.55
Export Sale	1053.17		1358.54
Job Work / Conversion Charges	436.32		387.98
(TDS Rs. 870828/-, P/Y - Rs.716011/-)	<u>18768.16</u>		<u>17733.07</u>
Less: Excise Duty	1632.54		1511.80
	<u>17135.61</u>		<u>16221.47</u>

**NOTE - 19 OTHER INCOME**

Export Incentive		55.23		16.45
Interest Income				
(Gross, TDS Rs.224801/- P/Y : Rs.262836/-)				
Against FDR with Banks	21.07		17.63	
Others	<u>4.41</u>	25.48	<u>10.31</u>	27.94
Dividend Income		0.71		0.83
Net Gain on Sale of Investments		18.18		5.44
Foreign Exchange Gain / (Loss) (Net)		2.43		-3.68
Previous year adjustment (Net)		-0.30		0.90
Insurance Claim (Net)		0.21		0.00
Misc Income		5.70		0.79
Liability no longer required written back		10.92		0.00
Profit/(loss) on Speculative Transactions		-87.28		-30.54
Profit/(Loss) on Sale of Fixed Assets		-1.00		0.00
		<u>30.31</u>		<u>18.13</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	AS AT 31.03.2012		AS AT 31.03.2011
<b>NOTE - 20 COST OF MATERIALS CONSUMED</b>			
Raw Materials			
Opening Stock	627.14		
Purchases	<u>13235.26</u>		
		441.72	
		<u>12115.65</u>	
Less : Closing Stock		13862.40	12557.37
		533.45	627.14
<b>Total ::</b>		<u>13328.95</u>	<u>11930.23</u>
<b>NOTE - 21</b>			
<b>CHANGE IN INVENTORIES OF FINISHED GOODS, AND WORK-IN PROGRESS</b>			
Inventories (At close)			
Work in Progress	656.41		396.14
Finished Goods(Inclusive of Excise duty)	<u>235.26</u>	891.66	<u>346.31</u>
			742.45
Inventories (At commencement)			
Work in Progress	396.14		654.78
Finished Goods	346.31		331.55
Excise Duty	<u>-22.87</u>	719.57	<u>-21.02</u>
		<u>-172.09</u>	965.30
			<u>222.85</u>
<b>NOTE - 22 EMPLOYEES' BENEFIT EXPENSES</b>			
Salaries and Wages		670.14	544.70
Staff Welfare Expenses		13.90	10.45
Contributions to Provident and Other Funds			
To Provident Fund	26.88		22.48
To Pension Fund	14.75		13.24
To E S I C	19.87		16.62
To Gratuity & Labour Welfare Fund	<u>12.54</u>	74.04	<u>12.41</u>
Directors Remuneration and Perquisites		15.64	64.75
			11.58
		<u>773.72</u>	<u>631.49</u>
<b>NOTE - 23 FINANCE COST</b>			
Interest Expense			
To Bank	297.31		200.02
To Others	<u>34.91</u>	332.22	<u>66.31</u>
Other Financial Charges		59.81	266.33
		<u>392.03</u>	<u>56.85</u>
			<u>323.18</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

₹ (in Lacs)

	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE - 24 OTHER EXPENSES (MANUFACTURING, SELLING &amp; ADMINISTRATIVE EXPENSES)</b>		
Consumption of Stores and Spare Parts	389.78	371.17
Power and Fuel	1490.73	1205.70
Rent	4.08	3.88
Labour and Processing Charges	250.04	258.46
Repairs & Maintenance		
To Machinery	19.81	11.34
To Building	8.63	8.94
Annual Maintenance Charges	2.61	1.75
Others	5.74	4.57
Insurance	5.01	26.59
Rates & Taxes	6.46	4.11
Sales Promotion Expense	71.05	3.40
Advertisement	2.55	18.16
Travelling & Conveyance Expense	46.04	4.03
Communication Expense	10.87	49.08
Internal Audit Fees	2.80	8.48
Statutory Audit Fees		2.80
For Statutory Audit	0.55	0.55
For Tax audit	0.25	0.25
Donation	1.28	0.80
Discount on Sales	123.29	1.85
Commission on Sales	9.30	172.34
Carriage Outward	47.56	35.28
Expenses related to Export / Import	14.00	62.58
Sundry Balances written-off (Net)	8.93	13.42
Security Service Charges	21.11	-1.26
Misc. Expenses	40.92	19.35
	<u>2583.39</u>	<u>2300.83</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012****NOTE - 25****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****1) SIGNIFICANT ACCOUNTING POLICIES:**

- a) **Basis for Accounting** : The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting following generally accepted accounting principles in India and comply with the Accounting Standards presented by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 to the extent applicable. All the assets and liabilities have been classified as current and non current as per the normal operating cycle and other criteria set out in Schedule VI to the companies Act, 1956.
- b) **Use of Estimates** : The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.
- c) **Fixed Assets**: Fixed assets are valued at cost (net of CENVAT availed on capital Goods) less accumulated depreciation. Depreciation is provided under the straight Line Method on continuous process on Plant & Machinery and on other assets at the rates prescribed in Schedule XIV of the Companies Act, 1956. In case of Revalued assets depreciation on revaluation is provided from accumulated Revaluation Reserve.
- d) **Investments** : Investments are classified into current and long-term investments. Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost
- e) **Inventories** :
  - i) Raw materials and stores & spare parts are valued at lower of cost or net realisable value.
  - ii) Finished goods and stock in process are valued at lower of cost or net realisable value.
  - iii) Stock lying with the Consignment Agent and Branch are valued at cost.
- f) **Revenue Recognition** : The sale is accounted for at the point of transferring of property in the goods to the buyer and for other income when it accrues.
- g) **Sales**: Sales are recognized when property in goods passes on to the buyer. Sales are reported inclusive of Excise Duty and exclusive of Return and Sales Tax/VAT
- h) **Excise Duty**: Excise Duty charged and recoverable is included in the Sales value. Excise Duty paid on removal of goods is shown separately as expense. Excise Duty on the closing stock of the Finished Goods is provided for and added to the valuation of the same.
- i) **Retirement Benefits** : Contribution to Provident Fund and Pension Fund are provided in the accounts and payments are made to respective account. Gratuity and Leave encashment are accounted for as and when paid.
- j) **Foreign Currency Expenditure**: Foreign Currency Expenditure is accounted for at the rates prevailing on the date of remittance. If any outstanding payments are settled before finalisation of accounts, the same is adjusted on the basis of the rate prevailing on the date of payment. In cases involving payments after finalisation of accounts, the same is accounted for at prevailing exchange rate at the year-end.
- k) **Impairment of Assets** : An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
- l) **Preliminary Expenses** : Preliminary Expenses are being written-off over a period of 5 years.
- m) **Provisions, Contingent Liabilities & Contingent Assets** : Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources, Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.
- n) **Taxation** : Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**


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**NOTE - 25 (Contd.)**
**ii) NOTES TO ACCOUNTS**
**Contingent liability not provided in respect of:**

- a) Letter of Credit issued by Banks on behalf of the Company is Rs.2609.12 Lacs (Previous Year Rs.2635.32 Lacs) against which Rs.260 Lacs (Previous Year Rs.142.86 Lacs) have been deposited with bank as margin money in the form of Fixed Deposit.
  - b) The company has provided Bank Guarantee amounting to Rs.198.15 lacs out of which Rs.40.83 lacs to CESC towards maintenance of Security Deposit, Rs.4.69 lacs to Commissioner of Customs, Rs.30.42 lacs to M.S.R.T. Corporation and Rs.122.21 lacs to Vedanta Aluminium Limited against which Rs.36.15 lacs have been deposited with bank as margin money in the form of Fixed Deposit.
  - c) Company has extended Corporate Guarantee in favour of EDC towards equipment loan given to M/s. Alom Poly Extrusions Limited (quantum EURO 18.16 lacs).
2. Payments against supplies from small scale & ancillary undertaking are generally made in accordance with agreed terms and to the extent ascertained from available information, there was no material amount overdue in this regard. Amount outstanding more than 45 days after receipts of materials and exceeding of Rs. 1 Lac is Rs. NIL.

**3. Related Party Disclosures :**

Associate Company	Universal Machines Limited
	Alom Poly Extrusions Limited
	Uniworth Limited
Companies in which Directors Relatives are interested	
Companies in which Directors are interested	Simco Commotrade Pvt. Ltd.
	Jams Builders Pvt. Ltd.
	S. R. Enclave (P) Ltd.
	Evergreen Sales Pvt. Ltd.
	Cold Gold Syntex (P) Ltd.
	Uniwears Ltd.
	Bhagirathi Estates Pvt. Ltd.
	Sati Development Pvt. Ltd.
	Krypton Agencies Pvt. Ltd.
	Gravity Merchandise Pvt. Ltd.
	Jiwan Gouri Properties Pvt. Ltd.
	Coronation Commerce Pvt. Ltd.
	Syncox Traders Pvt. Ltd.
	Sweet Home Projects Pvt. Ltd.
	Tasu Estates Pvt. Ltd.
	S. R. Niketan Pvt. Ltd.
	S. R. Enclave Pvt. Ltd.
	Exchange Suits Pvt. Ltd.
	Mansion House Properties Pvt. Ltd.
	Alom Housing & Infrastructure Limited
	Rajabhat Tea Company Limited
Key Managerial Personnel	Sri A. P. Jhunjunwala
	Sri S. P. Jhunjunwala



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

**NOTE - 25 (Contd.)**

a) Details of Transactions: Particulars	Associate Company Interested	(Rs. in Lacs) Key Managerial Personnel
Sales *		-
Purchases **	103.83	-
Services Rendered	9.63	-
Services Received	1.63	-
Rent Paid	177.76	-
Rent Received	0.12	-
Advances	0.60	1.20
	1396.08	-
* Sales include DEPB Licence sale amounting to Rs.6.36 lacs		
** Purchases include purchase of machine amounting to Rs.3.11 lacs and DEPB Licence amounting to Rs.6.52 lacs		
b) (i) Remuneration / Perquisites paid to Directors : Rs.15.64 Lacs (Previous Year Rs.11.57 Lacs)		
(ii) Meeting Fees paid to Directors: Rs.0.18 Lacs (Previous Year Rs.0.24 Lacs)		
4) Deferred Income Tax :		
In Compliance with the Accounting Standard (AS-22) Deferred Tax Liability has been calculated as follows:		
Deferred Tax Asset/(Liability)	<u>31/03/2012</u>	<u>31/03/2011</u>
-on Losses & unabsorbed depreciation c/f	104.65	121.88
Less : Deferred Tax Assets on Unabsorbed depreciation	20.72	-
Less : Deferred Tax Liability on difference between depreciation as per books vis-à-vis as per Income Tax Act	(20.89)	17.23
	<u>104.48</u>	<u>104.65</u>
5) Earning Per Share (EPS) :		
Particulars		
Profit / ( Loss ) after tax (Rs.in Lacs)	82.75	499.43
Less : Preference Dividend (Rs. In Lacs)	1.80	1.80
No. of Equity Shares	2297575	2297575
Nominal value of shares (Rs.)	10	10
Basic / Diluted EPS (₹)	3.52	21.66
6) Calculation of Net Profit :		
Profit before Taxation(Rs./Lacs)	102.78	688.98
Add : Loss/(Profit) on Sale/discarding of Fixed Assets	0.99	-
: Loss on Derivative Transaction	87.28	30.54
: Directors' Remuneration	15.63	11.57
	<u>206.68</u>	<u>731.09</u>
Less : Profit/(Loss) on sale of Investments	18.18	5.44
Net Profit for the year	<u>188.50</u>	<u>725.65</u>

- 7) Deferred Sales Tax Liability amounting to Rs.163.41 lacs has been net-off with VAT Receivable amounting to Rs.125.62 lacs and Turnover Tax amounting to Rs.3.31 lacs.
- 8) Segment Reporting:  
The company operates mainly in the manufacturing of Aluminium Extrusions, Shapes & Sections. Accordingly, there are no separate reportable segments as per Accounting Standards 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.
- 9) Purchase of materials/ service rendered by Alom Extrusions Ltd. -Unit-II (erstwhile OEL Extrusions Limited) is Rs.33.36 lacs and service received by Alom Extrusions Limited (Unit-I) is Rs.0.37 lacs as part of Inter-Unit transactions.
- 10) In compliance of Accounting Standard AS-15 (Revised) : The Company operates a Gratuity Fund Scheme for its employees. The liability in respect of contributions of this Fund is ascertained on the basis of actuarial valuation at the year end and provided for. The scheme, which is funded is administered by Life Insurance Corporation of India.
- 11) Export Incentives have been accounted for on accrual basis.

- 12) Licensed & Installed Capacity, Production, Stocks and Turnover : (Rs.in Lac)

	31/03/2012		31/03/2011	
	Qty.(MT)	Rs.	Qty.(MT)	Rs.
i) Licensed Capacity	N. A.		N. A.	
ii) Installed Capacity	20,800		20,800	
iii) Production				
Aluminium Extrusions	*12,023		*12,117	
Other Products	493		362	
*Includes 1727.11 MT (Pr. Yr. 1707.428 MT) under Conversion				
iv) Stock				
Opening				
Aluminium Extrusions	196	295.66	206	294.36
Other Products	111	50.64	75	37.19
Closing				
Aluminium Extrusions	119	211.33	196	295.66
Other Products	34	24.00	111	50.64
v) Turnover				
Aluminium Extrusions	*12,100	18,482.62	*12,127	17,620.72
Other Products	570	284.70	326	109.43
Scrap Stores	-	-	-	2.12
Job work	-	0.84	-	0.80
*Includes 1,727.11 M/T value Rs.435.47 lacs, P/Y - 1707.428 M/T value Rs.387.17 Lacs				

	31/03/2012		31/03/2011	
	Qty.(MT)	(Rs.in Lac)	Qty.(MT)	(Rs.in Lac)
13) Raw Materials Consumed :				
Aluminium Ingot, Scraps etc.	10983.52	13328.94	10712.65	11930.22
14) Value of Imported & Indigenous Goods Consumed and percentage thereof :				
a) Raw Materials / Consumables	%		%	
Imported	-	-	0.02	1.25
Indigenous	100	13328.94	99.98	11928.97
b) Stores & Spares				
Imported	3	12.26	0.99	3.68
Indigenous	97	377.52	99.01	367.49
15) CIF Value of Imports				
Raw Materials		Nil		Nil
Store & Spares		56.29		64.63
Capital Goods		131.21		58.06
16) Expenditure in Foreign Currency :				
Travelling		9.78		12.28
17) FOB Value of Exports		607.41		731.01
18) Previous Year figures are rearranged / regrouped wherever considered necessary.				

As per our Report attached.  
For K.PRASAD & CO.  
Chartered Accountants  
Rajesh Jalan  
Partner

Kolkata, the 7th day of June, 2012.

On Behalf of the Board of Directors  
of Alom Extrusions Limited

Ajay Prakash Jhunjunwala  
Shree Prakash Jhunjunwala

Chairman & Mg. Director  
Director

S. S. Agarwal C.F.O. & Co. Secretary



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	₹ (in Lacs)	
	For the year ended	
	31.03.2012	31.03.2011
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/(LOSS) BEFORE TAX & EXTRA ORDINARY ITEMS	102.78	688.98
ADD/DEDUCT: ADJUSTMENTS FOR		
DEPRECIATION	157.14	142.04
INTEREST & FINANCE CHARGES	392.03	323.18
PROFIT ON SALE OF INVESTMENT	-18.18	-5.44
(PROFIT)/LOSS ON SALE OF FIXED ASSETS	1.00	-0.01
FOREXP (GAIN)/LOSS	-2.43	3.68
LOSS ON SPECULATIVE TRANSACTION	87.28	30.54
LIABILITIES W/BACK	-	-1.26
INTEREST & DIVIDEND INCOME	-26.19	-28.77
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>693.43</u>	<u>1,152.94</u>
ADJUSTMENT FOR :		
INVENTORIES	-59.69	-12.38
TRADE & OTHER RECEIVABLES	-504.39	-1,032.62
TRADE & OTHER PAYABLES	23.88	1,176.67
(INCREASE)/DECREASE IN WORKING CAPITAL	-540.20	131.67
CASH GENERATED FROM OPERATIONS	153.23	1,284.61
INCOME TAX PAID	-129.90	-261.05
WEALTH TAX PAID	-	(0.08)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<u>23.33</u>	<u>1,023.48</u>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
(PURCHASE)/SALE OF FIXED ASSETS	-242.01	(241.73)
LOSS ON SPECULATIVE TRANSACTION	-87.28	(30.54)
SALE OF INVESTMENTS	92.42	101.62
DIVIDEND INCOME	0.71	0.83
PROFIT / (LOSS) ON FOREX	2.43	(3.68)
PROFIT/(LOSS) ON SALE OF FIXED ASSETS	(1.00)	0.44
PROFIT ON SALE OF INVESTMENTS	18.18	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<u>-216.55</u>	<u>-173.06</u>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
(REPAYMENT)/PROCEEDS FROM TERM LOANS (NET)	3.47	-132.81
PROCEEDS FROM WORKING CAPITAL LOANS	392.75	-405.89
OTHER LOANS	276.17	-72.32
INTEREST & FINANCIAL CHARGES PAID	-392.03	-323.18
INTEREST RECEIVED	25.48	27.94
DIVIDEND & DIVIDEND TAX PAID	-18.18	(18.23)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<u>287.66</u>	<u>-924.49</u>
<b>NET CASH FLOW (A+B+C)</b>	94.44	-74.07
<b>ADD : CASH AND CASH EQUIVALENT AS AT 01/04/2011</b>	216.99	291.06
<b>CASH AND CASH EQUIVALENT AS AT 31/03/2012</b>	311.43	216.99

As per our Report attached.

For K.PRASAD &amp; CO.

Chartered Accountants

Rajesh Jalan

Partner

Kolkata, the 7th day of June, 2012.

On Behalf of the Board of Directors  
of Alom Extrusions LimitedAjay Prakash Jhunjhunwala  
Shree Prakash JhunjhunwalaChairman & Mg. Director  
Director

S. S. Agarwal C.F.O. &amp; Co. Secretary