alicon

CREATING LONG-TERM VALUE

AS ONE COMMITTED TEAM. WITH ONE GOAL. GUIDED BY OUR TECHNOLOGY EDGE.

ANNUAL REPORT

2013 -14

ALICON CASTALLOY LIMITED

TS 16949 | ISO 9001 | ISO 14001 | OHSAS 18001 Certified

CONTENTS

Forward-looking statements:
Certain Statements made in this Annual Report & the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions and macroeconomic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on, over which the Company does not have any direct control.

Corporate Information

BOARD OF DIRECTORS

Mr. S. Rai
Managing Director

Mr. Junichi Suzuki

Mr. A. D. Harolikar

Mr. Maskatsu Uchiyama
(Alternate to Mr. J. Suzuki)

Mr. Vinay Panjabi

AUDITORS

M/s. Asit Mehta & Associates

BANKERS

Bank of Maharashtra

ING Vysya Bank Ltd.

State Bank of India

REGISTERED OFFICE & WORKS

Registered Office

Gat No. 1426, Village - Shikrapur,
Taluka - Shirur, District - Pune 412 208,
Maharashtra INDIA
T: +91 2137 677100
F: +91 2137 677130
Email: marketing@alicongroup.co.in

WORKS

57-58 km. Mile Stone, Delhi Jaipur,
NH 8, Industrial Area, Village - Binola,
District - Gurgaon, Haryana INDIA

CIN

L99999PN1990PLC059487

SHARE TRANSFER AGENT

M/s. Universal Capital Securities Pvt. Ltd.
21 Shakil Niwas, Opp. Sai Baba Temple,
Mahakali Caves Road, Andheri (E),
Mumbai - 400 093.

MESSAGE FROM THE MD

"In our aim to create long-term value, we want to emerge as a solutions provider, rather than being a mere supplier of components. Our R&D capabilities will play a pivotal part in achieving this"

Dear Shareholders,

For the Indian economy this was another year of less than 5 per cent growth. The slowdown was exacerbated by domestic structural constraints and inflationary pressures. The industrial sector recorded a marginal 0.4 per cent growth. This was even lower than the disappointing 1 per cent growth achieved in 2012-13.

During the year, we recorded a turnover of ₹ 4,441 million, representing a growth of 2.1 per cent over the previous year. Profit after Tax for the year stood at ₹ 161.32 million as compared to ₹ 212.37 million in the previous year. However, due to sustained efforts in our European operations, we were able to maintain our consolidated Profit after Tax at ₹ 191.57 million. Despite the tough market situation, in keeping with our commitment towards shareholder value, we have declared a dividend of 50 per cent.

To combat these tough market conditions, last year we instituted our "Challenge the Now" initiatives. We are pleased to report that these initiatives are now bearing fruit. We have made significant improvements in our operational efficiencies. These improvements have helped keep our head above water, despite the tremendous inflationary pressures faced by us. Our efforts in creating world-class product development capabilities have resulted in very significant new orders, and a broadening of our customer base. All these developments augur well for the future of our Company.

Long-Term Value

We have faced challenges in the past, and continue to do so in the present. However, I have full confidence in our team's ability to overcome these and achieve the desired results. We should now look to the future. We are now looking at creating long-term value. Value is created when we are able to continuously improve our competitiveness and achieve sustained growth.

Excellence is never achieved by the efforts of any single individual. It is only a highly dedicated and competent team that can ensure that we deliver results and create sustainable value. To improve our competitiveness, we must be a faster learning organization than others. We understand that our employees are our 'appreciating assets'. We are continually pursuing efforts to develop our people and to adapt to industry benchmarks in quality of production and innovation. Our aim is to develop an organization that is an amalgamation of European technology, Japanese quality and Indian ingenuity.

In our commitment, we are driven by our vision of being the globally preferred supplier for Light Alloy Casting Solutions. Our ability to manufacture and supply from multiple locations has made us an important supplier for many critical engine parts for some of the leading OEM's in the two and four wheeler sectors. I also see immense opportunities emerging for us in sectors like defence, locomotive, medical and agriculture.

Creating sustainable value in the future

With economic sentiment on the rise, and glimmers of growth becoming visible, the Indian automobile sector is expected to grow aggressively. According to the Society of Indian Automobile Manufacturers (SIAM), the automobile market in India is expected to

increase its share in the global automotive market from 4 per cent in 2010-11 to 8 per cent in 2020.

Global and local automobile companies are also ready with large scale expansion plans in India. One of our largest customers, Honda Cars India Ltd. has set a challenging sales target of 300,000 units annually by 2017 and is in the midst of expanding their production capacity. All of these represent a huge market opportunity. With India emerging as one of the largest potential markets, we are well placed to actualize our vision of becoming the globally preferred supplier of Light Alloy Casting solutions.

We are expanding our manufacturing capacity accordingly. During the year, we have already incurred a capital expenditure of ₹ 228.82 million. We are working on a 3-year plan to assess the requirements of the market and are scheduling our capacity ramp up accordingly.

The turnaround for our European subsidiary Illichmann Castalloy, is complete, and today they work as our gateway to a higher value European market. Our presence in Europe is strategic, as our European team members have the capability of opening up markets for us. During the year, we have already tied up with a few major overseas customers – mainly OEMs' from Germany. This is not only good news in terms of revenue, but it is also an endorsement of our quality and manufacturing capabilities. In the coming years, the Company will leverage every opportunity to expand overseas markets.

In our aim to create long-term value, we want to emerge as a solutions provider, rather than being a mere supplier of components. Our R&D capabilities will play a pivotal part in achieving this. Our efforts in R&D are directed towards developing light aluminium castings for a green and clean environment, developing the best technology for Low Pressure and Gravity Die Castings, and improving productivity. We are targeting the development of products that require higher levels of accuracy and technology. Our capability to handle the prototyping and manufacture of such products will pave the way to sustainable growth.

During the year, our R&D efforts have helped our customers in the Heavy Vehicle Segment and Passenger Car Segment to develop innovative components, and also in the introduction of Automated Manual Transmission. Our success in the introduction of castings for Automated Manual transmission was a consequence of our foreseeing this trend and developing the processes required well in time for its introduction. Backed by the new government's focus on growth, especially in manufacturing, we expect 2014-15 to be significantly better. Already there are distinct signs of an economic revival. Our "Challenge the Now" initiatives are bearing fruit and we are confident that we will be able to deliver sustainable value in the future.

I would like to take this opportunity to thank members of our Board, our senior management team and our people across all levels, for their valuable contributions.

Last but not the least, I would like to thank our customers, business associates, bankers and all stakeholders for the trust that they have reposed in Alicon.

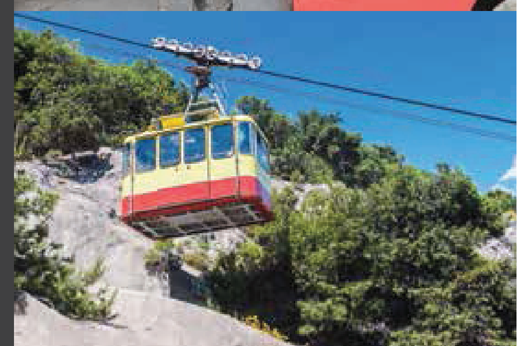
I would like to end by reiterating our continued commitment towards excellence.

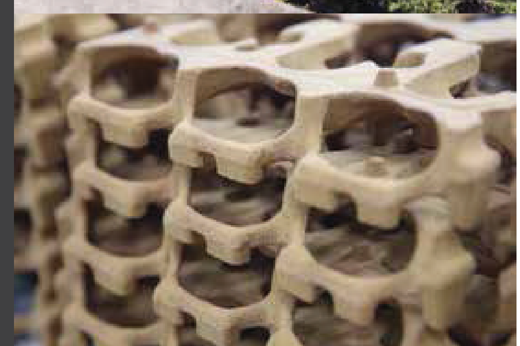
Thank You,

Shailendrajit Rai
Managing Director

Creating long-term value

As one committed team. With one goal. Guided by our technology edge.





Value that is not an abstract concept but a tangible, concrete business proposition for our customers and all stakeholders at large.

Value that is generated by looking far beyond the immediate requirements and mere continuous, iterative improvement of our product offerings.

Value that is seeded in our deep understanding of the industries we serve and of what will potentially drive value for our customers today, tomorrow and always.

Value that is entailed to partner our customers, not merely in their onward journey to sharpen their own competitive edge, but more importantly, aligned to their evolutionary efforts to develop sustainable solutions in the future.

We are committed to create value that we are confident that our customers will find compelling, as it is underpinned by our three-pronged growth enablers of a committed team aligned to our vision as well as our R&D and technology. And that is carved out of our coherent, well crafted strategy dedicated to imbibing higher level of performance, agility and flexibility to harness new opportunities as we confidently embrace the future.

An entity built on value proposition

Alicon Group is a global consortium of companies involved in Design, Engineering, Casting, Machining, Painting and Surface Treatment of Aluminium Components. Alicon Castalloy is the Group's flagship Company and one of India's largest integrated aluminium casting manufacturing units.

We amalgamate the best of European engineering, Japanese quality and Indian ingenuity to produce exceptional and innovative aluminium casting products to offer end-to-end solutions across the entire value chain to diverse industries.

We have been casting the future in Aluminium since 25 years and are India's pioneers in Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC). We are also the pioneer users of Pro-Cast and Magma in India, with capabilities of handling both low and high volumes. Our European subsidiary, ILLICHMANN Castalloy, enjoys nearly 73 years of proven global track record in Aluminium Castings.

Core competence

Our core competence lies in Rapid Prototyping, Designing (CAD/CAM/CAE/Simulation), In-house Tool Manufacturing, Die Casting (Sand Casting/GDC/LPDC), Testing, Machining and Painting.

The European facilities bring to the Company the strengths in Magma & Pro-cast soft casting simulation, enabling us to enjoy an edge in handling low volume and intricate castings.

Our infrastructure

At Alicon, we have a state-of-the-art, world-class infrastructure with modern facilities such as technology centers, globally competent tool rooms, quality testing labs and full-fledged machine shops.

Our infrastructure is designed to facilitate innovation and includes one-of-its-kind research and development laboratories, design centers, tool improvement labs and two facilities for pilot testing. These centers are well-equipped with modern international machinery and equipment for testing (with the latest engineering software) & simulation facilities. We have also invested in building a dedicated team of domain experts and experienced engineers for developing innovative solutions.

Pune (Maharashtra)
- Manufacturing Plant
- Technology Center
- Product Validation Lab
- Machine Shop

Chinchwad (Maharashtra)
- Manufacturing Plant
- Tool Room
- Product Validation Lab
- Machine Shop

Binola (Haryana)
- Manufacturing Plant
- Product Validation Lab

Slovakia
- Manufacturing Plant
- Tool Room
- Product Validation Lab

Austria
- International Marketing Office

Catering to an integrated value chain

- Prototype, Die Design, Manufacturing
- Tool Design and Simulation
- Tool Manufacturing
- Fixture Design & Manufacturing
- Casting Manufacturing
- Machining
- Painting

Industries catered to

- Automotive
- Aerospace
- Defence
- Locomotive
- Medical
- Energy
- Agricultural segments

Value creation through a committed team

From a people-engineered business model, organizations are fast moving towards people-centric systems. As customer needs are evolving in today's highly competitive market place, the traditional HR model is getting transformed into a more contemporary one. It is not enough, however, for an organization to transform itself in line with evolving demands. It is equally important for its people or employees, to adapt to that change.

At an inflection point, stretched by demand constraints and spiralling costs on one hand and the changing requirements of customers on the other, our industry is also currently in an evolutionary phase, where an organization's future is increasingly being mapped by its people.

In this transforming business environment, we firmly believe that it is our people who are the cornerstones of our plans and the implementers and enablers of our future plans. We believe in strong mentorship to enhance our people capabilities and to help people grow as one team and emerge as an important pillar in our long-term value creation strategy.

We believe that our people are our most valuable asset. It is our constant endeavor, therefore, to groom them through regular learning sessions. The programmes are aimed at enhancing their knowledge base and outlook. They encompass a wide range of activities, including community service and ecology. These programmes and activities lead to greater bonding among the team members.

Creating long-term value through one goal

It is our single-minded focussed goal to continuously aspire to serve our customers better across industries.

Our geographically diversified and de-risked model, with low and high volume parts, helps us move committedly towards this goal. We are continuously endeavoring to become the one-stop supplier of choice for India's largest OEMs of two and four wheelers, thereby delivering long-term value to our customers.

Vision

Become the globally preferred supplier for Light Alloy Casting Solutions.

Mission

- Grow the employees, associates and suppliers.
- Ensure total customer satisfaction.
- Increase shareholder value.

Values

- Quality, Integrity and Respect.
- Encourage Entrepreneurship.
- Ownership and Accountability.
- Commitment to the Environment and Community.

Creating long-term value through focussed R&D

Keeping pace with the evolving needs of our customers, mandates constant efforts to create new solutions matched by a more contemporary, synergistically aligned product base. To this end, we are continuously investing in creating a robust R&D core to develop solutions going beyond today, to meet the demands of tomorrow.

The R&D team at Alicon has a focussed vision, "To innovate, enhance and co-create our R&D capabilities to produce light aluminium alloy castings."

The Company's R&D objectives compliment its Vision and seek to:

- Develop light aluminium castings for a green and clean environment
- Develop the best technology across the globe for Low Pressure and Gravity Die Castings and increase productivity across both the offerings
- Undertake advanced research in casting simulations to enhance the casting process and detect any errors at an early stage
- Recommend design changes from a casting perspective which will substantially reduce delivery time
- Reduce use of sand in casting, which in turn will reduce pollution and safeguard the environment

R&D to drive sustainable solutions

Driving fuel efficiency remains the primary focus of responsible auto OEMs today in India and across the globe. One of the ways to achieve this is by using light-weight castings, which can reduce the overall weight of vehicles and thus lead to improvement in fuel efficiencies as well as reduce CO_2 emissions, which are the basic global requirements to drive sustainable growth. The past two years have seen leading OEMs utilising the lean period for development of such sustainable solutions.

In line with the evolving industry dynamics, aided by our strong management foresight, we are constantly developing castings for our customers that can be converted and made light weight using aluminium alloy and will help improve fuel efficiency, reduce emission levels, and optimise processes and costs by adopting global technologies.

New products

Our R&D efforts are focussed on ushering innovation in processes and expanding our product portfolio, and are aided by the technological edge in operations achieved through our associations with Japanese and European partners.

Our strengths in R&D and technology enable us to be involved right from planning, product development, process designing, product & process validation, to finally enabling the actual production and quality testing. In fact, our ability to be a part of the product development cycle across industries stems for our R&D and technology.

Our strengths in model construction and rapid prototype development find their roots in our dedicated R&D facilities, which provide us a strong footing as we venture into diverse industry spaces.

Reinforcing results of our R&D efforts

As a result of our efforts, we have been successfully acquiring new customers and helping them achieve their goals. Some of the customer requirements that we successfully matched during the year include:

Conversion from Cast Iron to Aluminium Wheels:
This initiative reduced the weight of tanks used in defence by 950 kgs and increased the speed to 75kmph. The resultant fuel efficiency helped save costs too.

Import substitution through innovation:
An innovation in technology and process, carried out at our end for conversion from fabricated parts to aluminium alloys, resulted into localization of manufacturing.

Other innovations that have delivered positive gains have been:

Heavy vehicles segment

Conversion of engines to arrays of Twin Cylinder Heads

Healthcare sector

Conversion from fabricated parts to Gravity Die Cast parts of pedals for General Electric, for front and rear support for Magnetic Resonance (MR) scanners

Passenger car segment

Conversion from Gravity Die Cast to Low Pressure, which resulted in reduction of weight and achievement of DAS value engine characteristics

Automated Manual Transmission (AMT)*

One of the OEMs came up with Auto Manual Transmission vehicle. Since this was a new trend and opportunity, we successfully grabbed it with both our hands in the initial stages itself. Our ability to foresee this trend and confidence to develop processes accordingly, allowed us to grab the opportunity

Similarly, we at Alicon, continue to look out for such new age products and ensure that our R&D efforts are aligned to make the most of available opportunities

*Automated Manual Transmission (AMT): Automated manual transmissions are vehicle systems that utilise electronic equipment when the driver changes gears. This differs from a standard manual transmission where the driver changes gears with a clutch. Automanual transmissions are also known as semi-automatic transmissions and clutch-less manual transmissions.

Creating long-term value aided by technology

In tandem with the globally changing market environment, we are conscious of the need to consistently maintain the global manufacturing standards of our operations through continuous technology upgradation and enhancement.

The global market environment is constantly changing and customers are becoming more demanding. In India, too, customers now look for global standards in products and services. To ensure global manufacturing standards of our operations, we are regularly upgrading and improving our technology base.

Our processes are designed to ensure high levels of accuracy. Key senior management level technical experts have been called from Europe to work onsite. In addition, experienced international teams also visit our facilities to drive technology upgradation. We have also instituted Japanese audit of our facilities with an aim to enhance quality and improve productivity.

This leads to better efficiencies and improved performance across our systems and processes.

Increased automation and better controls have resulted in improved technical ability. We are thus able to deliver more complicated and technically superior products, which in turn gets us premium pricing.

Better controls further help us reduce our fixed and variable costs without any quality compromise.

Value creation through stringent quality principles

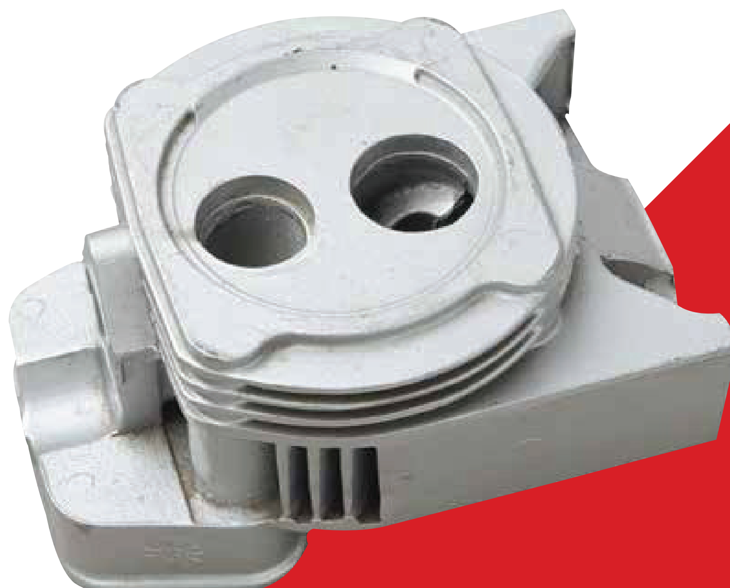
At Alicon, we have instituted stringent process control measures at the casting and machining stage and today the defect rate at our customer's end is at benchmark level of less than 100 ppm. Our quality standards and processes match international standards through TS 16949:2009, ISO 9001:2008, ISO 14001:2004 & BS OHSAS 18001:2007. The Group consortium is working closely through the principles of PQCDDMSE (Productivity, Quality, Cost, Delivery, Development, Management, Safety and Environment) to serve our customers better.

Kaizen

The word Kaizen denotes any sort of improvement, whether it is one time or continuous, big or small, which ensures a humanised approach to workers and increases their productivity. At Alicon, we have introduced the practice of Kaizen to increase our productivity and improve our efficiency. We continue to strive for continuous improvement, with a single aim of achieving total customer satisfaction. Several Japanese Kaizen experts were invited for ongoing training, in which several employees participated during the year, as in the previous years.

We are committed to ensuring quality and reliability in every action. For every product and service we render, we strive for continuous improvement in all our processes to achieve total customer satisfaction.

Quality is a pre-requisite, an entry requirement for any company in our industry, with its increasing competitiveness and evolving market dynamics.



Customer centricity driving value in difficult times

Improving our customization capabilities, moving faster in an integrated manner to exert better controls on our activities and emerging more efficient are the key mantras of our business philosophy.

We, at Alicon, continue to remain at the forefront of the aluminium casting industry and enjoy the distinction of being a single source supplier of many critical castings to some of India's and the world's largest OEMs in the automobile sector.

New components and customer addition

	2009-10	2010-11	2011-12	2012-13	2013-14
Components addition	75	62	32	36	26
Customer addition	7	10	7	7	8

We were serving an industry that was in the midst of a slowdown. Yet, our ambition was to sustain our topline. One way to achieve this was by increasing our competency, expanding our product offering and improving our operational efficiency to optimise costs in order to maintain profitability. We began with segments that provided us with opportunities and continued to hold potential. These included:

- Light Commercial Vehicles in less than one ton category
- Two-wheeler segment
- Small Cars
- Utility vehicles and SCVs

Today, we are already serving some of the largest and the biggest names in Healthcare and Energy as well. Our focussed diversification strategy has also enabled the de-risking of our business, as we have ensured that no single client accounts for a big share of our total revenue. Further, within the automobile sector, the Company has won the trust of diverse auto brands which cater to different segments of the society.

Our commitment to our clients does not end at the point of sales. We are equally committed towards continued customer support.

- With a global presence, we make the most of time zone advantages to provide 24x7-support to our clientele across the world, strategically serving our customers from locations in Europe and India.
- Using the strengths and ability of both Illichmann Castalloy, our European subsidiary, and the Indian operations of Alicon Castalloy, we work as a trans-national team with a single mission – Customer Satisfaction.

Our growth is a testimony to our ability to adhere to the stringent quality standards of our customers, and our increasing stature in the market place. Our prestigious customers in the automobile space (four-wheeler segment) include Ashok Leyland, Audi, Eicher, Fiat, Honda, Mahindra, Maruti, Piaggio, TATA, Volkswagen, and VOLVO.

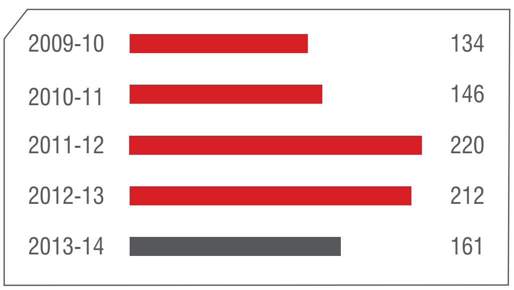
Our key customers in the two-wheeler segment include Bajaj Auto Ltd., BMW, Hero MotoCorp Ltd., Honda Motorcycle & Scooters India (Pvt.) Ltd., KTM Sport Motorcycle AG and Suzuki Motorcycle India Pvt. Ltd.

Delivering value through numbers

Net Sales (₹ in Million)

Earnings per share (in ₹)

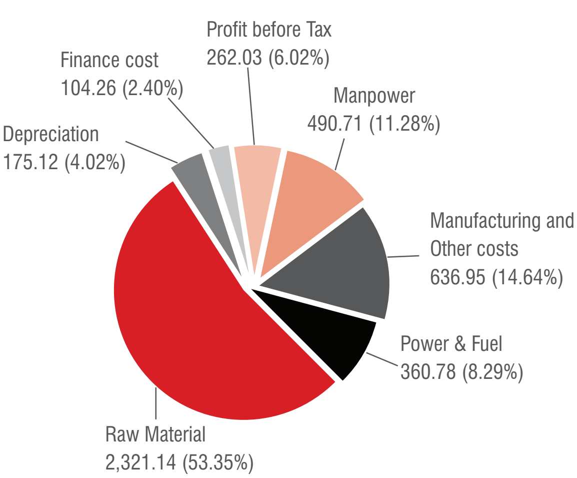
Profit after Tax (₹ in Million)



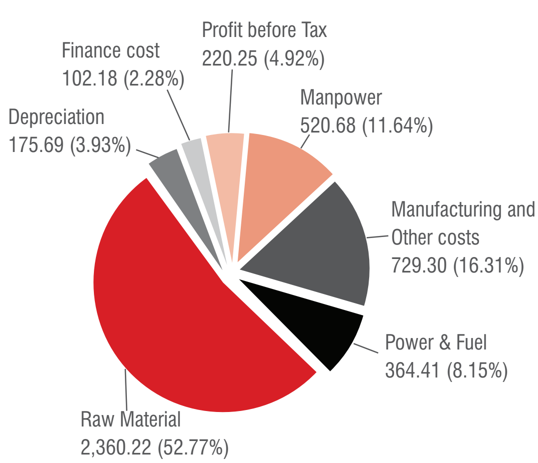
Net Worth (₹ in Million)

Cost and Profit as a percentage of Total Income (₹ in Million)

2012-13



2013-14



Awards and accolades

- Bestowed with an award for New Product Development by Suzuki Motorcycle India Pvt. Ltd.

- Conferred with the Best Kaizen Award by Honda Cars India Ltd in the month of March 2014

- Awarded for achieving Quality and Delivery targets by Honda Motorcycle & Scooter India (Pvt.) Ltd.

CSR - The Alicon way to sustainable empowerment

At Alicon, our approach to Corporate Social Responsibility (CSR) is one that ensures the sustainability of all programmes initiated or supported by us. We achieve this by remaining committed to all stakeholders and ensuring that all initiatives are well planned and subsequently monitored and evaluated.

Regular camps for blood donation have been held at all our plants to sensitise our team to the needs of the community.

Alicon Castalloy implements its social commitment through the Bansuri Foundation (BF).

Key areas of BF's engagement include four distinct initiatives:

Sahjeevan - This initiative seeks to engage with and empower the various influencers of child development who are working outside of mainstream education. Alicon has a long-standing relation with Maher, an NGO that works between Wagholi and Shirur areas of Pune District through a network of care homes and outreach programmes to improve the quality of life of marginalised women, children and men. In the past, we have supported infrastructure development of Maher's Residential Home and leadership and self development programs for all members. More recently, we have supported BF, to carry out their Vision Workshops with a group of Maher's field staff and youth. The aim of this programme is to strengthen and support the NGO's management team as it is rapidly expanding the scale and scope of its projects. In Pune alone, Maher supports over 700 women and children and indirectly impacts thousands of others in the communities around its centers. This project is bringing about a social change in the community as gender equity is an important part of our engagement with Maher.

Our new initiative in collaboration with the Tara Mobile Creches, Pune has been an attempt to bring children at construction sites into mainstream life and to improve the quality of care and education that they receive at the centers.

Sthree - This initiative focusses on empowering women via education, economic independence and developing in them a stronger sense of self confidence. We continue our association with the dairy project at village Sone Sanghavi on Nagar Road in Pune, with our on-the-ground implementing NGO, Ashta No Kai. Issues like limited water resources, poor animal management and limited extension services were identified and subsequently addressed. Measures have included a field analysis of the village by agricultural and development specialists from BAIF, implementing a basic monitoring mechanism and organising training programs for women of the co-operative in order to improve yield, improve animal care and ensure the sustainability of the project.

Swasthya - This initiative works with an array of institutions that reach out to the poor by offering free or highly subsidised essential healthcare. We continue to support the paediatric department at Pune's Sassoon hospital.

Ved - This initiative supports educational institutions that provide quality education to marginalised children. Like all of our CSR programmes, this one also adopts an innovative and sustainable approach by focussing on the personal and professional development of teachers. Recent work has focussed on aligning the individual vision of teachers with that of their peers and their institutes, in order to inspire them to be positive role models and allow the delivery of a more holistic education as at the Malegaon-based Sevadham Trust's Ashramshala, a residential school for over 400 tribal children. The workshops succeeded in harmonising the individual's vision with that of the organization, improved communication and teamwork of participants and has created an inspiring environ at the Ashramshala. The second phase addressed the views of students and focussed on encouraging leadership, creativity and self-confidence while incorporating art, music and culture often denied to less privileged communities.

Srishti - As Alicon directly supports initiatives to mitigate the suffering of people due to natural calamities, it also contributed, through BF, to the rehabilitation of people affected by the Himalayan tsunami in the state of Uttarakhand in northern India.

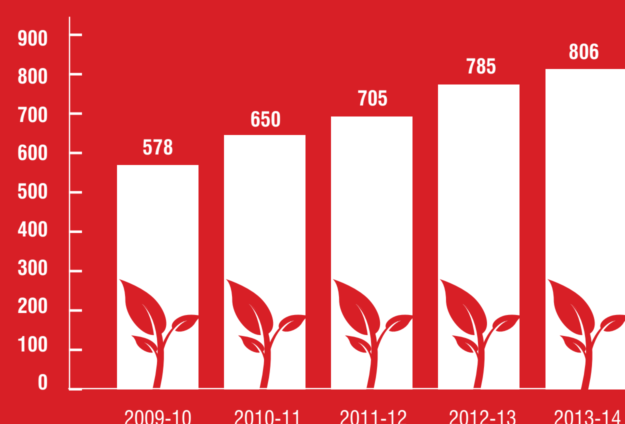
At Alicon, it is in our DNA to give back to society.

Going Green

At Alicon, we have undertaken several green initiatives, which include maintaining green areas with effluent water and enhancing the green cover around its premises. We are constantly focussed on the creation and use of environmental equipment that improves the work environment and the health and safety of operators.

We have applied our experiences and know-how in foundry technology to various related fields as we believe that the first step towards a 'green foundry' is a 'clean foundry' that provides an effective 'quality assurance'.

Tree Plantation Drive



NOTICE

ALICON CASTALLOY LIMITED
CIN: L99999PN1990PLC059487
Registered Office: Gat No. 1426, Village Shikrapur,
Taluka - Shirur, District Pune - 412 208
T: +91 2137 677100 | F: +91 2137 677130
Email:marketing@alicongroup.co.in
Website:www.alicongroup.co.in

NOTICE is hereby given that the 24th Annual General Meeting of the members of Alicon Castalloy Limited will be held at 12.30 p.m. on Monday, the 29th September, 2014 at Gat No.1426, Taluka Shirur, District Pune 412 208, Maharashtra, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet and Statement of Profit & Loss for the year ended on 31st March, 2014.
2. To declare dividend.
3. To appoint a Director in place of Mr. Junichi Suzuki, who retires by rotation, but being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5) To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mrs. Pamela Rai (DIN: 00050999) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6) To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. A.D. Harolikar (DIN: 00239460), who retires by rotation at the AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. A.D.Harolikar as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office upto 31st March, 2019."

7) To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Vinay Panjabi (DIN: 00053380), who retires by rotation at the AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Vinay Panjabi as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2019."

8) To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of Section 188 and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges) and the Memorandum & Articles of Association of the Company, the consent of the members be and is hereby accorded for the Company to enter into various transactions with Atlas Castalloy Ltd. and Silicon Meadows Design Ltd. for an aggregate value as indicated herein below over a period of 36 months starting from 1st April, 2014 on such terms and conditions as may be agreed to by the Board; provided, however, that the transactions so carried out shall at all times be on arms length basis and in the ordinary course of the Company's business:

Atlas Castalloy Ltd.	₹ 975 lacs per annum
Silicon Meadows Design Ltd.	₹ 390 lacs per annum

"RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds, matter and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Directors or anyone or more Directors of the Company."

9) To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in reconfirmation of the resolution passed at the Annual General Meeting held on 29th September, 2007 the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c)and other applicable provisions if any, of the Companies Act, 2013 to the Board of Director of the Company to borrow from time to time any sum or sums of money together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; provided that the total amount of moneys borrowed by the Company shall not at any time exceed the limit of ₹ 500,00,00,000 (Rupees Five Hundred Crores only)."

10) To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification of the resolution passed at the Extra-Ordinary General Meeting held on 1st December, 1994, pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage and /or charge all or any of the movable and/or immovable properties and assets and the whole or the substantially the whole of the undertaking of the Company in such form and manner as the Board of Directors may deem fit or expedient together with power to take over the management of the business and concern of the Company in certain events, for securing loans obtained or as may be obtained from any financial institutions, banks, finance companies or persons together with interest at agreed rates, compound/further interest, commitment charges, charges, expenses and all other monies payable by the Company to the above mentioned lending institutions in terms of the loan agreements entered into/to be entered into by the Company in respect of the said loans."

For & On Behalf of the Board of Directors

S. Rai
Managing Director

Place: Shikrapur
Date: July 26, 2014

Registered Office:

Gat No.1426, Village
Shikrapur, Taluka Shirur,
Dist. Pune, Maharashtra.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY OR PROX(IES) SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Share Transfer Register and Register of Members will be kept closed from 23rd September, 2014 to 29th September, 2014 (both days inclusive).

3. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed/ unpaid dividend over a period of 7 years have to be transferred by the Company to the Investors Education & Protection Fund constituted by the Central Government under Section 205(A) and 205(D) of the Companies Act, 1956.

   Following are the details of dividend paid by the Company and their respective due dates of transfer to such Fund of the Central Government, which remains unpaid:

Date of Declaration of dividend	Dividend for the year	Due date of transfer to the Government
29th September, 2007	2006-2007	27th October, 2014
27th September, 2008	2007-2008	25th October, 2015
29th September, 2010	2009-2010	27th October, 2017
28th September, 2011	2010-2011	26th October, 2018
28th September, 2012	2011-2012	26th October, 2019
30th September, 2013	2012-2013	28th October, 2020

   It may be noted that no claim of the shareholders will be entertained for the unclaimed dividends which have been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956.

   In view of the above, the shareholders are advised to send all the unencashed dividend warrants to the Company's Share Transfer Agents for revalidation and encash them before the due date for transfer to the Investor Education & Protection Fund.

4. As required under Clause 49 of the Listing Agreement, profile of Directors seeking appointment/ re-appointments at the Annual General Meeting, forms part of the notice.

5. Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.

6. The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their Folio number in the attendance slip for attending the meeting.

7, Corporate member, intending to send their authorized representatives to attend the meeting, are requested to send a duly certified copy of the Board resolution, authorizing their representatives to attend and vote at the meeting.

8. The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.

9. The dividend on equity shares as recommended by the Board of Director, if declared, at the Annual General Meeting, will be paid to those shareholders, whose names stand on the Register of Members of the Company on 29th September, 2014 in case of physical shares and to those members as per the beneficiary position given by NSDL/CDSL. Members are requested to notify promptly any change in their registered address.

10. The facility of electronic credit of dividend directly to respective bank accounts of the members through electronic clearing service (ECS) is arranged by the Company. This facility is currently available at the locations specified by RBI. This facility is in addition to the bank mandate facility that already exists whereby bank account details are printed on the dividend warrants. The members who would like to avail of the ECS mandate facility or the bank mandate facility (if not done earlier) are requested to complete and submit the ECS mandate form to the Company/Share Transfer Agent (for shares held in physical form) or their depository participants (for shares held in electronic form) latest by 22nd September, 2014.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Share Transfer Agents.

12. Electronic copy of the Annual Report for 2014 is being sent to all the members, whose e-mail IDs are registered with the Company/ depository participants for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their e-mail address, physical copies of the Annual Report for 2014 is being sent in a permitted mode. Rules 18(3)(i) of the Companies (Management & Administration) Rules, 2014 requires a Company to provide advance opportunity atleast once in a financial year to the member to registered his e-mail address and any change therein. In compliance with the same, we request the members who donot have their e-mail ID registered with the Company, to get the same registered with the Company. Members are also requested to intimate to the Company the changes if any, in their e-mail address.

13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management & Administration) Rules, 2014, the members are informed that the Company is pleased to offer e-voting facilities as an alternative mode to voting at the meeting. Necessary arrangements have been made by the Company with the Central Depository Services Ltd. (CDSL) to facilitate e-voting. The instructions for e-voting are as under:

    i) Log on to the e-voting website **www.evotingindia.com**

    ii) Click on 'Shareholders' tab.

    iii) Now, select 'ALICON CASTALLOY LIMITED' from the drop down menu and click on 'SUBMIT'.

    iv) Now, enter your Use ID : For CDSL – 16 digits beneficiary ID, for NSDL – 8 character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

    v) If you are holding shares in Demat form and had logged on **www.evotingindia.com** and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.

    vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form and for Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *Permanent Account Number (PAN) issued by the Income Tax Department
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio id dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank details as recorded in your demat account or in the Company records for the said demat account or folio.

* Members, who have not updated their PAN with the Company/ Depository Participant are requested to use the default number "CTLEV1234Z" in the PAN filed.

\# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or Company, please enter value 13/06/2014 in the DOB column or the 16 digit member id/folio number in the Dividend Bank details field.

    vii) After entering these details appropriately, click on 'SUBMIT' tab.

    viii) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

    ix) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

    x) Click on the EVSN for the relevant ALICON CASTALLOY LIMITED on which you choose to vote.

xi) On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii) Click on the 'Resolution File Link' if you wish to view the entire Resolutions.

xiii) After selecting the resolution, you have decided to vote on, 'Click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.

xiv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xv) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the voting page.

xvi) If demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password and enter the details as prompted by the system.

xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to **https://www.evotingindia.co.in** and register themselves as Corporate.They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF Format in the system for the scrutinizer to verify the same.

xviii) The voting period begins on 23rd September, 2014 (9.30 a.m.) and end on 25th September, 2014 (5.30 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at **www.evotingindia.co.in** under help section or write an email to **helpdesk.evoting@cdslindia.com**

Other Instructions:

a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd August, 2014.

b) Mr. Upendra Shukla, Practising Company Secretary, have been appointed as the Scrutinizer to scrutinize the e-voting process.

c) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against if any, forthwith and to the Chairman of the Company.

d) A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and physical ballot shall be treated as invalid.

e) The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website **www.alicongroup.co.in** and on the website on CDSL **www.evoting.nsdl.com** within two days of the passing of the resolutions at the 24th AGM and communicated to BSE Ltd. and the National Stock Exchange of India, where the shares of the Company are listed.

For & On Behalf of the Board of Directors

S. Rai
Managing Director

Place: Shikrapur
Date: July 26, 2014

Registered Office:

Gat No.1426, Village
Shikrapur, Taluka Shirur,
Dist. Pune, Maharashtra.

I. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 1956

ITEM NO. 5

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Pamela Rai for the office of Director of the Company.

The Company has also received from Mrs. Pamela Rai (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013. Mrs. Pamela Rai is holding 20 Equity Shares in the Company.

A copy of the draft letters of appointment proposed to be issued to Mrs. Pamela Rai on her appointment as a Director, setting out the terms and conditions is available for inspection at the Company's Registered Office during the normal business hours on working day upto the date of the Annual General Meeting.

Mrs. Pamela Rai is B.A. (Psychology) from the Mumbai University. Brief resume of Mrs. Pamela Rai, nature of her experience in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between director inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the annexure to the notice.

Mrs. Pamela Rai may be deemed to be interested to the extent of her shareholding in respect of her appointment as a Director. Mr. S. Rai, who is her relative and the Managing Director of the Company and their other relatives may be deemed to be concerned or interested in the appointment of Mrs. Pamela Rai, to the extent of their respective shareholding. None of the other Directors and key managerial personnel of the Company and their relatives is interested in the proposed resolution.

Given Mrs. Rai's past involvement with our group and her vast experience in CSR activities, the Board of Directors has proposed that Mrs. Pamela Rai be appointed as a Director of the Company.

ITEM NO: 6&7

Mr. A.D. Harolikar and Mr. Vinay Panjabi are Independent Directors of the Company and have held the positions for more than 5 (five) years. Pursuant to the coming into force of Section 149 of the Companies Act, 2013 from 1st April, 2014 as also amended Clause 49 of the Listing Agreement by SEBI (which will be effective form 1st October, 2014) inter alia stipulating the conditions for the appointment of independent directors, the Company has re-assessed the status of its directors with a view to determining their qualifying for classification as Independent Directors in term of Section 149 (6) of the Act and amended Clause 49 of the Listing Agreement. Accordingly, both Mr. A.D. Harolikar and Mr. Vinay Panjabi fulfill the criteria laid down in Section 149(6) of the Act and amended Clause 49. Section 149 (10) of the Act and Clause 49 of Listing Agreement, restricts the tenure of Independent Director to two terms of upto ten years, with a single term not exceeding five years, which shall be effective from 1st April, 2014. In compliance with the provisions of Section 149 of the Act and Clause 49, it is proposed to appoint Mr. A.D. Harolikar and Mr. Vinay Panjabi as Independent Directors of the Company to hold office for a term upto 31st March, 2019.

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013 from members alongwith a deposits of the prescribed amount proposing the candidature of Mr. A.D. Harolikar and Mr. Vinay Panjabi for the office of Independent Directors.

The Company has received from Mr. A.D. Harolikar and Mr. Vinay Panjabi (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified under Sub-Section (2) of Sec. 164 of the Companies Act, 2013; and (iii) a declaration to the effect that they meets the criteria of independence as provided in sub-Section 6 of Sec. 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. A.D. Harolikar and Mr. Vinay Panjabi, proposed to be appointed as Independent Directors, fulfills the conditions specified in the Act and the Rules made thereunder and they are independent of the Management. A copy of the draft letters of appointment proposed to be issued to Mr. A.D. Harolikar and Mr.Vinay Panjabi on their appointment as Independent Directors, setting out the terms and conditions are available for inspection at the Company's Registered Office during the normal business hours on working day upto the date of the Annual General Meeting.

Brief resume of Mr. A.D. Harolikar and Mr.Vinay Panjabi, nature of their experience in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between director inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the annexure to the notice.

The Board considers that the continued association of both Mr. A.D. Harolikar and Mr. Vinay Panjabi would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

Mr. A.D. Harolikar and Mr. Vinay Panjabi and their respective relatives may be deemed to be interested to the extent of their respective appointment as an Independent Director and their shareholding interest if any, in the Company. Save and except, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way concerned or interested in the proposed Resolutions.

ITEM NO: 8

The Company in the ordinary course of its business and on arm's length basis, has entered into contracts with M/s. Atlas Castalloy Ltd. for rendering, buying, selling and manufacturing on job work basis or otherwise aluminum alloy casting. The Company has also entered into contracts with Siliocn Meadows Design Ltd. for developing and manufacturing of dies/moulds as and when required. Considering the provisions of Section 188 of the Companies Act, 2013 which became effective from 1st April, 2014 and also the proposed revised Clause 49 of the Listing Agreement, which will be effective from 1st October, 2014, the Board of Directors of the Company proposes to enter into a fresh arrangement with these companies for a period of three years effective from 1st April, 2014. The value of the transactions proposed, which would be on an arm's length basis, is based on the Company's estimated transactions value for the financial year 2014-15.

The proposal has been approved by the Audit Committee in their meeting held on 26th July, 2014 in accordance with the Security Exchange Board of India's Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 and revised Clause 49 of the Listing Agreement, to be effective form 1st October, 2014.

Even though the proposed transactions shall be in the ordinary course of business and at arm's length, the Company is seeking the consent of its shareholders as a measure of good corporate governance. Hence, the Board of Directors recommends the resolution as stated at Item No. 8 of the notice convening the meeting.

Mr. S. Rai, Managing Director, and Mrs. Pamela Rai are under the control of 100% of the Equity Capital of Atlas Castalloy Ltd. and Silicon Meadows Design Ltd.and are the Directors of the said companies.

Except as set out herein above, none of the Directors and/or key managerial personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution as set out at item No.8 of this notice.

ITEM NO: 9

At the Annual General Meeting held on 29th September, 2007, the

Members of the Company had passed the necessary resolution under the provisions of Section 293(1)(d) of the Companies Act,1956 granting the borrowing powers to the Board of Directors to borrow sum or sums of money upto a limit of ₹ 500 Crores. The said resolution was passed as an Ordinary Resolution. The provisions of Section 180(1)(c) of the Companies Act, 2013, which came into force from 1st April, 2014 inter alia provides for passing of a Special Resolution for such borrowing powers to the Board of Directors. Further, the Ministry of Corporate Affairs has also clarified a limited life for such resolution passed earlier. Therefore, the Board of Directors proposes to seek a fresh mandate by way of Special Resolution proposed to be passed in the forthcoming Annual General Meeting.

None of Directors, key managerial personnel or their relatives are interested in the proposed resolution.

ITEM NO. 10

In pursuance to the provisions of Section 293(1)(a) of the Companies Act,1956 the Board was authorized to mortgage/charge the properties of the Company to secure the borrowings. In this regard, the members of the Company had passed an Ordinary Resolution in the Extra-Ordinary General Meeting held on 1st December, 1994.

The provisions of Section 180(1)(a) of the Companies Act, 2013, which came into force from 1st April, 2014 inter alia provides for passing of a Special Resolution for such powers to the Board of Directors. Further, the Ministry of Corporate Affairs has also clarified a limited life for such resolution passed earlier. Therefore, the Board of Directors proposes to seek a fresh mandate by way of Special Resolution proposed to be passed in the forthcoming Annual General Meeting.

None of Directors, key managerial personnel or their relatives are interested in the proposed resolution.

For & On Behalf of the Board of Directors

S. Rai

Managing Director

Place: Shikrapur
Date: July 26, 2014

Registered Office:

Gat No.1426, Village
Shikrapur, Taluka Shirur,
Dist. Pune, Maharashtra.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING FIXED ON MONDAY, THE 29TH SEPTEMBER, 2014 AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES ARE GIVEN HEREUNDER:

Name of the Director	Mr. Junichi Suzuki	Mrs. Pamela S. Rai	Mr. A. D. Harolikar	Mr. Vinay Panjabi
Date of Birth	25/01/1948	28/07/1956	04/12/1949	19/01/1966
Date of Appointment	29/10/2002	—	29/01/2003	27/04/2005
Qualification	Engineer	B.A. (Psychology)	B.E. (Metallurgical Engineer)	F.C.A., LL.B.
Brief Profile	Mr. J. Suzuki is the Chairman of the Enkei Group. He has a vide experience in Engineering and Management.	Mrs. Rai has a vast experience in HR and CSR activities.	Mr. Harolikar has an experience of about four decades in finance & administration. He served SICOM Ltd. in various capacities for 29 years. He was CEO & ED of Housing Finance for 3 years. Presently, he is engaged in equity analysis and research.	Mr. Panjabi is engaged in financial consultancy and tax planning, which inter alia includes investment restructuring.
Directorship held in other Public Companies (excluding Section 25 and foreign Companies)	Enkei Wheels (India) Ltd.	i) Atlas Castalloy Ltd., ii) Silicon Meadows Design Limited, iii) Silicon Meadows Engineering Limited	Nil	Nil
Memberships/ Chairmanship of committees of other companies (includes only Audit & Shareholders/ Investors Grievance/ Stakeholders Relationship Committee)	Nil	Nil	Nil	Nil
Shareholding in the Company (Equity)	0	20	200	0

Management Discussion and Analysis

ECONOMIC OVERVIEW

After achieving an unprecedented growth of over 8 per cent for a decade, India witnessed a slowdown in the past couple of years. The country's GDP was recorded at below 5 per cent for the second consecutive year in 2013-14, at a humble 4.7 per cent. The slowdown was fuelled by persistent uncertainty in the global outlook, caused by crisis in the Euro area and a general slowdown in the global economy. External factors were compounded by domestic structural constraints and inflationary pressures.

The industrial sector which comprises manufacturing, mining, electricity and construction recorded a marginal growth of 0.4 per cent in 2013-14, even lower than 1.0 per cent recorded in 2012-13. The performance of the sector was impaired by weakened domestic demand, higher raw material prices, interest rate hikes, supply side bottlenecks, low business sentiments and the slow movement in implementation of reforms.

Despite the challenging scenario, there were positive takeaways from the year, largely in the second half. A dramatic improvement was witnessed in the economic situation with the Current Account Deficit (CAD) declining to manageable levels, after two years of worryingly high rates. Inflation declined in the second half of 2013-14, but it was still outside the comfort zone. The fiscal deficit at the Centre witnessed a decline for the second year in a row, as per the announced medium term policy stance. Lastly, there was a definite pick-up in sentiments, as reflected in an upsurge in the capital markets towards the end of the year, which spilled over to the next fiscal as well.

The economy can look forward to better growth prospects in 2014-15 and beyond, on account of moderation in inflation and healthier deficit levels. These factors are expected to help ease monetary policy stance and revive the investment climate. A single-minded reform agenda is likely to be triggered on account of political stability, emanating from the formation of the new Government at the Centre. The agenda is likely to support policies that address supply-side concerns, boost infrastructure investment, revive the investment climate and thereby inject growth, positivity and confidence in the economy. These factors, coupled with expectations of moderate recovery of some advanced economies, are likely to brighten up, the country's growth prospects.

OVERVIEW OF THE INDUSTRY

The Indian metal casting (foundry) industry forms the crux of the country's industrial growth. It has come a long way from the days when it was predominantly used for die-casting in the automobile industry and a few electronic goods. Today, it manufactures various types of castings comprising ferrous and non-ferrous, which include aluminium alloys, graded cast iron, ductile iron, steel etc. It also caters to a wide range of end-user industry segments such as automobiles, tractors, railways, machine tools, defence, etc.

METAL CASTING END-USER INDUSTRY SEGMENTS

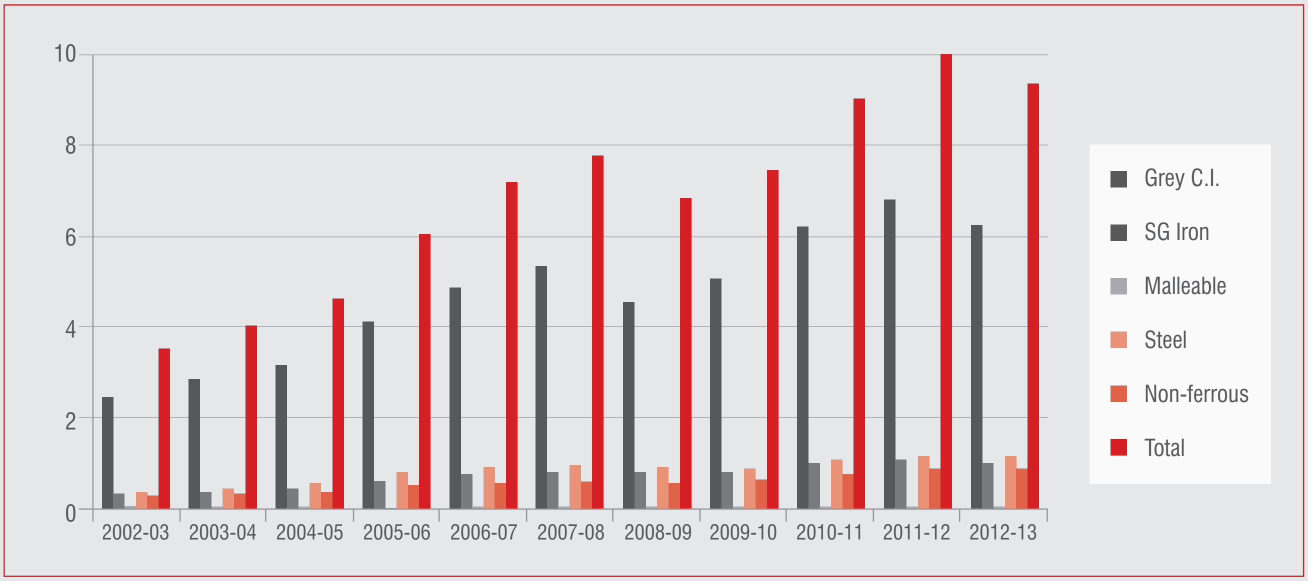
Automobiles	Tractors	Railways
Machine tools	Defence	Earth Moving/Textile/ Cement/Electrical/Power Machinery, Pumps/ Valves

According to the Foundry Informatics Centre, India has about 4,500 units that produce castings. These units can be bifurcated into small, medium and large scale units which constitute 85 per cent, 10 per cent and 5 per cent, respectively, of the total units. Of these, only 800 units have International Quality Accreditation.

Being labour intensive, the industry provides direct employment to about 0.50 million people and indirect employment to an additional 0.15 million people. Most medium and large units are now moving towards semi-mechanized and mechanized models, in order to become more competitive and world class.

In all other aspects, the industry is well-established and produced 9.34 million MT (in 2012-13) of International Standard castings of various grades. Grey iron castings account for a major share of approximately 67 per cent of the total castings produced (compared to the world's grey iron castings share of 46 per cent). This is followed by steel, SG (ductile cast iron) iron, non-ferrous and malleable iron with shares of 12.4 per cent, 10.5 per cent, 9.5 per cent and 0.6 per cent, respectively.

EXHIBIT: PRODUCTION OF CASTINGS IN MILLION MT (2012-13) – INDIA

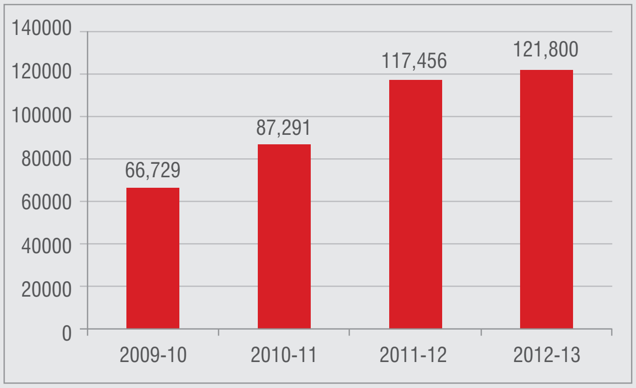


	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Grey C.I.	2.47	2.84	3.18	4.12	4.87	5.33	4.53	5.05	6.18	6.80	6.25
SG Iron	0.32	0.37	0.44	0.62	0.76	0.80	0.79	0.80	0.98	1.09	0.98
Malleable	0.04	0.04	0.04	0	0.06	0.07	0.06	0.06	0.07	0.07	0.06
Steel	0.39	0.47	0.58	0.81	0.91	0.96	0.92	0.88	1.07	1.14	1.16
Non-ferrous	0.30	0.33	0.38	0.52	0.57	0.61	0.55	0.65	0.50	0.90	0.89
Total	**3.52**	**4.05**	**4.62**	**6.07**	**7.17**	**7.77**	**6.85**	**7.44**	**8.80**	**10.00**	**9.34**

Source: Foundry Informatics Centre – India
Note: Figures have been rounded off up to 2 decimals

According to the Indian Foundry Informatics Centre, the industry has a total turnover of about US$ 15 billion, with an export turnover of about US$ 2 billion. Over the past 3-4 years, exports have been showcasing a rapid growth on a Y-o-Y basis, rising between 25 and 30 per cent on an average. However, in 2012-13, the growth of exports stagnated, clocking a mere 4 per cent increase. The dismal performance was due to weaker demand from Europe, India's key export market.

EXHIBIT: EXPORT OF CASTINGS FROM INDIA (₹ IN MILLION)

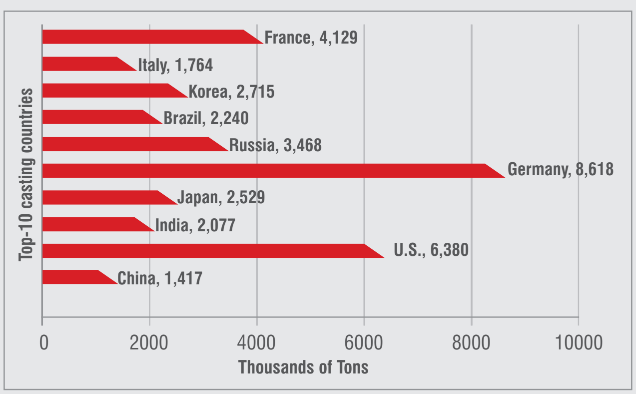


Source: Foundry Informatics Centre - India
Note: Figures in the source file were in Crores, which have been converted to Million to maintain consistency.

The top 10 nations contribute about 88 per cent of the total world castings production. India currently ranks third in terms of production of castings, behind China and the US. China continues to retain its numero uno position in world production with a total volume of 42.5 million MT, i.e. 43 per cent of global production. The US overtook India in 2011 to claim the second spot with a production figure of 12.8 million MT, i.e. about 12.7 per cent of the global production. Subsequently, India's share fell to about 9.3 per cent in 2012-13 *(Source: World Census of Castings by Modern Castings, USA, Dec -13).*

India and China have the highest number of facilities in the world, yet they rank ninth (2,077 thousand tonne per facility) and tenth (1,417 thousand tonne per facility), respectively, in terms of average tonnage of castings per facility. This showcases the potential for further growth and need for maintaining better production efficiencies.

EXHIBIT: PRODUCTION PER PLANT



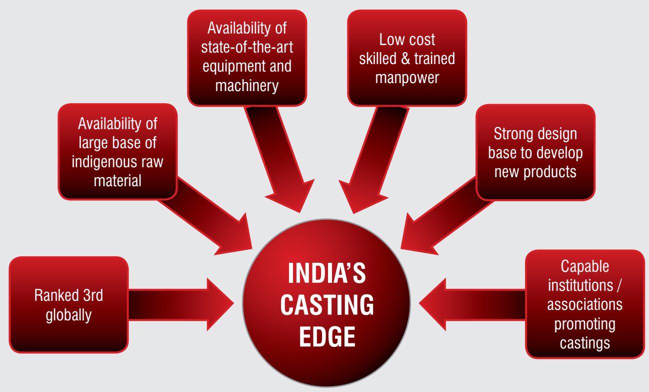
Source: World Census of Castings by Modern Castings, USA, Dec -13

The worldwide production volume trends depict the impact of the economic downturn in 2007-08. Nevertheless, current global production levels continue to exceed pre-recession levels. Over the period of 4 years post-recession, the three largest casting producers in the world i.e. China, the US and India made immense contributions to world volume growth. The output increased by nearly 14 million MT to cross 100 million MT of production in 2012-13.

The foundry industry has witnessed economic upturns and downturns and still grown at a faster rate than the overall economy. While India's GDP has been growing at between 4.5 per cent and 10 per cent from 2002-03 to 2012-13, the foundry industry has grown at a compounded rate of 10.27 per cent over the same period. The poor demand for the industry on account of a slowdown in the automobile sector, witnessed in the previous two years, has led to a drop in volumes. However, during the four years post-recession, it is noteworthy that India recorded a jump of more than 20 per cent in its output.

India's foundries have been making increased investments towards productivity and capacity improvements. The industry can look forward to higher growth to close the demand-supply gap and meet the domestic casting requirement of about 20 million MT per year. Regulatory support is likely to continue to drive demand for the sector. Various factors that are likely to drive demand include the Central government's focus on increasing the share of manufacturing in GDP; the new Manufacturing Policy which is aimed at creation of additional jobs; the Automotive Mission Plan 2006-16; estimated US$ 1 trillion investment towards the infrastructure sector in the 12th Plan period from 2012 to 2017 and the gradual shift of global OEM operations to India.

EXHIBIT: INDIA'S CASTING EDGE



BUSINESS OVERVIEW

Alicon is an industry leader in Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC) in India – in terms of volume, infrastructure and technical capabilities. The Company offers single point engineering solutions in various industrial pockets including automotives, locomotives, medicals, energy and agriculture segments. It offers its clients, end-to-end system solutions, including prototype designing and manufacturing, tool designing and simulation, tool manufacturing, fixture designing and manufacturing, casting manufacturing, VA/VE suggestions, machining as well as painting. Alicon has amalgamated the best of European engineering, Japanese quality and Indian ingenuity to produce exceptional and innovative aluminium casting products, allowing it to cater to both domestic and global clientele.

2013-14 was a year that demonstrated Alicon's determined leadership strength and people commitment, which enabled the Company to sustain itself during challenging times without derailing its long-term strategic plans. While countering challenges, the Company devoted the year to progressing on its vision and long-term strategic goal of building an even more fundamentally-strong business. The Company utilized the period to strengthen its product portfolio, R&D and technology edge, as well as to explore ways to expand overseas markets, etc. The year was used constructively to make inroads into the European market.

Alicon's production and sales tonnage witnessed a marginal growth of 1.6 per cent, over the previous year. Eight new customers were added to the prestigious list of clientele. A total of 26 new components that catered to various sectors were developed during the year. Various cost reduction measures were adopted to ensure the stability of performance, the benefits of which are likely to be derived in the near future.

FINANCIAL REVIEW (CONSOLIDATED)

Highlights (₹ in Million)

Particulars	2013-14	2012-13
Total income	5,325	5,246
Raw material costs	2,568	2,588
Manpower cost	786	780
Power and fuel costs	429	423
Finance costs	112	113
Earnings before Interest Depreciation Tax and Amortization (EBITDA)	575	532
Profit before tax	252	219
Profit after tax	192	169
Earnings per share (₹)	17.42	15.34
Book value per share (₹)	96.31	83.18
Net worth	1,059	915

TOTAL INCOME

The Company's total income for 2013-14 stood at ₹ 5,325 million against ₹ 5,246 million in 2012-13, recording a marginal increase of 1.50 per cent. The increase was despite the increased volatility in the market.

COSTS

Anticipating the tough market scenario, the Company increased its concentration on controlling/curbing operating costs, so as to shield itself from a larger impact on the bottom line. The Company also increased its emphasis on efforts towards efficiency improvement and judicious utilization of available capacity.

The manpower cost as a percentage of total turnover decreased from 14.87 per cent in 2012-13 to 14.77 per cent in 2013-14. In absolute terms, however, it increased by ₹ 6.39 million. The power and fuel costs increased by ₹ 6.21 million in absolute terms. However, in percentage terms, it is in line with the previous year.

The Company's finance costs witnessed a decrease by 0.06 percent of total turnover in 2013-14, over 2012-13. It declined by ₹ 1.38 million in absolute terms on account of efficient fund management.

EARNINGS BEFORE INTEREST DEPRECIATION TAX AND AMORTIZATION (EBITDA)

The Earnings before Interest Depreciation Tax and Amortization (EBITDA) increased to ₹ 574.55 million in 2013-14 from ₹ 532.01 million in 2012-13, due to better cost management and continuous improvement activities.

PROFIT BEFORE TAX (PBT)

The Profit before Tax (PBT) increased by 14.91 per cent to ₹ 251.70 million against ₹ 219.04 million in 2012-13.

PROFIT AFTER TAX (PAT)

The PAT for 2013-14 is recorded at ₹ 191.57 million compared to ₹ 168.78 million in 2012-13. The impact on PAT is due to better operational efficiencies, cost control and manpower planning.

EARNINGS PER SHARE

The Earnings per Share increased from ₹ 15.34 in 2012-13 to ₹ 17.42 in 2013-14.

NET WORTH

During the year, the Company's net worth increased from ₹ 915 million in 2012-13 to ₹ 1,059 million in 2013-14, bringing the book value per share to ₹ 96.31 from ₹ 83.18, during the previous fiscal year.

DIVIDEND

The Company declared a record dividend of 50 per cent for the current fiscal year compared to 40 per cent during the previous year.

SWOT ANALYSIS

Strengths

The die-casting industry forms the basis of various manufacturing, infrastructure and engineering projects. A boost to these nation-building activities automatically translates into a boost to the casting sector. The previous year was a tough one, owing to the challenges arising from domestic and external factors, which affected the industrial sector in particular. As things stand today, the outlook is very favorable, owing to positive business sentiments which are riding on expectations from the new government at the Centre.

The vision of the Management, which has been translated through strategies, has allowed Alicon to breathe easier than its peers, despite such a gloomy environment. The Company's management read the market scenario well in advance, and formulated strategies that would insulate it from such downturns. Strategies adopted three years ago are yielding results now.

Considering the vulnerable scenario, Alicon had utilized the lean period in the past couple of years to formulate business plans and strategies for future. Due to the culmination of a number of factors, Alicon is in a very good position to maintain its leadership in the casting industry, both in terms of size and quality of the output. These factors include access to technological inputs from European and Japanese entities, an ability to provide technically competent products with higher accuracy and value, a large potential market, the ability to deliver across industries and the existence of a certified R&D Centre.

Weaknesses

With more than 4,500 units, the domestic casting industry comprises a number of small units that lack international accreditation and a decreased ability to deliver economies of scale. Alicon is insulated from such drawbacks due to the sheer nature of its size, ability to handle low as well as high volumes, backward and forward integration and global tie-ups.

Opportunities

(a) Automobiles

A strong domestic recovery is expected to drive OEM sales, especially in the M&HCV segment, in the mid-term. The improvement in global automobile sales will be led by the recovery in the western markets that will, in turn, fuel growth for component exports. The year ahead is also expected to witness business restructuring by ancillary companies to improve their return ratios.

Indian component manufacturers are steadily improving their quality, achieving world-class production standards and providing cost advantages, which are further likely to encourage top global auto OEMs to make India a sourcing hub for various auto components. Along with the above, a large pool of skilled manpower and a growing technological base are likely to induce greater investments.

The Government of India's 'Automotive Mission Plan 2006-2016' is aimed at making India a global automobile hub. The mission was launched to ensure a high growth rate for the industry and retention of the attractiveness of the Indian market. In a nutshell, the mission aimed to further enhance the global competitiveness of Indian companies. It has been launched to create a level playing field for industry players.

In addition, the Government has also envisaged positioning India as a global manufacturing and R&D hub. Ample policy support in the form of sops, taxes and Foreign Direct Investment (FDI) have been provided. NATRiP i.e. National Automotive Testing and R&D Infrastructure Project has been set up with a total cost outlay of US$ 388.5 million to enable the industry to be on par with global standards.

(b) Power

Power or energy is one of the most important components of infrastructure, which drives the growth within a country. The existence and development of power infrastructure is very critical for economic growth and the well-being of nations. This sector is immune to market scenarios and even from the rise and fall of the economy, because the demand for energy always goes up as it is required to meet the needs of the rising population.

Some recent announcements in the Union Budget, have sent out positive signals to the sector. These include a 10-year tax holiday for power companies commencing production and distribution by 31st March, 2017; an increased focus towards investments in renewable sources of energy; restructuring packages for ailing discoms; commitment to provide 24x7 power supply to all homes, etc.

As per the Economic Survey 2014, the Power Ministry has set an ambitious target to add 88,537 MW in the 12th Five Year Plan period (2012-17) comprising 26,182 MW, 15,530 MW and 46,825 MW for the Central, state and private sectors, respectively. More than 93,000 MW is slated to be added in the 13th Five Year Plan period (2017-2022).

100 per cent Foreign Direct Investment (FDI) is permitted for the power sector (except atomic energy) for generation, transmission, distribution of electricity and power trading. The investment climate is very positive for the sector. The industry has so far attracted Foreign Direct Investment (FDI), to the tune of ₹ 40,417 crore (US$ 6.72 billion) between April 2000 and January 2014 and is likely to receive higher investments on account of the easing up of business sentiments in the country.

(c) Healthcare

As per the report by Equentis Capital, the healthcare sector in India is expected to grow at a CAGR of 15 per cent from US$ 78.6 billion in 2012 to US$ 158.2 billion in 2017. India provides ample opportunities for the medical devices industry. It is one of the leading destinations for high-end diagnostic services with tremendous potential and capital invested to support it. Capital has been invested to develop advanced diagnostic facilities so that they can reach a larger population.

In addition, the healthcare industry is likely to witness an upward trajectory owing to the following factors:

- Increased consciousness towards need for healthcare upkeep
- Inactive lifestyle and age
- Demand for better treatment
- Improved healthcare access
- Higher disposable income directed towards affording quality healthcare
- Higher disease prevalence
- Need for associated medical devices

The government's support towards the same has also been encouraging, with about US$ 55 billion allocated towards the sector by the Planning Commission in the 12th Five Year Plan – about three times the actual expenditure carried out in the previous plan period. A majority of expenditure will be channelled towards the upgradation of medical infrastructure in primary and secondary care centers including district hospitals, PHCs (Primary Health Centres) and CHCs (Community Health Centres).

Threats & Concerns

Business environment	▪ A sluggish economic environment can dampen the industry's growth prospects, which in turn could result into cutbacks in investment towards the industry
Industrial slowdown	▪ Any slowdown in industries that are dependent on the casting industry, may affect the operations of the Company
Raw material costs	▪ The price of metals and fuel form a bulk of the input costs, which could become volatile over a period of time. This could hamper growth or result in an erosion of cost efficiencies. In addition, any increase in import duties on inputs could lead to losses for the industry
Competition from international OEM manufacturers	▪ Indian foundries are prone to stiff competition from other international competitors like China, which offer faster delivery and work on lower cost models. A casual approach towards R&D, may lead to dependence on technology from abroad, which could eventually affect competitiveness levels ▪ The price-benefit gap of the Indian foundries can be reduced drastically, on account of effective pricing measures adopted by some European foundries. This is a concern for exports

BUSINESS OUTLOOK

The last couple of years have been difficult for both the country and the industry. Stagnation in the economy, slow growth in the core service industries and choked consumer sentiments fostered caution and promoted discipline. It was also the year that demonstrated Alicon's resolute leadership strength and people commitment, which enabled the Company to tide over the challenging times without derailing its long-term strategic plans.

While countering these challenges, the Company devoted the year to pursuing its vision and long-term strategic goal of building an even more fundamentally strong business. Alicon utilized the period to strengthen its product portfolio, R&D and technology edge, to develop more products which pave the way to evolve and deliver casting solutions to OEMs for their new generation plans, as well as, explore ways to expand overseas markets, etc.

Being pioneers in this field, Alicon has always believed in setting a benchmark for the industry and at the same time, grabbing opportunities that come its way. The Company is working on the augmentation of capacities to meet very specific product requirements. These needs are likely to emerge from the market.

With a firm commitment to its goals, and its inherent strengths, the Company is all set to face the challenges thrown at it and come out atop.

RISKS & CHALLENGES

Risk	Nature of the risk	Mitigation strategies
Competition risk	The industry's competitive nature makes it prone to challenges from other Original Equipment Manufacturers (OEMs)	The Company has an innate ability to provide value and deliver world-class casting solutions that ensure customer satisfaction, and at the same time accelerate the production of new castings, keeping it in good stead ▪ With a strong R&D center in place, the Company is constantly focussed on the development of new casting solutions, to keep up with the pace of developments offered by other OEMs ▪ The Company enjoys a competitive advantage over its peers because of its ability to provide total casting solutions along with backward and forward integration ▪ Technical tie-ups with international majors and the acquisition of a unit in Europe enable access to modern technology, which in turn allows faster and better customized development of casting solutions
Retention of talent	The industry requires abundant skilled labour, attracting suitable talent from other industries and retaining it, is a major challenge	Alicon lays a lot of emphasis on attracting the right talent at all levels – right from R&D to shop floor management and foundry operations ▪ The Company is committed to make its manufacturing facilities people-friendly and simultaneously ensuring safety, cleanliness and greenery ▪ It believes in incentivising its employees. This ensures a feeling of belonging and goes a long way towards retaining top talent ▪ The Company has received certificates such as OHSAS 18001 and ISO 14001 for its safety, health and environmental management systems and standards
Meeting stringent emission control norms	In order to safeguard the environment during operations, the government has set up stringent emission control norms	▪ Alicon is making constant efforts to meet the Euro VI and BS notifications, beyond just BS IV ▪ The Company ensures effective usage of its in-house expertise and partners with various organizations to ensure that its products are compliant with the required norms

HUMAN RESOURCE MANAGEMENT

Alicon has always believed in maximising results by ensuring action with wisdom. It has always believed that human capital is one of the critical pillars of any organization and the latter can only prosper, if its people are happy. In line with this philosophy, the Company has laid huge emphasis on creating a nurturing and conducive work environment.

The Company has always believed in enhancing the knowledge and skill-sets of employees, by conducting regular training sessions and workshops. These are spearheaded by employees who take the initiative and responsibility to teach and foster their colleagues. In addition, various workshops are conducted on different themes ranging from building leadership skills to the essentials of melting and maintaining accuracy of products.

'Samprerana' workshops are held for managers. These programmes involve a 360^{o} plan to develop managers and enhance their knowledge. The training imparted is aimed at uplifting aspects such as professional, personal, relational, spiritual and managerial capability. The initiatives have had a direct and positive impact on the productivity of the employees.

In an effort to promote the spirit of belonging and bonding among the employees, the Company regularly conducts various activities. These include formal sessions, team building exercises, entertainment programmes, outings & trips, among others. Programmes aimed at employee-management interaction are also a regular feature. All festivals are celebrated with a lot of enthusiasm and zeal.

It is the prime responsibility of every organization to maintain a healthy and safe working environment for its employees. Alicon promotes the culture of prioritising safety as one of the most important elements of its operations. Adequate safety measures are taken in this regard, on a continuous basis in every aspect of business.

The Company's commitment to the well-being of its employees extends to their families as well. ACIL organises family get-togethers at picnic spots, invites employees' children on National Children's Day, allows family visits to the facilities and carries out home visits to nurture a feeling of belonging, not just among the employees but their families as well.

INTERNAL CONTROL SYSTEMS

Alicon Group has adequate internal control systems in place to safeguard all assets and ensure efficient productivity at all levels. The Company is committed to ensuring that its operations are carried out within the purview of a well-defined internal control framework. Good governance, well defined systems & processes, a vigilant finance function and independent internal reviews form the basis of internal control systems.

The internal audit function independently scrutinises critical audit areas, based on audit plans that are generally approved by the Audit Committee. Plans are formulated on the basis of a risk evaluation exercise, to focus on the assessment of the relatively riskier areas. Significant audit findings are presented to the Audit Committee, which meets regularly to review findings and status of the corrective actions taken by the management. Timely reviews are carried out to ensure that all transactions are correctly authorized and reported. Whenever deemed necessary, internal control systems are reassessed and corrective action is also initiated.

Directors' Report

Your Directors have pleasure in presenting their Twenty-fourth Annual Report together with the audited Statements of Accounts for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS

(₹ in Millions)

Particulars	Standalone Year ended 31.3.2014	Standalone Year ended 31.3.2013	Consolidated Year ended 31.3.2014
Gross Sales	4,988.09	4,856.25	5,902.69
Net Sales	4,410.46	4,314.31	5,325.06
Profit before Depreciation, Interest & Tax	498.12	541.41	574.55
Less: Depreciation & Prior Period adjustments	175.69	175.12	211.19
Less: Interest	102.18	104.26	111.66
Profit before Tax	220.25	262.03	251.70
Provision for Tax	58.93	49.66	60.13
Profit after Tax	161.32	212.37	191.57
Add: Balance brought forward	677.11	519.48	565.93
Net Profit Available for appropriation	838.43	731.85	757.50

DIVIDEND

Your Directors are pleased to recommend a higher dividend of 50% (₹ 2.50 per share of ₹ 5/- each) as against 40% paid for the previous year. The total payout on account of dividend including tax thereon will be ₹ 32.17 million. Dividend if declared will be free of tax in the hands of the shareholders.

YEAR UNDER RETROSPECT

During the year under review sales was marginally higher and profit was marginally lower compared to previous year. However, the consolidated sales and profit remain higher, thanks to improved overseas operations. Your Company recorded a net sale of ₹ 4,410.46 million in 2013-14 as against ₹ 4,314.31 million in the previous year with the corresponding profit before tax of ₹ 220.25 millions as against ₹ 262.03 million a year ago. On consolidated basis, your Company recorded a net sale of ₹ 5,325.06 million with a corresponding pre-tax profit of ₹ 251.70 million as against ₹ 5,246.29 million and ₹ 219.04 million a year ago.

FINANCE

During the year, the Company spent ₹ 228.82 million towards addition in fixed assets including plant and machinery and capital work in progress. The entire capital expenditure was funded from the internal accruals and term loans.

FUTURE PROSPECTS

It is hoped that the new government in center will push the economic activity by undertaking stalled and new infrastructure project and shall adopt policies for controlling the inflation and abetting price increase of essential commodities. This will in turn provide better job opportunities and higher disposable income. It is expected that Indian economy will be revived and shall be placed on growth track.

Your Company is continuously developing new products for other engineering and infra related industries. The Company has recorded in the financial year 2013-14, 3.30% of income out of non-auto business.

This will enable the Company to sustain the growth in years to come with reduced dependence of auto industry.

SUBSIDIARY COMPANIES:

Your Company has three foreign subsidiaries viz. Alicon Holding GmbH, Illichmann Castalloy s.r.o. and Illichmann Castalloy GmbH. Alicon Holding GmbH is the 100% subsidiary of your Company, who in turn in holding 100% capital of Illichmann Castalloy s.r.o. Illichmann Castalloy GmbH is the 100% subsidiary of Illichmann Castalloy s.r.o.

Illichman Castalloy GmbH is engaged in the business of marketing and Illichmann Castalloy s.r.o. is engaged in manufacturing of aluminium alloy castings. The combined revenue of both the subsidiaries was ₹ 927.14 million and profit before tax of ₹ 31.45 million. Your Directors are pleased to report that overseas operations of the Company has shown improvement compared to previous year.

Consolidated Financial Statement pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants, are annexed.

A statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies is attached to the accounts.

In terms of the general exemption granted by the Ministry of Corporate Affairs vide circular No. 02/2011 dated 8th February, 2011 for not attaching the annual accounts of subsidiaries and in compliance with the conditions enlisted therein, the report and annual accounts of the subsidiary companies for the financial year ended 31st March, 2014 have not been attached to the Company's Accounts.

The annual accounts of the subsidiary companies and the related information are kept open for inspection by any shareholders at the Registered Office of the Company and of the concerned Subsidiary Company. Any shareholder, who wishes to obtain a copy of the said documents of any of the subsidiary companies, may send a request in writing at the Registered Office of the Company.

LISTING OF EQUITY SHARES

The Company's Equity Shares are listed on the Bombay Stock Exchange Ltd. and the National Stock Exchange Ltd.

CORPORATE GOVERNANCE

Your Company is committed to adhere to Corporate Governance guidelines set out by SEBI and has complied with all the mandatory provisions of Clause 49 of the Listing Agreement. A separate section on Corporate Governance together with Certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report.

MANAGEMENT DISCUSSION & ANALYSIS

A detailed review of the industrial growth vis-à-vis the growth of the Company and the future outlook is given under the head Management Discussion and Analysis Report, which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to information and explanations provided to them, your Directors make the following statement, pursuant to Section 217(2AA) of the Companies Act, 1956 that:

1. In the preparation of annual accounts, the applicable accounting standards have been followed and that no material departure have been made from the same;
2. Appropriate accounting policies have been selected and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year 31st March, 2014 and of the profit of the Company for the year ended on that date;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing, detecting fraud and other irregularities;
4. The annual accounts have been prepared on a 'going concern' basis.

DIRECTORS

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Pamela Rai for the office of Director of the Company. Given her vast experience and past involvement with our group in HR and CSR activities, the Board of Directors has proposed that Mrs. Pamela Rai be appointed as a Director of the Company.

Mr. A.D. Harolikar and Mr. Vinay Panjabi were categorized as Independent Directors in accordance with the existing Clause 49 of the Listing Agreement. After coming into force of Section 149 of the Companies Act, 2013 from 1st April, 2014, the Company has re-assessed the status of its Directors with a view to determining whether Mr. A.D. Harolikar and Mr. Vinay Panjabi qualify for classification as Independent Directors in terms of Section 149(6) of the Companies Act, 2013. Accordingly, they fulfill the criteria as laid down in Section 149(6) of the Companies Act, 2013 in this regard.

Section 149 (10) of the new Companies Act, 2013 restricts the tenure of the Independent Director to two terms of upto ten years with a single term not exceeding five years. This has been made effective form 1st April, 2014. The proposed revised Clause 49 of the Listing Agreement issued by the Securities and Exchange Board of India (SEBI) and which shall be effective form 1st October, 2014 also contains the provisions in similar line. Mr. A.D. Harolikar and Mr. Vinay Panjabi retire by rotation at the forthcoming Annual general Meeting and they being eligible have offered themselves for appointment as Independent Directors in pursuance to the provisions of the Companies Act, 2013 and revised Clause 49 as aforesaid, to hold the office for a period upto 31st March, 2019.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with the relevant rules, the Company has also received notices in writing from some of its members proposing their candidature for the office of Independent Directors.

To comply with the requirement of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Junichi Suzuki shall retire by rotation and being eligible, offers himself for reappointment.

Additional information and brief profile as required under Clause 49 of the Listing Agreement for each of the above Directors seeking appointment/ re-appointment are provided in the Notice and/or Corporate Governance Report, which forms part of the Annual Report.

EMPLOYEES:

Relations between the management and the employees remained cordial through out the year. Information as required in pursuance of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is set out in the annexure to the Directors' Report. In terms of the provisions of Section 219(1)(b)(iv) of the Companied Act, 1956, the Directors' Report is being sent to all the shareholders of the Company, excluding such annexure.

CONSERVATION OF ENERGY, ETC:

Information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 217(1)(e) of the Companies Act, 1956 is set out in the Annexure forming part of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) :

At Alicon Castalloy Ltd., our approach to CSR is one that ensures the sustainability of all programmes initiated or supported, by remaining committed to all stakeholders and ensuring that all initiatives are well planned and subsequently monitored and evaluated.

Our focus is to engage with and empower the various influencers of child development who are working outside of mainstream education. Alicon has a long standing relation with various NGOs in Pune, like Maher, Sevadham & Tara Mobile Creches

Alicon focuses on empowering women via education, economic independence and developing in them a stronger sense of self confidence. One such partnership is with the Savitri Mahila Dairy Co-operative, a rural project in the outskirts of Pune.

We also work with an array of institutions that reach out to the healthcare needs of the marginalized in our communities, like the pediatric dept. at Pune's Sassoon hospital. Besides organising regular blood donation camps, Alicon contributed to the healthcare needs of people affected by the Himalayan tsunami in the state of Uttarakhand in northern India.

AUDITORS:

The observations made in the Auditors' Report and details provided in Notes to the Accounts are self-explanatory and therefore, do not call for any further comments under the Companies Act, 1956.

The Auditors, M/s. Asit Mehta & Associates, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

In pursuance to the notification of the Companies Act, 2013, made effective form 1st April, 2014 and rules made thereunder, no listed company shall appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, the said appointment is subject to ratification by the members of the Company at every AGM. The period of ten years (two terms of five years each) has to be calculated from the date of appointment of the auditors. Further, the provisio to the said Section 139 (2) stipulates that every company existing on or before the commencement of the new Act viz. the Companies Act, 2013, had to comply with the requirements of this section within three years from the date of commencement of this Act. M/s. Asit Mehta & Associates have already served as Statutory Auditors of the Company for a term of ten years.

Pursuant to Section 139 (2) of the Companies Act, 2013, Audit Committee and the Board of Directors of the Company have recommended their appointment for a period of one year i.e. from the conclusion of the 24th AGM till the conclusion of the 25th AGM, subject to approval of the members in the AGM of the Company. M/s. Asit Mehta & Associates have confirmed that their appointment, if made, will be within the eligibility criteria prescribed under Section 141 (3) of the Companies Act, 2013.

COST AUDITORS

Pursuant to the directive of the Central Government under the provisions of Section 233B of the Companies Act,1956, Mr. R. Srinivasa Raghavan, a qualified Cost Accountant, has been appointed for financial year 2013-14 to conduct the cost audit and submit his report.

ACKNOWLEDGEMENT

Your Directors wish to thank Enkei Corporation, Japan, our technical collaborator, for their valued support and guidance. Your Directors also wish to place on record their deep appreciation for exemplary contribution made by employees at all levels. Your Directors take this opportunity to express their gratitude for unstinted support extended by customers, suppliers, bankers and other business associates, and at last but not least the shareholders for the confidence reposed in the management.

On behalf of the Board of Directors

S. Rai	**A.D. Harolikar**
Managing Director	Director

Place: Shikrapur, Pune
Date : July 26, 2014

Annexure 'A'

PARTICULARS REQUIRED UNDER THE COMPANIES ACT (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

The various steps taken for energy conservation during the year were:

1. Use of LED lights
2. Use of VFDS to control motor powers
3. Use of thyristor drives for controlling furnace powers
4. Use of oxygen probes for cutting down furnace oil consumption
5. Use of magnetic resonators for cutting down furnace oil consumption, diesel,LPG and PNG
6. Use of heat insulation paints to reduce skin temperatures by 8-10 degree of furnaces
7. Waste heat recovery system

A) POWER AND FUEL CONSUMPTION :

1. ELECTRICITY		For the year ended 31.03.2014	For the year ended 31.03.2013
a) Purchased Quantity	Units	29,882,571	28,529,292
Total Amount	₹	210,799,154	192,500,932
Average rate per unit	₹	7.05	6.75
b) Generated Quantity	Units	1,815,221	2,986,092
Total Amount	₹	29,856,111	35,117,869
Average rate per unit	₹	16.45	11.76
2. LDO/ FURNACE OIL			
Quantity	Litre	2,412,280	2,418,000
Total Amount	₹	107,199,288	104,486,516
Average rate per unit	₹	44.44	43.21

B) CONSUMPTION PER UNIT OF PRODUCTION

1. Electricity	Units	2.96	3.52
2. LDO / Furnace Oil	Litre	0.23	0.27

B. RESEARCH AND DEVELOPMENT (R & D)

Specific Area in which R & D carried out by the Company:

The Company has been carrying out in-house Research & Development activities in the area of New product development, New process development, New production process development, energy conservation and cost reduction.

Benefits Derived:

Based on the achievements of in-house R&D efforts, the Company is able to design and develop new product (73 nos.). Further, the Company was successful in cost reduction in production cost through improvements in design and process.

Future Plan of Action:

With support from our R&D department, we aim to develop new light weight aluminium casting for our customers in various segments, which will increase productivity, improve fuel efficiency, reduce weight, cost and emission.

In pursuit of R&D endeavors the Company is continuously incurring R&D expenditure both on Capital and Revenue which has been separately reflected in the financial statements. The details for the financial year 2013-14 of the same are as under:

	Particulars	Amount (₹)
A.	Capital Expenditure	3,568,427
B.	Revenue Expenditure	47,471,170
	Total R&D Expenditure	**51,039,597**

C. FOREIGN EXCHANGE EARNING AND OUTGO

Total Foreign exchange earned:	240.37 Million
Total Foreign exchange used:	148.69 Million

Detailed information on foreign exchange earnings and outgo is also furnished in the notes to accounts.

STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES

(PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31.03.2014.

Sr. No.	Name	Remuneration Gross (Million)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particulars of Last Employment	Last Designation
1	Mr. Rajeev Sikand	12.32	Group CEO	MBA	03.12.2005	32 Years	53 Years	Motherson Sumi Systems Ltd.	Head International Business

NOTES:

- Employment in the Company is non-contractual.
- Remuneration includes salary, allowances and value of perquisites.
- Employee mentioned above does not hold (by himself or along with his spouse & dependent children) more than two percent of equity shares of the Company.
- The employee mentioned above is not related to any of the directors of the Company.

CORPORATE GOVERNANCE REPORT

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT, A REPORT ON CORPORATE GOVERNANCE IS GIVEN BELOW:

A. MANDATORY REQUIREMENTS

1 Company's philosophy on Code of Governance

The Company believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance shareholders' value. In this pursuit, the Company is committed to conducting business in accordance with the highest legal and ethical standards, superior product quality and services to its customers. The Company has adhered to such superior product policies to fulfill its corporate responsibilities and achieve its financial objectives.

2 Board of Directors

The names and categories of the Directors on the Board, their attendance at Board Meeting during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other Companies are given below:

(a) Composition, Status, Attendance at the Board Meetings & the last AGM:

Name of Director	Status i.e. Executive/ Non-Executive/Independent	No. of Board Meetings Attended	Attendance at the last AGM
Mr. S. Rai	Managing Director	4	Yes
Mr. A.D. Harolikar	Independent	4	Yes
Mr. J. Suzuki	Non-Executive	0	No
Mr. Asis Ray*	Non-Executive	1	No
Mr. Vinay Panjabi	Independent	4	No
Mr. Masakatsu Uchiyama	Alternate Director	3	No

Number of Public Limited Companies or Committees in which the Director is a Director/Chairman

Name of Director	No. of other Directorship held#	No. of Committees of other Companies in which member/ chairman	No. of Shares held in the Company as at 31.03.2014
Mr. S. Rai	3	0	808,860
Mr. A.D. Harolikar	0	0	200
Mr. J. Suzuki	1	0	0
Mr. Asis Ray *	1	0	0
Mr. Vinay Panjabi	0	0	0
Mr. Masakatsu Uchiyama	0	0	0

Note:
#Excluding Directorship in Foreign Companies and Companies under Section 25 of the erstwhile Companies Act,1956.
* Mr. Asis Ray, resigned from the Board as Director w.e.f. 31/07/2013

No Director is related to any other Director on the Board in terms of the provisions of the Companies Act, 1956 and the Companies Act, 2013.

During the year ended 31st March, 2014 four Meetings of the Board of Directors were held namely on 30th April, 2013, 31st July, 2013, 30th October, 2013 and 25th January, 2014.

(b) Board Procedure

All the Directors on the Board are informed the date and venue of each Board Meeting at least fifteen days in advance along with Agenda. Detailed Agenda folder is sent to each Director in advance of the Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director and Chief Financial Officer appraises the Board about the overall performance of the Company, followed by the presentation by Chief Executive Officer. The Board reviews the strategy, business plan, annual operating and capital expenditure budgets, projections, compliances of all laws applicable to the Company as well as the steps taken to rectify instances of non-compliances, taking on record of unaudited quarterly/half yearly/annual results, minutes of the meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the Board level including that of the Compliance Officer.

(c) Code of Conduct

The Board has laid down Codes of Conduct for the Board Members and other senior management and employees of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Codes of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report. In addition to this, a separate code of conduct for dealing in equity shares of the Company is also in place.

3 Audit Committee

The functioning and terms of reference of the Audit Committee including the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 292A of the Companies Act, 1956 and the Listing Agreement with the BSE Ltd. and the National Stock Exchange of India Ltd..

The Audit Committee comprises Mr. A.D. Harolikar, Chairman of the Committee, Mr. Vinay Panjabi, both being Independent Directors and Mr. Asis Ray, Non-Executive Director. Mr. Asis Ray, ceased to be a Member of the Committee w.e.f. 31st July, 2013 on his resignation as Director. Mr. S. Rai, Managing Director was appointed as a Member of the Committee w.e.f. 25th January, 2014.

The Chief Financial Officer, CEO, Internal Auditors and the partner of Asit Mehta & Associates, the statutory Auditors, are the permanent invitees to the Audit Committee meetings.

During the year ended 31st March, 2014 four meetings of the Audit Committee were held namely 30th April, 2013, 31st July, 2013, 30th October, 2013 and 25th January, 2014.

While Mr. A. D. Harolikar and Mr. Vinay Panjabi attended all meetings, Mr. Asis Ray and Mr. S. Rai attended one meeting only.

4. Remuneration Committee

The Remuneration Committee comprises of three Directors. Mr. A. D. Harolikar (Chairman of the Committee), Mr. Vinay Panjabi, Independent Director and Mr. Asis Ray, Non-Executive Director.

Mr. Asis Ray, ceased as a member of the Committee w.e.f. 31st July, 2013. During the year under review no meeting was held. The Remuneration Committee of the Company is empowered to review the remuneration of the Managing Director and retirement benefits.

The Company has no pecuniary relationship for transaction with its Non-Executive Directors except payment of sitting fees for attending the Board and Committee Meetings.

Remuneration Policy:

The Remuneration of the Managing Director is recommended by the Remuneration Committee based on responsibilities shouldered, performance/track record, macroeconomic review on remuneration packages of heads of other organizations and is decided by the Board of Directors.

a) Details of remuneration paid to Managing Director:

Name	Salary (₹)	Perquisites (₹)	Commission (₹)	Total (₹)
Mr. S. Rai	1,870,142	90,000	1,107,841	3,067,983

b) Details of sitting Fees paid to the Non-Executive Directors for attending the Board and Committee Meetings during the financial year 2013-2014:

S/No:	Name of Directors	Sitting fees paid (₹)
1)	Mr. A. D. Harolikar	32,000/-
2)	Mr. Asis Ray	8,000/-
3)	Mr. Vinay Panjabi	32,000/-
4)	Mr. Masakatsu Uchiyama	10,000/-

5 Investors/Shareholders' Grievance Committee

The Committee functions under the Chairmanship of Mr. A.D. Harolikar, an Independent Director, Mr. S. Rai and Mr. Vinay Panjabi.

The Compliance Officer is Mr. Vimal Gupta, Chief Financial Officer.

During the year, no complaint was received from any of the Shareholders of the Company.

All valid share transfers received during the year have been acted upon and there were no shares pending for transfer as on 31st March, 2014.

6 **General Body Meetings**

The location and time of the Annual General Meetings held during the last three years are as below:

Date	Venue	Time	No. of special Resolutions passed
30/09/2013	Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune	12.30 p.m.	Nil
28/09/2012	Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune	12.30 p.m.	Nil
28/09/2011	Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune	12.30 p.m.	Nil

7. **Disclosures**

a) CEO & CFO Certificate: The Managing Director and Chief Financial Officer have given certificate to the Board as contemplated in Clause 49 of the Listing Agreement and the same was placed before the Board.

b) Transactions with related parties are disclosed under **Clause no. 12 of section 27** forming part of the Accounts. All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transaction with related parties which were not in the normal course of business and required to be placed before the audit committee and that may have a potential conflict with the interest of the Company. The register of contracts containing the transactions in which Directors are interested is placed before the Board for its approval.

c) All accounting standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

d) All pecuniary relationship or transactions of the non-executive Directors vis-à-vis the Company have been disclosed in item no: 4(b) of this report.

e) In compliance with the SEBI regulations on prevention of insider trading, the Company has instituted a comprehensive code of conduct for prevention of insider trading for its designated employees. The code lays down the guidelines, which advise them on procedure to be followed and disclosures to be made, while dealing with the shares of the Company and caution them of consequences of violations.

f) During the last three years, there were no strictures or penalties imposed by either the Securities Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market.

8. **Means of Communication**

i)	Half yearly report sent to each household of shareholders/ Quarterly Results	No
ii)	Newspapers in which results are normally published in	The Economic Times (English), The Free Press Journal, Business Standard, (English) Nav Shakti, Marathi Daily.
iii)	Any website where displayed	www.alicongroup.co.in
iv)	Presentation made to institutional investors or to Analyst	No
v)	Whether Management Discussion and Analysis Report is a part of Annual Report or not	Yes

9. **General Shareholder Information**

(i) Annual General Meeting

Date	29th September, 2014
Time	12.30 p.m.
Venue	Gat No. 1426, Village Shikrapur Taluka Shirur, Dist. Pune, Maharashtra

(ii) Financial Calendar	April 2014 to March 2015
(a) First Quarter results	Fourth week July, 2014
(b) Second Quarter results	Fourth week October, 2014
(c) Third Quarter results	Fourth week January, 2015
(d) Results for year ending March 2015	May, 2015
(iii) Date of Book closure (both days Inclusive)	23rd September, 2014 to 29th September, 2014
(iv) Dividend payment date	15th October, 2014

(v) Listing on Stock Exchange

BSE Ltd., Mumbai

National Stock Exchange of India Ltd.

Listing Fees has been paid to the Stock Exchange for the financial year 2014-2015.

(vi) Stock Code:

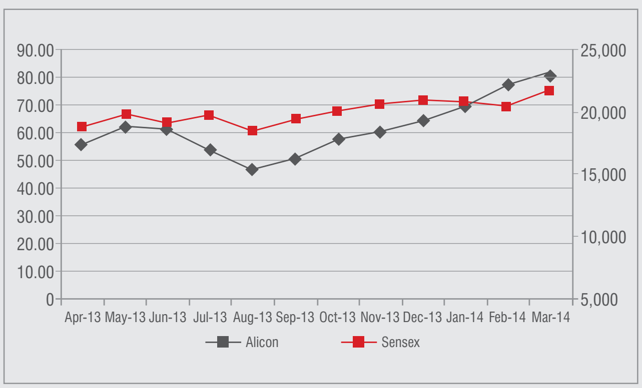
BSE Limited	:	531147
National Stock Exchange of India Ltd.	:	ALICON
Demat ISIN No. for NSDL and CDSL	:	INE062D01024

(vii) Market Price Data

Monthly High and Low of Market Price in the Company's shares traded for the period April, 2013 to March, 2014 on BSE Limited, Mumbai (High / Low in ₹)

Month	High ₹	Low ₹	Month	High ₹	Low ₹
April, 2013	61.45	50.00	October, 2013	65.95	50.00
May, 2013	71.00	53.40	November, 2013	65.00	56.10
June, 2013	69.00	55.00	December, 2013	72.00	57.00
July, 2013	59.00	49.05	January, 2014	77.00	63.05
August, 2013	52.00	42.00	February, 2014	85.00	70.00
September, 2013	54.00	48.00	March, 2014	89.30	75.00

Stock Price Performance – Alicon Vs BSE Sensex, year 2013-14 Index Comparison



(viii) Registrars and share transfer agents

M/s. Universal Capital Securities Pvt. Ltd.
(Formerly Known as: Mondkar Computers Pvt. Ltd.)
21 Shakil Niwas, Opp Sai Baba Temple,
Mahakali Caves Road, Andheri (E),Mumbai – 400093

(ix) Share Transfer system

Transfers of shares are processed by the Share Transfer Agent and approved by the Share Transfer Committee called as 'Investors/ Shareholders Grievance Committee', which meets at frequent intervals. Share transfers are registered and returned generally within 30 days (15 days w.e.f. 01/10/2012) from the date of receipt if the relevant documents are complete in all respects.

(x) Distribution and Shareholding Pattern as on 31st March, 2014

No. of Equity Shares	No. of Folios	%	No. of Shares	% of Shareholding
01-500	1,976	78.76	319,499	2.90
501-1000	217	8.65	174,611	1.59
1001-2000	128	5.10	208,817	1.90
2001-3000	58	2.31	147,792	1.34
3001-4000	21	0.84	71,423	0.65
4001-5000	16	0.64	72,365	0.66
5001-10000	42	1.67	314,585	2.86
10001 and above	51	2.03	9,690,908	88.10
TOTAL	**2,509**	**100.00**	**11,000,000**	**100.00**
In Physical Mode			141,862	1.29
In Electronic Mode			10,858,138	98.71

Shareholding Pattern as on 31st March, 2014

Category	No. of Shares	% of Shareholding
Indian Promoters	7,419,740	67.45
Foreign Collaborators	1,100,000	10.00
Mutual Funds & UTI	—	—
Private Corporate Bodies	403,045	3.67
Indian Public	1,940,520	17.64
Directors & Relatives (other than Promoter Directors)	200	0.00
N.R.Is. / OCB's	136,495	1.24
FIIs	NIL	0.00
Total	**11,000,000**	**100.00**

(xi) Dematerialization shares and liquidity

The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As on 31st March, 2014, 1,08,58,138 Equity Shares of the Company, forming 98.71% of total shareholding stands dematerialized. As on 31st March, 2014, the promoter's and promoter's group holding of 74,19,740 shares (100%) are held in dematerialized form.

(xii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and likely impact on equity.

The Company has not issued GDR/ADR/Warrants or any convertible security.

(xiii) Plant Locations

a) Gat No. 1426, Village Shikrapur, Taluka Shirur, Dist. Pune, Maharashtra

b) 57-58 Km Stone, Delhi-Jaipur, NH-8, Industrial Area, Village Binola, Haryana.

(xiv) Address for correspondence :

For transfer/dematerialization of shares, change of address of members and other queries relating to the shares of the Company:

M/s. Universal Capital Securities Pvt. Ltd.

(Formerly Known as :Mondkar Computers Pvt. Ltd)

21 Shakil Niwas, Opp Sai Baba Temple

Mahakali Caves Road, Andheri (E),

Mumbai – 400093

Shareholders holding shares in Electronic Mode should address all their correspondence to their respective depository participant.

B. NON-MANDATORY REQUIREMENTS

1. Shareholders rights

As the Company's quarterly/half-yearly results are published in English and Marathi newspapers having wide circulation the same is not being sent to the shareholders household.

2 Postal Ballot

No Resolution was passed by the Company through Postal Ballot.

3 Training of Board Members

There is no formal policy at present for training of the Board members of the Company as the members of the Board are eminent and experience professional persons.

4 Whistle Blower Policy

The Company has a established whistle blower policy. The Company has also set up an internal union of the workers and employees, whose representatives are regularly invited by the management for discussion on their grievances.

Place: Shikrapur
Date : July 26, 2014

ANNEXURE –I

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
Alicon Castalloy Limited
Gat No. 1426, Village Shikrapur,
Taluka Shirur, Dist. Pune,
Maharashtra

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I, Shailendrajit Rai, Managing Director of Alicon Castalloy Limited hereby confirm that, all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Codes of Conduct.

S. Rai
Managing Director

Place: Shikrapur
Date : April 30, 2014

Auditors' Certificate regarding compliance of conditions of Corporate Governance under clause 49 of the Listing Agreement (s)

To the Members,
Alicon Castalloy Limited

We have examined the compliance of conditions of Corporate Governance by Alicon Castalloy Ltd. (the Company) for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement(s) (as amended from time to time) entered with the stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations to given to us and based on the management representations, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s).

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Asit Mehta & Associates**
Chartered Accounts
Firm Regn. No. 100733W

Sanjay Rane
Partner
Membership No. 100374

Place: Shikrapur
Date: April 30, 2014

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We certify that –

We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

Significant changes in internal control over financial reporting during the year;

Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

S. Rai
Managing Director

Vimal Gupta
Chief Financial Officer

Place : Shikrapur
Date : April 30, 2014

Independent Auditors' Report

To,
The Members of,
Alicon Castalloy Limited.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Alicon Castalloy Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the accounting standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

1) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

   (ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

   (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTER

2) (a) We draw attention to footnote under Note 9 to the financial statements: The Company has no dues to suppliers covered under 'MSMED Act', 2006.'' We have relied upon management confirmation for the suppliers covered under the Act, dues payable to them etc.

   (b) We draw attention to footnote under Note 16 to the financial statements: "The management of the Company has confirmed that all trade receivables are good and realisable in the ordinary course of the Company's business." We have relied upon management confirmations. Wherever, individual confirmations were not made available to us.

   (c) We draw attention to sub-note 8 of Note 1 to the financial statements: "At times, impairment loss is charged to revenue in the year in which the loss is crystalized and quantified with ease." We have relied upon management confirmation to the effect, on a global basis, the recoverable value of assets is the same at which those are being carried in the balance sheet though these have remained to be tested for impairment, if any.

   Our opinion is not qualified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

3) As required by the Companies (Auditor's Report) Order, 2003, (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act (hereinafter referred to as the 'Order') and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

4) As required by section 227(3) of the Act, 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 account as required by law have been kept by the Company so far as appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement read with and subject to summary of accounting policies dealt with by this report comply in all material respects, with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;

(e) On the basis of written representations received from the directors, as on 31st March, 2014 and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2014 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No.100733W

Sanjay Rane
Partner
Membership No.100374

Place : Pune
Date : April 30, 2014

Annexure to Independent Auditors' Report

(Referred to in Paragraph 3 under the heading 'Report on Other Legal and Regulatory Requirements of our report of even date on the financial statements of **Alicon Castalloy Limited** ('the Company') for the year ended 31st March, 2014).

(i) (a) The Company is maintaining records showing particulars including quantitative details and situation of fixed assets.

(b) As informed to us, some part of the fixed assets has been physically verified by the management during the year. As per information given to us, no material discrepancies were noticed on physical verification of some part of the fixed assets. We have relied upon management confirmation in the absence of specific details. However, in our opinion, the Company needs to undertake a comprehensive programme of physical verification covering all fixed assets.

(c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern status.

(ii) (a) The inventories comprising semi-finished goods, raw materials, stores and spares etc. have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification 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) The Company has maintained inventory records which need to be improved particularly in respect of semi-finished and finished goods. The closing inventory is established on the basis of year-end physical verification. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the accounts.

(iii) (a) In our opinion and according to the information and explanations given to us, during the year, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (a) (b) (c) (d) the Order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, during the year, the

Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (e), (f) & (g) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there exists internal control system commensurate with the size of Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. However, in our opinion, the existing internal control system needs to be further strengthened particularly in respect of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

(v) (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been entered.

(b) In our opinion and according to the information and explanations given to us and having regard to special nature of capital goods for which comparable quotations are not available, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of rupees five lakhs in respect of each party during the year have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.

(vi) The Company has not accepted any deposits from the public within the meaning of sections 58A, 58AA of the Act and rules framed there under.

(vii) In our opinion, the Company has internal audit system commensurate with its size and nature of its business.

(viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Act and are of the opinion that *prima facie,* the prescribed cost records have been made and maintained. We, however, have not made detailed examination of the records with a view to determine whether they are accurate and complete.

(ix) (a) According to the records of the Company produced before us, the Company is generally regular in depositing with the appropriate authorities undisputed amount of statutory dues including Provident Fund, Investor Education and Protection Fund, Profession Tax, Income-tax, Wealth-tax, Sales-tax, Value Added Tax, Service Tax, Excise Duty, cess and any other material statutory dues as applicable to it.

(b) According to the records of the Company produced before us and according to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears and outstanding as at 31st March, 2014 for a period of more than six months from the date those became payable.

(c) According to the information and explanations given to us, there are no dues, to the extent applicable, of Income-tax, Sales-tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and cess which have not been deposited on account of any dispute *except those given in the table below.*

Name of the Statue	Nature of the dues	Amount (₹)	Forum where dispute is pending
MVAT Act, 2005	Assessment dues for the year 2007-08	8,094,557/-	The Joint Commissioner of Sales Tax (Appeals-F-002), Pune
Under CST Act	Assessment dues for the year 2007-08	81,884,443/-	The Joint Commissioner of Sales Tax (Appeals-F-002), Pune
	Total	**89,979,000/-**	

(x) The Company does not have any accumulated losses as at the end of the financial year under audit.

The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xi) Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the banks and financial institutions. The Company has not borrowed money in the form of debentures.

(xii) Based on our examination of records and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The Company is not a chit fund or nidhi/mutual benefit fund/society and therefore provisions of clause 4 (xiii) of the Order are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 4 (xv) of the Order are not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us the term loans have been applied, on an overall basis, for the purposes for which those were obtained

(xvii) In our opinion and according to the information and explanation given to us and on overall examination of the balance sheet read with notes thereon of the Company, no funds raised on short-term basis have *prima facie* been used for long-term investment.

(xviii) During the year under audit, 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.

(xix) The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning and as at end the year. Accordingly, the provisions of clause 4 (xix) of the Order are not applicable to the Company.

(xx) The Company has not raised any money by way of public issues during the year. Accordingly, the provisions of clause 4 (xx) of the Order are not applicable to the Company.

(xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud of material amount on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No.100733W

Sanjay Rane
Partner
Membership No.100374
Place : Pune
Date : April 30, 2014

Balance Sheet

(Amount in ₹)

		Note No.	As at March 31, 2014	As at March 31, 2013
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	1	55,000,000	55,000,000
	(b) Reserves and surplus	2	1,085,453,885	956,308,179
	(c) Money received against share warrants		–	–
2	**Share application money pending allotment**		–	–
3	**Non-current liabilities**			
	(a) Long-term borrowings	3	116,765,693	52,500,000
	(b) Deferred tax liabilities (net)	4	30,845,478	25,913,460
	(c) Other Long term liabilities	5	66,157,273	66,163,211
	(d) Long-term provisions	6	9,938,901	7,923,321
4	**Current liabilities**			
	(a) Short-term borrowings	7	723,065,073	609,301,187
	(b) Trade payables	8	721,825,657	610,645,088
	(c) Other current liabilities	9	323,070,570	405,989,838
	(d) Short-term provisions	10	96,288,687	86,692,736
TOTAL			**3,228,411,217**	**2,876,437,020**
II.	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	11 (a)	1,306,398,816	1,278,153,716
	(ii) Intangible assets	11 (b)	7,563,922	6,077,095
	(iii) Capital work-in-progress	11 (c)	10,072,616	10,143,373
	(b) Non-current investments	12	106,249,200	106,249,200
	(c) Deferred tax assets (net)		–	–
	(d) Long-term loans and advances	13	245,829,395	129,360,574
	(e) Other non-current assets		–	–
2	**Current Assets**			
	(a) Current investments		–	–
	(b) Inventories	14	295,758,399	269,366,473
	(c) Trade receivables	15	1,053,749,776	859,969,295
	(d) Cash and bank balances	16	102,542,986	117,061,605
	(e) Short-term loans and advances	17	91,944,081	96,040,328
	(f) Other current assets	18	8,302,026	4,015,361
TOTAL			**3,228,411,217**	**2,876,437,020**
Significant accounting policies & other disclosures		27		
Notes on Financial Statements		1 to 27		
The notes are an integral part of these financial statements.				

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Statement of Profit and Loss

(Amount in ₹)

	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I. Revenue from operations (gross)	19	4,988,085,672	4,856,253,007
Less: Excise Duty		577,628,873	541,946,652
Revenue from operations (net)		**4,410,456,799**	**4,314,306,355**
II. Other income	20	30,485,431	36,693,621
III. Total Revenue (I + II)		**4,440,942,230**	**4,350,999,976**
IV. Expenses :			
(a) Cost of materials (including dies & components) consumed	21	2,360,224,991	2,356,172,106
(b) Purchases of stock-in-trade		–	–
(c) Changes in inventories of finished goods, semi-finished goods & stock-in-trade	22	(31,805,449)	(35,035,873)
(d) Employee benefits expense	23	520,685,968	490,714,231
(e) Finance costs	24	102,178,117	104,262,813
(f) Depreciation and amortization expense	25	175,692,793	175,118,995
(g) Other expenses	26	1,093,714,401	997,738,410
Total expenses		**4,220,690,822**	**4,088,970,682**
V. Profit before exceptional and extraordinary items and tax (III-IV)		**220,251,408**	**262,029,294**
VI. Exceptional items		–	–
VII. Profit before extraordinary items and tax (V - VI)		**220,251,408**	**262,029,294**
VIII. Extraordinary Items		–	–
IX. Profit before tax (VII-VIII)		**220,251,408**	**262,029,294**
X. Tax expense:			
(1) Current tax		54,000,059	52,436,870
(2) Deferred tax /(credit)		4,932,018	(2,779,113)
Total tax expense		**58,932,077**	**49,657,757**
XI. Profit for the period (IX-X)		**161,319,332**	**212,371,537**
XII. Earnings per equity share of face value of ₹ 5/- each.			
Basic and Diluted (₹ 5/-)		14.67	19.31
Significant accounting policies & other disclosures	27		
Notes on Financial Statements	1 to 27		
The notes are an integral part of these financial statements.			

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Cash Flow Statement

(Amount in ₹)

		For the year ended March 31, 2014	For the year ended March 31, 2013
A.	**Cash Flow from Operating Activities**		
	Profit before taxation	220,251,408	26,2029,294
	Adjustments for:		
	Depreciation & Amortization	175,692,793	175,118,995
	Loss on sale of tangible assets (net)	6,505,817	334,120
	Interest and dividend received	(6,252,179)	(7,100,120)
	Finance costs	102,178,117	104,262,813
	Unrealized foreign currency losses	(2,492,499)	(608,695)
	Sample sales written off	129,126	402,964
	Operating profit before working capital changes	**496,012,583**	**534,439,372**
	Changes in Working Capital:		
	Increase / (Decrease) in trade payables	111,180,570	40,762,336
	Increase / (Decrease) in other liabilities	(146,926,528)	(191,976,776)
	(Increase) / Decrease in trade receivables	(197,705,138)	5,098,559
	(Increase) / Decrease in inventories	(26,391,926)	(73,414,062)
	(Increase) / Decrease in advances & other assets	(121,875,435)	44,932,541
	Cash Generated from Operations	**114,294,126**	**359,841,969**
	Taxes paid (net of refunds)	(66,575,845)	(68,253,392)
	Net cash generated from operations before extraordinary items	**47,718,281**	**291,588,578**
	Extraordinary items	–	–
	Net cash from Operating Activities (A)	**47,718,281**	**291,588,578**
B.	**Cash flow from Investing Activities:**		
	Additions to fixed assets	(185,194,402)	(177,182,027)
	Investment in subsidiaries	–	–
	Interest and dividend received	6,252,179	7,100,120
	Margin money deposits	10,000,000	(27,159,871)
	Net cash from Investing Activities (B)	**(168,942,223)**	**(197,241,778)**
C.	**Cash flow from Financing Activities**		
	Dividends paid	(19,655,654)	(14,887,937)
	Dividend Distribution Tax	(3,738,900)	(2,463,714)
	Finance costs	(102,178,117)	(114,857,670)
	Repayment of long term borrowings (Net of proceeds)	128,514,108	(13,348,768)
	Proceeds from short term borrowings (Net of repayment)	113,763,886	33,066,686
	Write-off Assets and Expenses post de-merger (net of exp)	–	(135,492)
	Proceeds from share allotment under Employee Stock Option Schemes	–	–
	Net cash used in Financing Activities (C)	**116,705,323**	**(112,626,896)**
	Net increase in cash and cash equivalents (A+B+C)	**(4,518,619)**	**(18,280,095)**
	Cash and Cash equivalents at the beginning of the year	**50,047,201**	**68,327,297**
	Cash and Cash equivalents at the end of the year	**45,528,582**	**50,047,201**

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Notes forming part of the financial statements

(Amount in ₹)

	As at March 31, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount
1 SHARE CAPITAL				
Authorized share capital				
Equity shares of ₹ 5/- each	11,000,000	55,000,000	11,000,000	55,000,000
Issued, subscribed and paid-up capital				
Equity shares of ₹ 5/- each, fully paid	11,000,000	55,000,000	11,000,000	55,000,000
Total	**11,000,000**	**55,000,000**	**11,000,000**	**55,000,000**
Notes				
(a) Reconciliation of number of shares				
Shares outstanding at the beginning of the year	11,000,000	55,000,000	11,000,000	55,000,000
Shares issued during the year	–	–	–	–
Shares bought back during the year	–	–	–	–
Shares outstanding at the end of the year	**11,000,000**	**55,000,000**	**11,000,000**	**55,000,000**
(b) Rights, preferences and restrictions attached to shares				

Equity Shares of ₹ 5/- each:

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Sl. No.	Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Nastic Trading LLP (formerly Nastic Trading Private Limited)	5,970,000	54.27	5,970,000	54.27
2	Enkei Corporation	1,100,000	10.00	1,100,000	10.00
3	Shailendra Rai	808,860	7.35	280,000	2.55

(Amount in ₹)

	As at March 31, 2014	As at March 31, 2013
2 RESERVES AND SURPLUS		
Securities Premium Account		
Balance as at the beginning of the year	200,200,000	200,200,000
(+) Additions	–	–
Balance as at the end of the year	200,200,000	200,200,000
Business Reconstruction Reserve		
Balance as at the beginning of the year	–	135,492
(–) Expenses written off	–	135,492
Balance as at the end of the year	–	–
General Reserve		
Balance as at the beginning of the year	79,000,000	50,000,000
(+) Transferred from Surplus in Statement of Profit and Loss during the year	20,000,000	29,000,000
Balance as at the end of the year	**99,000,000**	**79,000,000**

Notes forming part of the financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
	Surplus in Statement of Profit and Loss		
	Balance as at the beginning of the year	677,108,178	519,475,542
	(+) Net Profit/(Net Loss) For the current year	161,319,332	212,371,537
	(–) Proposed Dividends	27,500,000	22,000,000
	(Dividend per Share ₹ 2.50/- (PY ₹ 2.00))		
	(–) Tax on Dividend	4,673,625	3,738,900
	(-) Transfer to General Reserves	20,000,000	29,000,000
	Balance as at the end of the year	786,253,885	677,108,179
	Total	**1,085,453,885**	**956,308,179**
3	**LONG-TERM BORROWINGS**		
	Secured Term loans		
	From Banks (Refer Note [a] below)	179,065,693	175,400,000
	Less: Current maturity of long term borrowings	62,300,000	122,900,000
		116,765,693	**52,500,000**
	Unsecured Term loans		
	From Financial Institutions (Refer Note [b] below)	–	44,541,492
	Less: Current maturity of long term borrowings	–	44,541,492
		–	–
	Total	**116,765,693**	**52,500,000**

Notes

(a) Long-term borrowings include secured term loans at floating interest rates from State Bank of India which are repayable through monthly/quarterly instalments. These loans are secured by a first parri-passu charge by way of equitable mortgage on the existing fixed assets. Of these, ₹ 62,300,000 /- (PY ₹ 122,900,000/-) are classified as current liabilities being repayable before 31st March, 2015.

Total number of installments = 100

Number of installments outstanding as at 31st March, 2014 = 62 (PY = 24)

(b) Long-term borrowings include unsecured term loans obtained from Bajaj Finance Limited repayable through monthly instalments. Of these, two loans are borrowed at fixed interest rates of 12.50% and another is at at a floating interest rate. Of these, ₹ Nil (PY ₹ 44,541,492/-) are classified as current liabilities.

Total number of installments = 11 EMI

Number of installments due outstanding as at 31st March, 2014 = Nil (PY = 20)

		As at March 31, 2014	As at March 31, 2013
4	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred Tax Liability		
	Fixed Assets /Depreciation	30,845,478	25,913,460
	Total	**30,845,478**	**25,913,460**

Note

Deferred tax liabilities provided are in respect of timing difference for the year.

		As at March 31, 2014	As at March 31, 2013
5	**OTHER LONG TERM LIABILITIES**		
	Trade payables for purchase of goods	–	–
	Royalty payable	66,157,273	66,163,211
	Total	**66,157,273**	**66,163,211**

Notes forming part of the financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
6	**LONG-TERM PROVISIONS**		
	Employee benefits		
	Gratuity (Funded)	3,475,464	1,647,344
	Leave Encashment (Unfunded)	6,463,437	6,275,977
	Total	**9,938,901**	**7,923,321**

7	**SHORT-TERM BORROWINGS**		
	Secured		
	Cash credit from banks *(Refer Note a below)*	690,193,380	605,250,512
	Unsecured		
	Term loans		
	From Banks *[Refer note (b) below]*	32,871,693	4,050,675
	Total	**723,065,073**	**609,301,187**

Notes

(a) Short-term borrowings includes cash credit facilities availed from State Bank of India, ING Vysya Bank and Bank of Maharashtra. These loans are secured in favor of all the aforementioned banks by a first parri-passu charge by way of hypothecation of all stocks and receivables and a second parri-passu charge by joint Deed of Hypothecation on all fixed assets of the Company.

(b) Unsecured term loans from banks includes loans obtained from Kotak Mahindra Bank for funding purchase orders. These loans, obtained at floating interest rates, are repayable through weekly instalments.

Total number of installments = 11 Installments

Number of installments outstanding as at 31st March, 2014 = 8 (PY = 2)

8	**TRADE PAYABLES**		
	Acceptances	140,156,089	158,801,905
	Sundry Creditors	581,669,568	451,843,183
	[Includes amounts payable to related parties ₹ 29,182,983/- (PY: ₹ 47,356,929)]		
	Total	**721,825,657**	**610,645,088**

Note

The Company has no dues to suppliers covered under Micro,Small and Medium Enterprises Development Act, 2006 ('MSMED Act')

9	**OTHER CURRENT LIABILITIES**		
	Current maturities of long-term borrowings (Refer note below)	62,300,000	167,761,162
	Interest accrued but not due on borrowings	1,948,415	2,064,208
	Unclaimed dividend	246,579	292,063
	Employee dues & retentions	26,952,266	25,989,988
	Other liabilities	68,638,780	76,037,691
	Royalty payable	3,773,640	2,948,650
	Statutory remittances	14,987,783	21,404,066
	Advances from customers	74,554,164	30,566,523
	Creditors for capital goods	69,668,943	78,925,487
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 (IEPF) not due	–	–
	Total	**323,070,570**	**405,989,838**

Notes forming part of the financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
10	**SHORT-TERM PROVISIONS**		
	Employee Benefits		
	Leave Encashment (Unfunded)	1,102,748	534,700
	Gratuity (Funded)	4,360,576	4,057,608
	Others		
	Provision for Bad & Doubtful debts	4,651,679	3,924,659
	Proposed Dividend	27,500,000	22,000,000
	Tax on Dividend	4,673,625	3,738,900
	Current Tax	54,000,059	52,436,869
	Total	**96,288,687**	**86,692,736**

Notes forming part of the financial statements

11 FIXED ASSETS

(Amount in ₹)

	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2013	Additions during the year	Disposals during the year	Balance as at March 31, 2014	Balance as at March 31, 2013	Depreciation for the year	Deductions on Disposals	Balance as at March 31, 2014	Balance as at March 31, 2014	Balance as at March 31, 2013
Owned Assets:										
(a) Tangible Assets										
Freehold Land	177,901,895	–	–	177,901,895	–	–	–	–	177,901,895	177,901,895
Building	273,292,551	11,968,510	–	285,261,061	56,001,336	9,386,633	–	65,387,969	219,873,092	217,291,216
Factory Equipments	114,336,995	12,946,701	–	127,283,696	41,384,106	7,786,800	–	49,170,906	78,112,790	72,952,890
Plant and Machinery	1,258,299,921	133,927,039	20,568,972	1,371,657,986	656,807,422	113,184,383	1,827,038	768,164,767	603,493,219	601,492,494
Electrical Installations	97,155,670	5,011,684	–	102,167,353	58,027,480	8,222,118	–	66,249,598	35,917,755	39,128,190
Furniture and Fixtures	36,192,867	94,616	–	36,287,482	14,617,775	2,204,608	–	16,822,384	19,465,098	21,575,091
Computers	22,562,904	808,296	–	23,371,200	17,081,782	1,912,473	–	18,994,255	4,376,944	5,481,123
Office Equipments	20,714,232	535,845	26,908	21,223,169	6,484,162	1,317,630	4,718	7,797,076	13,426,093	14,230,066
Quality Control Equipments	24,190,400	3,715,802	–	27,906,202	11,739,884	2,360,965	–	14,100,848	13,805,354	12,450,516
Motor Vehicle	12,327,818	6,791,359	1,849,379	17,269,799	7,332,916	1,029,104	1,236,736	7,125,284	10,144,515	4,994,902
Dies and Patterns	220,616,238	49,938,557	25,482,039	245,072,756	130,399,571	24,227,415	21,389,373	133,237,615	111,835,141	90,216,667
Assets under lease	–	–	–	–	–	–	–	–	–	–
Assets given on lease										
Plant and Machinery	23,131,016	-		23,131,016	2,692,349	2,391,747		5,084,096	18,046,920	20,438,667
Total	**2,280,722,504**	**225,738,408**	**47,927,298**	**2,458,533,615**	**1,002,568,787**	**174,023,876**	**24,457,864**	**1,152,134,799**	**1,306,398,816**	**1,278,153,716**
(b) Intangible Assets										
Software	9,769,215	3,155,741	–	12,924,956	3,692,119	1,668,914	–	5,361,034	7,563,922	6,077,095
Total	**9,769,215**	**3,155,741**	**–**	**12,924,956**	**3,692,119**	**1,668,914**	**–**	**5,361,034**	**7,563,922**	**6,077,095**
(c) Capital Work In Progress	10,143,373	(70,757)	–	10,072,616	–	–	–	–	10,072,616	10,143,373
Total	**2,300,635,091**	**228,823,392**	**47,927,298**	**2,481,531,187**	**1,006,260,907**	**175,692,791**	**2,44,57,864**	**1,157,495,833**	**1,324,035,354**	**1,294,374,185**
Total Previous Year	**2,130,635,461**	**169,999,631**	**–**	**2,300,635,092**	**833,907,321**	**172,353,586**	**–**	**1,006,260,907**	**1,294,374,184**	**1,296,728,140**

Note

The Company has not taken any assets on lease.

Notes forming part of the financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
12	**NON-CURRENT INVESTMENTS**		
	Trade Investments		
	Unquoted		
	Investment in subsidiaries includes 1 equity share of Euro 35,000/- [PY: 1] each held in Alicon Holding GmbH	106,178,900	106,178,900
	Total (A)	**106,178,900**	**106,178,900**
	Other than Trade Investments		
	Quoted		
	Investment in Equity instruments - Bank of Maharashtra 900 equity shares [PY: 900 shares] of ₹ 22.56 each held in Bank of Maharashtra	20,300	20,300
	Unquoted		
	Investment in Equity instruments - Shamrao Vithal Co. Op. Bank 2,000 equity shares [PY: 2,000 equity shares] of ₹ 25/- each held in Shamrao Vithal Co. Op. Bank	50,000	50,000
	Total (B)	**70,300**	**70,300**
	Total (A+B)	**106,249,200**	**106,249,200**
	Less : Provision for dimunition in the value of Investments	–	–
	Total	**106,249,200**	**106,249,200**
	Aggregate amount of quoted investments	20,300	20,300
	Market Value of quoted investments	36,000	45,810
	Aggregate amount of unquoted investments	50,000	50,000
	Aggregate provision for diminution in value of investments	–	–
13	**LONG-TERM LOANS AND ADVANCES**		
	Unsecured, considered good		
	Advance Income Tax (net of provisions)	198,386,510	66,333,945
	Capital Advances	9,960,088	22,604,791
	Balance with government authorities	32,374,849	31,879,167
	Security Deposits	5,107,949	8,542,672
	Total	**245,829,395**	**129,360,574**
14	**INVENTORIES**		
	Raw Materials and components	69,535,489	89,090,299
	Consumables	44,825,757	31,691,419
	Semi-finished goods	117,031,020	85,225,571
	(includes goods-in-transit ₹ 1,186,805/- (PY ₹ 170,917/-)		
	Packing Material	527,096	322,301
	Dies under Development	60,967,925	60,650,510
	Furnace Oils	2,871,112	2,386,374
	Total	**295,758,399**	**269,366,473**
	Note		
	(i) Details of Semi-finished goods		
	Semi-finished casting made from aluminum alloys	117,031,020	85,225,571

Notes forming part of the financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
15	**TRADE RECEIVABLES**		
	Unsecured, considered good		
	Debts outstanding for a period more than six months from the due date of payment		
	Others considered good	–	223,090
	– From others	–	3,701,569
	Others		
	– From related parties	237,990,637	119,316,257
	– From others	820,410,819	736,728,379
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	4,651,679	3,924,659
	Less: Provision for doubtful debts	4,651,679	3,924,659
	Total	**1,053,749,776**	**859,969,295**

* Trade receivables reported above are from the invoice dates, since credit period offered has varied from customer to customer and are not stated in some cases. Further, the year-end balances for some customers have remained to be confirmed, which are immaterial. The Company has received the confirmation of majority of customers.

** The management of the Company has confirmed that all trade receivables are good and realisable in the ordinary course of its business. The amount which is overdue more than 180 days appropriate provision has been taken by Company.

		As at March 31, 2014	As at March 31, 2013
16	**CASH AND BANK BALANCES**		
	Cash and cash equivalents		
	Current accounts with banks	37,009,538	44,192,374
	Cash on hand	8,519,044	5,854,827
		45,528,582	**50,047,201**
	Other Bank Balances		
	Term deposits* **	3,014,404	3,014,404
	Margin money deposits	54,000,000	64,000,000
		57,014,404	**67,014,404**
	Total	**102,542,986**	**117,061,605**

* Includes term deposits of ₹ 23,214,404/-(PY ₹ 12,014,404/-) which have maturity of more than 12 months from the balance sheet date.

** Includes term deposits of ₹ 12,014,404 (PY ₹ 12,014,404/-) which have an original maturity of more than 12 months

		As at March 31, 2014	As at March 31, 2013
17	**SHORT-TERM LOANS AND ADVANCES**		
	Unsecured, considered good		
	Advance income tax (net of provisions)	4,235,927	12,728,004
	Balance with government authorities	73,434,134	65,228,023
	Advance to Creditors (Revenue)	7,384,121	9,826,543
	Prepaid expenses	3,882,465	2,718,346
	Other advances	3,007,434	5,539,412
	Total	**91,944,081**	**96,040,328**

		As at March 31, 2014	As at March 31, 2013
18	**OTHER CURRENT ASSETS**		
	Interest accrued on term deposits	8,191,466	4,000,780
	Others	110,560	14,581
	Total	**8,302,026**	**4,015,361**

Notes forming part of the financial statements

(Amount in ₹)

		For the year ended March 31, 2014	For the year ended March 31, 2013
19	**REVENUE FROM OPERATIONS (GROSS)**		
	Sale of products		
	– Finished goods	496,0791,812	4,834,915,370
	Other operating revenues		
	– Scrap sale	27,293,860	21,337,637
		4,988,085,672	**4,856,253,007**
	Less:		
	Excise duty	577,628,873	541,946,652
	Total	**4,410,456,799**	**4,314,306,355**
	Note		
	Details of manufactured goods sold (net)		
	Castings made from aluminum alloys	4,181,083,608	3,574,192,309
	Conversion Income - (Job work)	72,050,577	481,185,143
	Dies	130,028,753	237,591,266
	Total	**4,383,162,938**	**4,292,968,718**
20	**OTHER INCOME**		
	Interest received (gross)	6,249,209	7,098,140
	Dividend on long-term investments	2,970	1,980
	Rent received	17,551,404	20,572,081
	Gain on foreign currency fluctuations	6,681,848	9,021,420
	Total	**30,485,431**	**36,693,621**
21	**COST OF MATERIALS CONSUMED** (including dies & components)		
	Inventory at the beginning of the year	149,740,809	112,427,655
	Add: Purchases	2,340,987,596	2,393,485,259
		2,490,728,405	2,505,912,914
	Less: Inventory at the end of the year	130,503,414	149,740,808
	Cost of materials consumed	**2,360,224,991**	**2,356,172,106**
	Note : Additional Details		
	(i) Details of raw material and components consumed		
	Aluminium / alloys	2,326,360,400	2,214,296,942
	Dies & Fixtures	33,864,591	141,875,164
	Total	**2,360,224,991**	**2,356,172,106**
	Material consumed includes material on conversion account as certified by the management. The figures of consumption have been arrived by deducting the closing stock from the quantity/value of opening stock as increased by the purchases during the year.		
	Note		
	(ii) Details of inventory of raw material and components		
	Aluminium / alloys	130,503,414	149,740,809

Notes forming part of the financial statements

(Amount in ₹)

		For the year ended March 31, 2014	For the year ended March 31, 2013
22	**CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS & STOCK-IN-TRADE**		
	Semi-finished goods		
	Inventory at the beginning of the year	85,225,571	50,189,698
	Less : Inventory at the end of the year	117,031,020	85,225,571
	Increase in stock of Semi-finished goods	**(31,805,449)**	**(35,035,873)**
23	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	455,292,648	430,661,368
	Contributions to Provident and other funds	15,876,431	15,800,849
	Leave encashment	2,315,438	4,798,120
	Employee welfare expenses	47,201,451	39,453,894
	Total	**520,685,968**	**490,714,231**
24	**FINANCE COSTS**		
	Interest on borrowings	92,826,952	92,309,588
	Other borrowing costs	9,351,165	11,953,225
	Total	**102,178,117**	**104,262,813**
25	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation on Tangible assets	174,023,879	173,711,744
	Amortization on Intangible assets	1,668,914	1,407,251
	Total	**175,692,793**	**175,118,995**
26	**OTHER EXPENSES**		
	Manufacturing Expenses		
	Consumption of stores and spares	302,236,405	306,239,361
	Power and fuel	364,411,854	360,784,901
	Processing charges	152,836,592	102,809,833
	Repairs to machinery	52,419,213	30,631,312
	Other manufacturing expenses	33,306,764	27,039,516
		905,210,828	**827,504,924**
	Administrative Expenses		
	Legal and Professional Charges	2,740,708	25,352,919
	Other administrative expenses	78,620,406	60,216,472
		81,361,114	**85,569,391**
	Selling and Distribution Expenses		
	Selling and Distribution Expenses	107,142,459	84,664,095
	Total	**1,093,714,401**	**997,738,410**

Notes forming part of the financial statements

	2013-2014		2012-2013	
	₹ (In Lacs)	Percentage	₹ (In Lacs)	Percentage
27 OTHER DISCLOSURE				
Part A				
1. Raw materials and Stores and Spares consumed				
1. Raw materials				
a) Imported	1,016.55	4.31	1,111.58	4.72
b) Indigenous	22,585.70	95.69	22,450.14	95.28
Total	**23,602.25**	**100.00**	**23,561.72**	**100.00**
2. Value of Stores and Spares consumed				
a) Imported	24.68	0.82	96.61	3.15
b) Indigenous	2,997.69	99.18	2,965.78	96.85
Total	**3,022.36**	**100.00**	**3,062.39**	**100.00**

The figures of consumption have been arrived by deducting the closing stock from the quantity / value of opening stock as increased by purchase during the year.

(Amount in ₹ Lacs)

		2013-14	2012-13
2	**Imports on CIF Basis**		
	Capital Goods	215.74	–
	Components & Spare Parts	1,041.23	1,208.20
	Total	**1,256.97**	**1,208.20**
3	**Expenditure in foreign currency**		
	Foreign Travel	50.08	82.09
	Royalty	166.99	159.49
	Commission on Sales	1.09	1.84
	Repair & Maintenance	–	39.26
	Selling & Distribution Expenses	20.17	–
	Legal & Professional Expenses	22.29	122.73
	Freight Inward	0.04	0.52
	Welfare Expenses	12.04	22.07
	Training Expenses	9.66	30.72
	Total	**282.36**	**458.71**
4	**Remittance in foreign currencies for dividends**		
	i) Number of non-resident shareholders	1	1
	ii) Number of Equity shares	1,100,000	1,100,000
	iii) Gross amount of dividends (₹)	–	1,518,000.00
5	**Earning in Foreign Exchange**		
	Export of goods Includes deemed export of ₹ 222.59 Lac (PY ₹ 349.39 Lac)	2,397.60	3,505.07
6	**Employee Benefits**		
	The Company has adopted Accounting Standard 15 “Employee Benefits”. The disclosures required by the Standard are given below:		
	Defined Contribution Plan The contributions recognized as expenses for the year are as under:		
	Employer’s Contribution to Provident Fund	138.82	131.82

Notes forming part of the financial statements

Defined Benefit Plan

Disclosures of Defined Benefit Plans in respect of Gratuity and Leave Entitlements, as per actuarial valuations by an independent valuer are given below.

(Amount in ₹ Lacs)

Particulars	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)
Present value of obligation as at the beginning of year	68.11	192.60	52.39	147.03
Interest Cost	4.37	15.64	3.46	11.47
Current Service Cost	31.55	32.68	33.39	33.55
Benefits Paid	(29.56)	(3.79)	(23.38)	(24.29)
Actuarial(gain) / loss on obligations	(4.95)	(21.97)	2.25	24.84
Present value of obligation as at the end of year	**69.52**	**215.15**	**68.11**	**192.60**
Table showing changes in the fair value of plan assets				
Fair value of plan assets at beginning of year	–	135.55	–	97.98
Expected return on plan assets	–	7.84	–	9.52
Contributions	–	–	–	40.00
Benefits Paid	–	(3.79)	–	(11.95)
Actuarial gain/(loss) on plan assets	–	–	–	–
Adjustment to Funds	–	(41.42)	–	–
Fair value of plan assets at the end of year	–	**98.18**	–	**135.55**
The amounts to be recognized in the balance sheet and statements of profit and loss				
Present value of obligations as at the end of year	69.52	215.15	68.11	192.60
Fair value of plan assets as at the end of the year	–	98.18	–	135.55
Unfunded status asset/ (liability)	69.52	(116.97)	68.11	(57.05)
Net asset / (liability) recognized in balance sheet	**69.52**	**(116.97)**	**68.11**	**(57.05)**
Expenses Recognized in statement of Profit and loss				
Current Service cost	31.55	32.68	33.39	33.55
Interest Cost	4.37	15.64	3.46	11.47
Expected return on plan assets	–	(7.84)	–	(9.52)
Net Actuarial (gain) / loss recognized in the year	(4.95)	(21.97)	2.25	24.84
Expenses recognized in statement of Profit and Loss	**30.98**	**18.51**	**39.10**	**60.34**

Actuarial Assumptions

	Leave Encashment (Unfunded) 2013-14	Gratuity (Funded) 2013-14	Leave Encashment (Unfunded) 2012-13	Gratuity (Funded) 2012-13
Assumption Discount Rate	9.10%	9.10%	8.20%	8.20%
Salary Escalation	6.00%	6.00%	6.00%	6.00%
Expected rate of return on plan assets	0.00%	8.50%	0.00%	8.50%

LIC Mortality Table

LIC (1994-96) published table of martality rates

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management

Notes forming part of the financial statements

(Amount in ₹ Lacs)

Particulars		For the year ended March 31, 2014	For the year ended March 31, 2013
7	**Auditor's Remuneration**		
	Statutory Audit	8.50	6.00
	Limited Review	1.50	1.50
	Consolidated Review	2.00	1.50
	Certificates	0.13	–
	Out of pocket expenses	0.38	0.25
	Total	**12.50**	**9.25**
8	**Commitment and Contingent Liabilities**		
	Commitments		
	Estimated amount of contracts remaining to be executed on capital	398.00	152.21
	Contingent Liabilities		
	a) Letters of Credit issued by the bank against Purchase of goods	326.94	282.82
	b) Performance and Financial Guarantees issued by the banks	248.88	344.40
	c) Customs and related duties for non fulfillment of Export Obligation	603.14	418.52
	d) Liability Under VAT/CST Act	899.79	–
	e) Pending Case in local Civil Court	353.63	349.67
	Total	**2,432.39**	**1,395.41**
9	**Foreign Currency Exposures (not hedged by derivative instruments):-**		
	Foreign Currency Liabilities:-		
	a) Trade payables	1,690.71	2,263.30
	b) Payables for fixed Assets	12.11	12.04
	Foreign Currency Assets:-		
	a) Trade Receivables	1,122.25	723.96
10	**Earning per share as computed in accordance with Accounting Standard 20**		
	i) Net Profit & Earnings / (Loss) after tax	161,318,818	212,371,537
	ii) Weighted average no. of Equity shares of ₹ 5 each	11,000,000	11,000,000
	iii) Basic Earning per Share (₹)	14.67	19.31
	iv) Diluted Earning per Share (₹)	14.67	19.31

11. Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at March 31, 2014	Relationship	Amount outstanding as at March 31, 2013
Alicon Holding,GmbH	Wholly Owned Subsidiaries	0	Wholly Owned Subsidiaries	0

12. Related Party Disclosure

Wholly Owned Subsidiaries	Associate Companies
Alicon Holding - GmbH	Atlas Castalloy Ltd.
Illichmann Castalloy - GmbH	Silicon Meadows Designs Ltd.
Illichmann Castalloy - sro	Silicon Meadows Engineering Ltd.
	Nastik Trading LLP
	Pamela Trading LLP
	Mithras Trading LLP

Key Managerial Peronnal

Shailendrajit Rai - Managing Director

Rajeev Sikand - Group Chief Executive Officer

Notes forming part of the financial statements

(Amount in ₹ Lacs)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Details of transactions during the year with Related parties		
Sales	1,212.50	1,108.80
Purchases	1,969.74	1,743.09
Expenses Charged to Company	132.28	24.76
Expenses Charged by Company	705.56	80.36
Foreign Currency monetary item	0.00	-0.04
Balance of investment in subsidiary at the year end	1,061.79	1,061.79
Amount Receivable at the year end	2,371.91	1,492.89
Amount Payable at the year end	291.83	473.57
Fixed assets purchased or sold	691.66	222.20
Details of transactions during the year with key managerial personnel		
Remuneration		
Managing Director -		
Salary,Allowances & Perquisites	18.70	18.71
Contribution to P.F., Gratuity and other funds	0.90	0.90
Commission	11.08	13.17
Total	**30.68**	**32.77**
Group Chief Executive Officer		
Salary, Allowances & Perquisites	56.75	34.71
Contribution to P.F., Gratuity and other funds	3.48	3.39
Commission	62.96	43.81
Total	**123.19**	**81.91**
13 Proposed Dividend		
On Equity Shares of ₹ 5 each		
Amount of dividend proposed	275.00	220.00
Dividend per Equity Share	2.50	2.00

14. The Company has operating leases in respect of plants, guest houses etc. Further, lease rentals payable in respect of the same which are non-cancellable are as follows.

	For the year ended March 31, 2014	For the year ended March 31, 2013
Not later than one year	51.50	15.17
Later than one year but not later than five years	–	–
Later than five years	–	–

The Company has given on operating leases equipment (one set of horizontal machining center) which is non-cancellable for a period of 72 months. The lease rentals receivable from its associate company (lease are as follows.

Not later than one year	48.18	48.18
Later than one year but not later than five years	184.68	180.67
Later than five years	232.86	0.00

Notes forming part of the financial statements

15. Research & Development

The Company has separate in-house Research & Development set-up which is involved in new product development, new process development etc. The details of R&D Expenditure for the financial year 2013-14 of the same are as under:

Particulars	Amount (₹)
A. Capital Expenditure	3,568,427
B. Revenue Expenditure	47,471,170
Total R&D Expenditure	**51,039,597**

*** Revenue expenditure comprises of Cost to R&D employees, material cost, travelling expenses and utilities.

Part B

1. Segment Reporting

The Company has single business segment viz. that of aluminium castings. Accordingly, disclosure requirements as per Accounting Standard 17 "Segment Reporting" specified in the Companies (Accounting Standard) Rules 2006 are not strictly applicable to the Company so far as standalone financial statements of the Company are concerned. However, in accordance with paragraph 4 of Accounting Standard 17 (Segment Reporting), details of segment report have been included in Consolidated Financial Statements.

2. Excise Duty

Excise Duty being recovered from the customers through sales invoices raised on them during the year, have been reported separately as a deduction from 'Income from Operations' in the statement of Profit and Loss.

3. Borrowing

Of total borrowing cost of ₹ 1,021.78 Lacs (PY ₹ 1,042.63 Lacs) incurred during the year, ₹ Nil (PY ₹ 106.71 Lacs) have been capitalized, as identified/relatable to the particular qualifying assets.

4. Sundry Creditors

Sundry Creditors include a sum of ₹ 1,645.40 Lacs (PY ₹ 1,645.40 Lacs) as payables which are not expected to be settled in medium term. During the year, the Company was able to procure confirmation from some of its suppliers for goods and services as to their status and classification for each of them under the Micro, Small and Medium Enterprises Act, 2006 (Act). The principal amount remaining unpaid to the suppliers covered under the Act as at the end of the year have been, to the extent information available, shown and classified separately under schedule 11 of Current Liabilities. Also, disclosed below are the amount due to the suppliers beyond the appointed date and amount of interest accrued and remaining unpaid as at the end of the year.

(Amount in ₹)

	As at March 31, 2014	As at March 31, 2013
Principal Amount Due	**NIL**	**NIL**
Principal Amount Paid	NIL	NIL
Principal Amount Unpaid Beyond The Appointed Date	NIL	NIL
Interest Accrued And Remaining Unpaid	NIL	NIL

5. All current assets, loans and advances are stated at values realisable in the ordinary course of business and all known liabilities are adequately provided for in the opinion of the board.

6. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been include in the Consolidated Financial Statements.

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Statement of Significant Accounting Policies
attached to the Financial Statements for the year ended 31.03.2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FORMING PART THE FINANCIALSTATEMENTS FOR THE YEAR ENDED 31.03.2014

Corporate information

Alicon Castalloy Limited (the Company) is listed on the Bombay Stock Exchange and National Stock Exchange. It is engaged in the manufacturing of aluminium die castings primarily used in automotive segment of the industry in India.

SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of financial statements

a) These financial statements of the Company are prepared under the historical cost convention and on an accrual basis of accounting. These financial statements comply in all materials respects with generally accepted accounting principles in India, the applicable accounting standards notified under the Companies Act, 1956 (the 'Act') read with the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013, unless otherwise stated below.

b) All assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

c) The accounting policies adopted in the preparation of financial statements are consistent with those of previous years.

2. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known / materialised.

3. Revenue Recognition

a) Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection based upon negotiations with the customers for price escalations and price settlements.

b) Domestic sales are recognised on despatch of goods by the Company from its factory premises and Export sales are accounted on the basis of dates of Bill of Lading and are reflected in the accounts net of taxes, returns and trade discounts.

c) The Company besides manufacturing the products from its raw materials, also converts raw materials supplied by the customers and accounts the gross receipts as 'conversion income' once the job is competed and goods are dispatched to the customers.

d) Other operating revenue represents income earned from the Company's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

4. Other Income

i Dividend income is accounted once it is received or right to receive the dividend is established.

ii Interest income is recognised on time proportion basis taking into account the amount of deposits held and applicable rate.

iii Other temporary income for e.g. rent is recognised when the right to receive the income is established as per the terms of the contract.

5. Tangible Fixed Assets & Capital Work-In-Progress

i. Fixed Assets except land are stated at cost less accumulated depreciation and impairment losses, if any. The cost represents purchase price (net of recoverable taxes) and all other direct expenses including financing cost in respect of acquisition or construction of fixed assets incurred for the period up to the date the asset is ready for its intended use or for the period till commencement of commercial production respectively.

ii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iii. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

iv. In case of new production facilities, the project costs incurred are capitalised from the date the facilities are commenced and trial production is obtained successfully. The project cost including attributable borrowing cost incurred in respect of facilities not commenced/expanded has been accounted as 'Capital Work-In-Progress', unless the project takes substantial period to commence and where assets are separately identifiable.

v. The asset numbering exercise and determination of useful lives of assets have remained to be certified and documented by the Company on an extensive basis.

6. Intangible Assets

i Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably.

ii Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price (net of recoverable of taxes) and expenses directly attributable for making the asset ready for its intended use.

7. Depreciation and Amortisation

i Tangible Fixed Assets other than Dies and Moulds are depreciated on Straight Line Method at the rates prescribed in schedule XIV to the Companies Act, 1956.

ii Dies and Moulds are depreciated at Written Down Value basis at the rates prescribed in schedule XIV to the Companies Act, 1956.

iii Depreciation on additions during the year is provided on pro-rata basis from the middle of the quarter in which capitalisation takes place.

iv Where CENVAT is claimed on capital goods, the relevant excise duty under CENVAT has been deducted from the value of the asset for claiming depreciation.

v In case where specific arrangement exists with a customer for amortisation of capital equipment, depreciation provided equals such agreed amortisation. In such cases, cumulative depreciation at least equals the minimum prescribed under Schedule XIV of the Companies Act,1956.

vi Intangible assets in the nature of computer & functional software are amortised over a period of six years.

8. Impairment of Assets

i. An asset is treated as impaired when identified and when the carrying amount of the asset exceeds it recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

ii. At times, impairment loss is charged to the revenue, in the year in which the loss is crystalised and quantified with ease.

iii. The asset verification, determination of their useful lives, identification of impaired assets, if any has remained to be carried out by the Company on an extensive basis covering all assets. The Company has planned the exercise in the current financial year

9. Investments

Long-term investments, which are unquoted, are stated at cost. Cost includes costs incidental to acquisition such as legal costs etc, Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

Current investments are stated at lower of the cost and fair market value.

10. Inventories

i. Raw Materials

Inventory of raw materials is valued at cost. Cost represents purchase price, net of recoverable taxes and is determined on weighted average basis of last purchases.

ii. Semi-Finished goods

Inventory of semi-finished goods is valued at lower of cost of net realisable value. Cost comprises of material cost and conversion cost.

Conversion cost includes cost of consumables, direct labour, and variable overheads in proportion to direct labour and fixed cost in respect of production facilities.

iii. Consumables, Stores and Spares

Consumables, stores and spares are valued at cost. Cost represents purchase price, net of recoverable taxes, and is determined on First in First out basis.

iv. Dies and Moulds

i. The expenditure on development of dies and moulds commissioned for and on behalf of the customers is carried in the books at the appropriate cost of development, under ''Current Assets'', subject to such cost not exceeding the maximum value contracted to be paid by the customer. Income from development and development cost of such dies is accounted for in the year in which they are completed and invoiced.

ii. The unfunded cost of such dies, if any, is written off to revenue in the event of their commercial obsolescence and in the year in which the loss is crystalised and quantified with ease.

11. Cash and cash equivalents

Cash and cash equivalents comprise of balance with the banks and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from the date of purchase, to be cash equivalents.

12. Transactions in Foreign Currencies

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction except sales which are recorded at a rate notified for a month, by the customs, for invoice purposes.

(ii) Old liabilities denominated in foreign currencies but agreed to be settled in Indian rupee are not restated and continue to be carried at their original values.

(iii) Monetary items denominated in foreign currencies at the year-end are restated at the year-end exchange rates.

(iv) Non monetary foreign currency items are carried at cost.

(v) All exchange differences arising on settlement and restatement of year-end foreign currency monetary assets and liabilities are recognised as income or expense in the statement of profit and loss.

13. Taxes on income

(i) Tax expense comprises of current tax and deferred tax.

(ii) Current tax is the amount of tax due & payable on the taxable income as determined in accordance with the provisions of the Income Tax Act,1961.

(iii) Deferred tax is recognised subject to the consideration of prudence, on timing difference between accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods. However, these have remained to be extensively reviewed & provided for on a cumulative basis.

(iv) Deferred tax assets, if any, are recognised, only when there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Statement of Significant Accounting Policies
attached to the Financial Statements for the year ended 31.03.2014

14. Employee Benefits

Employee benefits include provident fund, pension fund, gratuity fund, compensated absences and medical benefits.

Defined contribution plans

Contributions to defined contribution approved Provident Fund and Pension Fund, defined contribution schemes, are made at pre-determined rates and charged to the statement of profit and loss, as and when incurred.

Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to contributions using Projected Unit Credit Method, with actuarial valuations being carried out by an independent valuer. Actuarial gains and losses have been recognised in full in the statement of profit and loss for the year. Past service cost has also been recognised to the extent that the benefits are already vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for as reduced by the fair value of scheme assets.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid leave, performance incentives, bonus, ex-gratia etc.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarial liability determined by an independent valuer being the present value of the defined benefit obligation at the balance sheet date.

The liability towards Workmen Compensation is also funded with New India Insurance and contribution made towards this is charged to the statement of profit and loss of the year.

15. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as a part of the cost of such assets. All other borrowing costs incurred and which are not identified to the particular qualifying assets is charged to revenue.

16. Leases

Operating Leases: In respect of assets acquired on leases, rentals are charged to the statement of profit and loss on accrual basis and with reference to lease terms and other considerations. Assets leased out under operating leases are capitalised. Rental income is recognized on accrual basis over the lease term.

Finance Leases: In respect of the assets acquired under leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as a lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of profit and loss.

17. Research and Development Costs

a) Research costs are expensed as and when incurred.

b) Development costs are as and when incurred, unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable and the costs can be measured reliably.

c) Research and development expenditure of a capital nature in include in the cost of relevant fixed assets.

18. Provisions, Contingencies and Commitments

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 to accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Place: Pune
Dated: April 30, 2014

Statement pursuant to
Section 212 of the Companies Act, 1956 relating to subsidiary companies

	Name of the subsidiary		
	Alicon Holding GmbH	**Illichman Castalloy GmbH - Austria (Note 2)**	**Illichman Castalloy S.R.O. - Slovakia (Note 1)**
The Financial Year of the Subsidiary ended on	31-Mar-14	31-Mar-14	31-Mar-14
Number of shares of the subsidiary held	1	1	1
Total Number of Shares	1	1	1
Extent of holding	100%	100%	100%
Face Value (In Euro)	35,000	35,000	5,000

The Net Aggregate of profits/ (losses) of the subsidiary company for its current financial year so far as they concern the members of Alicon Castalloy Limited

a) Dealt with in the accounts of Alicon Castalloy Limited for the Year ended March 31, 2014	–	–	–
b) Not dealt with in the accounts of Alicon Castalloy Limited for the Year ended March 31, 2014 (Amount in Rupees)	(947,794)	36,415,061	(5,214,601)

The Net Aggregate of profits/ (losses) of the subsidiary Company for its revious financial year so far as they concern the members of Alicon Castalloy Limited

a) Dealth with in the accounts of Alicon Castalloy Limited for the Year ended March 31, 2013	–	–	–
b) Not dealt with in the accounts of Alicon Castalloy Limited upto year ended March 31, 2013 (Amount in Rupees)	(1,850,519)	(72,213,516)	(40,151,376)

Notes:

1) The shares in Illichman Castalloy S.R.O. are held by Alicon Holding GmbH.

2) The shares in Illichman Castalloy GmbH are held by Illichman Castalloy S.R.O.

Statement pursuant to

under Section 212 (8) of the Companies Act, 1956 relating to subsidiary companies

(Amount in ₹)

Name of Company	Country of Incorporation	Number of shares of the subsidiary held	Reporting dates used for Consolidation	Reporting Currency	Exchange Rate as on 31st March, 2014 in INR closing rate	Share Capital (In Euro)	Reserves and Surplus	Total Liabilities	Net Fixed Assets	Investments	Total Assets	Sales	Profit/(Loss) before tax	Taxation	Profit after Tax
Alicon Holding GmbH	Austria	100%	31-Mar-14	Rupees	82.58	35,000	(3,704,245)	107,906,076	–	104,407,467	107,906,076	–	(947,794)	–	(947,794)
Illichman Castalloy GmbH (Note 2)	Austria	100%	31-Mar-14	Rupees	82.58	35,000	(39,962,631)	265,987,797	6,912,517	–	265,987,797	853,463,091	37,609,117	1,194,055	36,415,061
Illichman Castalloy S.R.O. (Note 1)	Slovakia	100%	31-Mar-14	Rupees	82.58	5,000	(37,365,551)	456,334,665	142,105,655	44,612,983	456,334,665	679,295,888	(5,214,601)	–	(5,214,601)

Notes:

1) The shares in Illichman Castalloy S.R.O. are held by Alicon Holding GmbH.

2) The shares in Illichman Castalloy GmbH are held by Illichman Castalloy S.R.O.

Consolidated Financial Statements

Independent Auditors' Report

To,
The Members of,
Alicon Castalloy Limited

We have audited the accompanying consolidated financial statements of **Alicon Castalloy Limited** ('the Company') and its subsidiaries (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, notified under the Companies Act, 1956 read with the General Circular 15/2013 dtd. 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of other auditors on the financial statements of subsidiaries referred below in paragraph 'Other Matters', the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at March 31 2014;

(ii) in the case of the Consolidated Statement of Profit and Loss of the Profit of the Group for the year ended on that date; and

(iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

EMPHASIS OF MATTER

(a) We draw attention to footnote under Note 9 of the financial statements: The Company has no dues to suppliers covered under 'MSMED Act', 2006. We have relied upon management confirmations for the suppliers covered under the Act, dues payable to them etc.

(b) We draw attention to footnote under Note 15 of the financial statements: "The management of the Company has confirmed that all trade receivables are good and realisable in the ordinary course of its business." We have relied upon management confirmations wherever individual confirmations were not made available to us.

(c) We draw attention to sub-note 8 of Note1 to the financial statements: "At times, impairment loss is charged to revenue in the year in which the loss is crystalised and quantified with ease.'' We have relied upon management confirmation to the effect, on a global basis, the recoverable value of assets is the same at which those are being carried in the balance sheet though these have remained to be tested for impairment, if any.

Our opinion is not qualified in respect of these matters.

OTHER MATTERS

1. We did not audit the financial statements of overseas subsidiaries, whose financial statements made available to us reflect total assets of ₹ 500,766,807/- as at March 31, 2014, total revenues of ₹ 927,135,662/- and net cash outflows of ₹ 4,969,526/- for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts of disclosures include in respect of these subsidiaries, is based solely on the report of other auditors.
2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, notified by the Companies (Accounting Standards) Rules, 2006.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No.100733W

Sanjay Rane
Partner
Membership No.100374

Place: Pune
Date : April 30, 2014

Consolidated Balance Sheet

(Amount in ₹)

	Note No.	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	55,000,000	55,000,000
(b) Reserves and surplus	2	1,004,421,456	860,031,570
(c) Money received against share warrants		–	–
2 Share application money pending allotment		–	–
3 Non-current liabilities			
(a) Long-term borrowings	3	116,765,693	52,500,000
(b) Deferred tax liabilities (Net)	4	30,845,478	25,913,460
(c) Other Long term liabilities	5	66,157,273	66,163,211
(d) Long-term provisions	6	9,938,901	7,923,321
4 Current liabilities			
(a) Short-term borrowings	7	964,056,768	829,092,358
(b) Trade payables	8	830,938,532	694,245,904
(c) Other current liabilities	9	395,916,200	491,839,699
(d) Short-term provisions	10	118,023,860	103,033,043
TOTAL		**3,592,064,161**	**3,185,742,566**
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11 (a)	1,448,340,747	1,407,514,878
(ii) Intangible assets	11 (b)	10,693,749	8,824,731
(iii) Capital work-in-progress	11 (c)	14,019,029	10,721,946
(iv) Intangible assets under development		–	–
(b) Non-current investments	12	70,300	70,300
(c) Deferred tax assets (net)	4	–	–
(d) Long-term loans and advances	13	248,089,868	131,246,689
(e) Other non-current assets		–	–
2 Current Assets			
(a) Current investments		–	–
(b) Inventories	14	434,568,898	361,417,336
(c) Trade receivables	15	1,193,429,905	1,002,388,113
(d) Cash and bank balances	16	116,555,651	136,043,796
(e) Short-term loans and advances	17	115,190,970	121,635,119
(f) Other current assets	18	11,105,044	5,879,658
TOTAL		**3,592,064,161**	**3,185,742,566**
Significant accounting policies & other disclosures	27		
The notes are an integral part of these financial statements.			

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Consolidated Statement of Profit and Loss

(Amount in ₹)

		Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I.	**Revenue from operations (gross)**	19	5,902,691,460	5,788,234,490
	Less: Excise Duty		577,628,873	541,946,652
	Revenue from operations (net)		**5,325,062,587**	**5,246,287,838**
II.	**Other income**	20	40,825,252	69,201,518
III.	**Total Revenue (I + II)**		**5,365,887,839**	**5,315,489,356**
IV.	**Expenses:**			
	(a) Cost of materials consumed	21	2,568,006,172	2,588,390,308
	(b) Purchases of Stock-in-Trade /Services		15,208,007	16,171,034
	(c) Changes in inventories of finished goods, work-in-progress & Stock-in Trade	22	(76,224,030)	(12,142,418)
	(d) Employee benefits expense	23	786,304,217	779,917,522
	(e) Finance costs	24	111,662,915	113,041,053
	(f) Depreciation and amortization expense	25	211,190,292	199,926,428
	(g) Other Expenses	26	1,498,042,138	1,411,146,951
	Total expenses		**5,114,189,710**	**5,096,450,878**
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		**251,698,130**	**219,038,478**
VI.	**Exceptional items**			
VII.	**Profit before extraordinary items and tax (V - VI)**		**251,698,130**	**219,038,478**
VIII.	**Extraordinary Items**			
IX.	**Profit before tax (VII- VIII)**		**251,698,130**	**219,038,478**
X	**Tax expense:**			
	(1) Current tax		55,194,114	53,042,265
	(2) Deferred tax		4,932,018	(2,779,113)
	Total tax expense		**60,126,132**	**50,263,152**
XI	**Profit (Loss) for the period (IX + X)**		**191,571,998**	**168,775,326**
XII.	**Earnings per equity share:**			
	(1) Basic earnings per share of face value of ₹ 5 each		17.42	15.34
	(2) Diluted earnings per share of face value of ₹ 5 each			
Significant accounting policies & other disclosures		27		
The notes are an integral part of these financial statements.				

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Consolidated Cash Flow Statement

(Amount in ₹)

		For the year ended March 31, 2014	For the year ended March 31, 2013
A.	**Cash Flow from Operating Activities**		
	Profit before taxation	251,698,130	219,038,478
	Adjustments for:		
	Depreciation & Amortisation	211,190,292	199,926,428
	Loss on sale of tangible assets (net)	6,505,817	189,367
	Interest & dividend received	(6,266,810)	(8,879,067)
	Interest Expenditure	111,662,915	113,041,053
	Unrealised foreign currency losses	(2,492,499)	(608,695)
	Sample sales written off	(129,126)	402,964
	Provision for leave encashment and gratuity	9,710,483	–
	Provision for doubtful debts and advances	727,019	3,372,653
	Foreign currency translation	(6,681,848)	9,854,989
	Expense written back	–	–
	Operating profit before working capital changes	**575,924,372**	**536,323,168**
	Changes in Working Capital:		
	Increase / (Decrease) in trade payables	136,692,630	6,776,649
	Increase / (Decrease) in other current liabilities	(78,917,102)	(30,589,466)
	Increase / (Decrease) in other long term liabilities	(5,938)	–
	(Increase) / Decrease in trade receivables	(191,041,792)	(48,613,975)
	(Increase) / Decrease in inventories	(73,151,562)	(24,533,847)
	(Increase) / Decrease in long term loans and advances	(116,843,179)	–
	(Increase) / Decrease in short term loans and advances	6,444,149	37,762,614
	(Increase) / Decrease in other current assets	(5,225,386)	–
	Cash Generated from Operations	**253,876,191**	**477,131,153**
	Taxes paid (net of refunds)	(66,575,845)	(68,858,787)
	Net cash generated from operations before extraordinary items	**187,300,346**	**408,272,366**
	Extraordinary items	–	–
	Net cash from Operating Activities (A)	**187,300,346**	**408,272,366**
B.	**Cash flow from Investing Activities:**		
	Purchase of tangible/intangible assets	(277,227,935)	(194,771,275)
	Interest and dividend received	6,266,810	8,879,067
	Margin money deposits	10,000,000	(27,159,871)
	Net cash from Investing Activities (B)	**(260,961,125)**	**(213,052,079)**
C.	**Cash flow from Financing Activities**		
	Dividends paid	(19,655,654)	(14,887,937)
	Dividend Distribution Tax	(3,738,900)	(2,463,714)
	Finance costs	(111,662,915)	(123,635,910)
	Repayment of long term borrowings (Net of proceeds)	64,265,693	(170,515,830)
	Proceeds from short term borrowings (Net of repayment)	134,964,410	96,501,034
	Write-off Assets and Expenses post de-merger (net of exp)	–	(135,492)
	Net cash used in Financing Activities (C)	**64,172,635**	**(215,129,276)**
	Net increase in cash and cash equivalents (A+B+C)	**(9,488,145)**	**(19,908,988)**
	Cash and Cash equivalents at the beginning of the year	**69,029,392**	**88,938,380**
	Cash and Cash equivalents at the end of the year	**59,541,247**	**69,029,392**

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Notes forming part of the Consolidated financial statements

(Amount in ₹)

	As at March 31, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount
1 SHARE CAPITAL				
Authorised share capital				
Alicon Castalloy Ltd.	11,000,000	55,000,000	11,000,000	11,000,000
Equity shares of ₹ 5/- each				
Issued, subscribed and paid-up capital				
Alicon Castalloy Ltd.	11,000,000	55,000,000	11,000,000	55,000,000
Equity shares of ₹ 5/- each, fully paid				
Total	**11,000,000**	**55,000,000**	**11,000,000**	**55,000,000**
Notes				
(a) Reconciliation of number of shares				
Shares outstanding at the beginning of the year	11,000,000	55,000,000	11,000,000	55,000,000
Shares issued during the year	–	–	–	–
Shares bought back during the year	–	–	–	–
Shares outstanding at the end of the year	**11,000,000**	**55,000,000**	**11,000,000**	**55,000,000**
(b) Rights, preferences and restrictions attached to shares				

Equity Shares of ₹ 5/- each:

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Sl. No.	Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Nastic Trading LLP (formerly Nastic Trading Private Limited)	5,970,000	54.27	5,970,000	54.27
2	Enkei Corporation	1,100,000	10.00	1,100,000	10.00
3	Shailendra Rai	808,860	7.35	280,000	2.55

(Amount in ₹)

	As at March 31, 2014	As at March 31, 2013
2 RESERVES AND SURPLUS		
Securities Premium Account		
Balance as at the beginning of the year	200,200,000	200,200,000
Add : Securities premium credited on cancellation of equity shares held in EWIL on De-merger	–	–
Balance as at the end of the year	**200,200,000**	**200,200,000**
Business Reconstruction Reserve		
Balance as at the beginning of the year	–	1,35,492
(–) Expenses Written Off	–	1,35,492
Balance as at the end of the year	–	–
General Reserve		
Balance as at the beginning of the year	79,000,000	50,000,000
(+) Transferred from Surplus in Statement of Profit and Loss during the year	20,000,000	29,000,000
Balance as at the end of the year	**99,000,000**	**79,000,000**

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
	Foreign currency translation reserve		
	Balance as at the beginning of the year	14,903,945	14,222,146
	Add :Transactions during the year	(15,008,487)	681,798
	Balance as at the end of the year	**(104,542)**	**14,903,944**
	Surplus in Statement of Profit and Loss		
	Balance as at the beginning of the year	565,927,625	451,891,200
	(+) Net Profit/(Net Loss) For the current year	191,571,998	168,775,326
	(-) Proposed Dividends	27,500,000	22,000,000
	(-) Tax on Dividend	4,673,625	3,738,900
	(-) Transfer to General Reserves	20,000,000	29,000,000
	Balance as at the end of the year	**705,325,998**	**565,927,626**
	Total	**1,004,421,456**	**860,031,570**
3	**LONG-TERM BORROWINGS**		
	Secured		
	Term loans		
	From Banks (Refer Notes [a] & [c] below)	179,065,693	175,400,000
	Less:Current maturity of long term borrowings	62,300,000	122,900,000
		116,765,693	**52,500,000**
	Unsecured		
	Term loans		
	From Financial Institutions (Refer Note [b] below)	–	44,541,492
	Less:Current maturity of long term borrowings	–	44,541,492
	Loans and advances from related parties(Illichmann SK)	–	–
	Total	**116,765,693**	**52,500,000**

Notes

(a) Long-term borrowings include secured term loans at floating interest rates from Axis Bank and State Bank of India which are repayable through monthly/ quarterly instalments. These loans are secured by a first parri-passu charge by way of equitable mortgage on the existing fixed assets. Of these, ₹ 6,23,00,000/- (PY ₹ 12,29,00,000/-) are classified as current liabilities being repayable before March 31, 2015.

Total number of installments = 100
Number of installments outstanding as at March 31, 2014 = 62 (PY = 24)

(b) Long-term borrowings include unsecured term loans obtained from Bajaj Finance Limited repayable through monthly instalments. Of these, two loans are borrowed at fixed interest rates of 12.50% and another is at at a floating interest rate. Of these, ₹ Nil (PY ₹ 44,556,073/-) are classified as current liabilities being repayable before March 31, 2015.

Total number of installments = 11 EMI
Number of installments due outstanding as at March 31, 2014 = Nil (PY = 20)

4	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred Tax Liability		
	Depreciation	30,845,478	25,913,460
	Deferred Tax Assets		
	Others	–	–
	Total	**30,845,478**	**25,913,460**

Note

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
5	**OTHER LONG TERM LIABILITIES**		
	Non-refundable contribution	–	–
	Royalty payable	66,157,273	66,163,211
	Total	**66,157,273**	**66,163,211**
6	**LONG-TERM PROVISIONS**		
	Provision for employee benefits		
	Provision for gratuity (Funded)	3,475,464	1,647,344
	Leave Encashment (Unfunded)	6,463,437	6,275,977
	Total	**9,938,901**	**7,923,321**
7	**SHORT-TERM BORROWINGS**		
	Secured		
	Cash credit from banks	931,185,076	825,041,683
	[Refer Note (a) below]		
		931,185,076	**825,041,683**
	Unsecured		
	Term loans		
	From Banks	32,871,693	4,050,675
	[Refer note (b) below]		
		32,871,693	**4,050,675**
	Total	**964,056,768**	**829,092,358**

Notes

(a) Short-term borrowings include cash credit facilities availed from State Bank of India, ING Vysya Bank and Bank of Maharashtra. These loans are secured in favor of all the aforementioned banks by a first parri-passu charge by way of hypothecation of all stocks and receivables and a second parri-passu charge by joint Deed of Hypothecation on all fixed assets of the Company.

(b) Unsecured term loans from banks includes loans obtained from Kotak Mahindra Bank for funding purchase orders. These loans, obtained at floating interest rates, are repayable through weekly instalments. No. of installments outstanding as at March 31, 2014 = 8 (PY-2)

		As at March 31, 2014	As at March 31, 2013
8	**TRADE PAYABLES**		
	Acceptances	140,156,089	158,801,906
	Sundry Creditors	690,782,443	535,443,998
	Total	**830,938,532**	**694,245,904**

Note

The Company has no dues to suppliers registered under Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act).

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
9	**OTHER CURRENT LIABILITIES**		
	Current maturities of long-term debt	62,300,000	167,761,162
	Interest accrued and due on borrowings	25,636,088	26,615,546
	Unpaid dividend	246,579	292,063
	Liabilities towards employees	36,443,302	33,913,781
	Other liabilities	85,500,801	100,550,369
	Royalty payable to related parties	3,773,640	2,948,650
	Statutory dues including provident fund and tax deducted at source	36,079,473	48,878,543
	Advance from customers	74,554,164	30,566,523
	Creditors for Capital Goods	69,668,943	78,925,487
	Expenses payable	1,713,210	1,387,575
	Total	**395,916,200**	**491,839,699**

10	**SHORT-TERM PROVISIONS**		
	Other Provisions	4,161,308	–
	Provision for gratuity (Funded)	4,360,576	7,849,824
	Provision for employee benefits - Leave Encashment (Unfunded)	9,573,122	534,700
	Proposed Dividend	27,500,000	28,306,607
	Provision for Bad & Doubtful debts	4,651,679	3,924,659
	Provision for dividend distribution tax on proposed dividend on equity shares	4,673,625	3,738,900
	Salary & Bonus	7,776,569	5,773,008
	Provision for tax	55,326,981	52,905,345
	Total	**118,023,860**	**103,033,043**

Notes forming part of the Consolidated financial statements

11 FIXED ASSETS

(Amount in ₹)

Particulars	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at April 1, 2013	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at March 31, 2014	Balance as at April 1, 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Accumulated Depreication	Balance as at March 31, 2014	Balance as at March 31, 2013
(a) Tangible Assets												
Freehold Land	177,901,895	-	-	-	177,901,895	-	-	-	-	-	177,901,895	177,901,895
Building	275,699,475	12,018,816	-	-	287,718,292	56,023,790	10,394,503	-	-	66,418,292	221,300,000	219,675,686
Factory Equipments	129,733,736	15,110,054	-	-	144,843,791	51,450,308	14,634,088	-	-	66,084,396	78,759,395	78,283,429
Plant and Machinery	1,354,984,594	169,661,872	-	20,568,972	1,504,077,494	684,360,611	123,618,887	-	1,827,038	806,152,459	697,925,035	672,889,057
Electrical Installations	97,155,670	5,710,461	-	-	102,866,130	58,027,480	8,920,895	-	-	66,948,375	35,917,755	39,128,190
Furniture and Fixtures	36,672,887	777,692	-	-	37,450,579	14,777,099	2,887,562	-	-	17,664,661	19,785,916	21,895,788
Computers	26,917,802	3,442,229	-	-	30,360,031	18,472,534	4,859,601	-	-	23,332,135	7,027,896	8,445,268
Office Equipments	20,714,232	1,150,318	-	26,908	21,837,642	6,484,164	1,932,103	-	4,718	8,411,548	13,426,094	14,230,068
Quality Control Equipments	24,190,401	3,904,614	-	-	28,095,015	11,739,883	2,549,778	-	-	14,289,660	13,805,354	12,450,518
Motor Vehicle	21,911,869	6,791,359	-	1,849,379	26,853,849	9,614,980	2,837,025	-	1,236,736	11,215,269	15,638,580	12,296,888
Dies and Patterns	220,860,553	50,917,186	-	25,482,039	246,295,700	130,640,981	24,306,851	-	21,389,373	133,558,460	112,737,240	90,219,572
Assets given on lease												
Plant and Machinery	67,615,992	2,777,826	-	-	70,393,818	5,125,723	11,152,508	-	-	16,278,231	54,115,587	62,490,269
Total	**2,454,359,105**	**272,262,428**	**-**	**47,927,298**	**2,678,694,236**	**1,046,717,553**	**208,093,800**	**-**	**24,457,864**	**1,230,353,488**	**1,448,340,747**	**1,407,514,878**
(b) Intangible Assets												
Software	14,370,026	4,965,507	-	-	19,335,534	5,545,296	3,096,489	-	-	8,641,785	10,693,749	8,824,731
Total	**14,370,026**	**4,965,507**	**-**	**-**	**19,335,534**	**5,545,296**	**3,096,489**	**-**	**-**	**8,641,785**	**10,693,749**	**8,824,731**
(c) Capital Work In Progress	10,721,946	30,025,588	-	26,728,505	14,019,029	-	-	-	-	-	14,019,029	10,721,946
Total	**2,479,451,077**	**307,253,523**	**-**	**74,655,803**	**2,712,048,798**	**1,052,262,848**	**211,190,289**	**-**	**24,457,864**	**1,238,995,273**	**1,473,053,525**	**1,427,188,229**
Total Previous Year	**2,249,424,140**	**218,220,407**		**1,084,583**	**2,468,729,130**	**865,491,942**	**199,926,428**		**10,257,774**	**1,055,160,596**	**1,427,061,554**	**1,399,563,298**

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
12	**NON-CURRENT INVESTMENTS**		
	Trade Investments	–	–
	Quoted	–	–
	Unqouted	–	–
	Investment in subsidiaries	–	–
	Total (A)	–	–
	Other than Trade Investments		
	Quoted		
	Investment in Equity instruments - Bank of Maharashtra	20,300	20,300
	900 equity shares [PY: 900 shares] of ₹ 22.56 each held in Bank of Maharashtra		
	Unquoted		
	Investment in Equity instruments - Shamrao Vithal Co. Op. Bank	50,000	50,000
	2,000 equity shares [PY: 2,000 shares] of ₹ 25 each held in Shamrao Vithal Co. Op. Bank	–	–
	Total (B)	**70,300**	**70,300**
	Grand Total (A + B)	**70,300**	**70,300**
	Less : Provision for dimunition in the value of Investments		
	Total	**70,300**	**70,300**
	Aggregate amount of quoted investments	20,300	20,300
	Market Value of quoted investments	36,000	45,810
	Aggregate amount of unquoted investments	50,000	50,000
	Aggregate provision for diminution in value of investments	–	–
	Total		

13	**LONG-TERM LOANS AND ADVANCES**		
	Unsecured, considered good		
	Advance Income Tax (net of provisions)	198,386,510	66,333,945
	Capital Advances	9,960,088	22,604,791
	Balance with government authorities	32,374,848	31,879,167
	Security Deposits	7,368,422	888,721
	To related parties	–	8,542,672
	Others	–	997,393
	Total	**248,089,868**	**131,246,689**

14	**INVENTORIES**		
	Raw Materials and components	86,190,256	103,273,243
	Consumables	46,482,688	33,661,536
	(includes in transit)		
	Semi-finished goods	148,080,166	113,995,668
	(includes goods-in-transit ₹ 1,186,805 (PY ₹ 170,917)		
	Stock of traded goods	89,449,094	47,085,656
	Packing Material	527,657	364,349
	Dies under Development	60,967,925	60,650,510
	Furnace Oils	2,871,112	2,386,374
	Total	**434,568,898**	**361,417,336**

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
15	**TRADE RECEIVABLES**		
	Unsecured, considered good		
	Debts outstanding for more than six months from the due date of payment		
	– From related parties	–	223,090
	– From others	–	3,701,569
		–	–
	Others	–	–
	– From related parties	207,055,674	118,063,935
	– From others	993,042,227	888,380,230
		–	–
	Unsecured, considered doubtful	**6,667,996**	**7,980,712**
	Less: Provision for doubtful debts*	6,667,996	7,980,712
	Total	**1,193,429,905**	**1,002,388,113**

Trade receivables reported above are from the invoice dates, since credit period offeed has varied from customer to customer and are not stated in some cases. Further, the year-end balances for some customers have remained to be confirmed, which are imaterial. The Company has completed the cofirmation of majority of customers.

* The management of the Company has confirmed that all trade receivables are good and realisable in the ordinary course of its business. The amount which is overdue more than 180 days appropriate provision has been taken by company.

		As at March 31, 2014	As at March 31, 2013
16	**CASH AND BANK BALANCES**		
	Cash and cash equivalents		
	Current accounts with banks	50,684,259	62,890,146
	Cash on hand	8,856,988	6,139,246
		59,541,247	**69,029,392**
	Other Bank Balances* **		
	(with more than 3 months but less than 12 months maturity)		
	Margin money deposits	54,000,000	64,000,000
	Term deposits	3,014,404	3,014,404
		57,014,404	**67,014,404**
	Total	**116,555,651**	**136,043,796**

Note

* Includes term deposits of ₹ 2,32,14,404/-(PY ₹ 1,20,14,404/-) which have maturity of more than 12 months from the balance sheet date.

** Includes term deposits of ₹ 12,014,404/-(PY ₹ 12,014,404/-) which have an original maturity of more than 12 months.

		As at March 31, 2014	As at March 31, 2013
17	**SHORT-TERM LOANS AND ADVANCES**		
	Unsecured, considered good		
	Advance income tax (Net of provisions)	4,235,927	12,728,004
	Balance with government authorities	93,258,434	82,087,810
	Advance to Creditors (Revenue)	7,384,121	9,826,543
	Prepaid expenses	5,828,560	6,399,962
	Other advances	4,483,928	10,592,800
		115,190,970	**121,635,119**

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		As at March 31, 2014	As at March 31, 2013
18	**OTHER CURRENT ASSETS**		
	Insurance claim receivable	1,384,519	610,353
	Interest accured on deposits	8,191,466	4,060,166
	Lease rental Deposit	1,418,499	1,194,558
	Others	110,560	14,581
	Total	**11,105,044**	**5,879,658**

(Amount in ₹)

		For the year ended March 31, 2014	For the year ended March 31, 2013
19	**REVENUE FROM OPERATIONS (GROSS)**		
	Sale of products	–	–
	– Finished goods	5,074,900,330	5,142,434,744
	– Traded goods	731,894,612	607,484,269
	Sale of services	54,125,730	2,765,060
	Other operating revenues	1,041,540	106,798
	– Scrap sale	40,729,248	35,443,619
		5,902,691,460	**5,788,234,490**
	Less:		
	Excise duty	577,628,873	541,946,652
	Total	**5,325,062,587**	**5,246,287,838**

20	**OTHER INCOME**		
	Interest Income		
	– Bank Deposit	–	7,098,140
	– Interest on Long Term Investments	–	–
	– Current Investments	–	–
	Interest received (Gross)	6,263,840	1,778,947
	Dividend Income	–	–
	– Investment in subsidiaries	–	–
	– Current Investments	–	–
	Dividend on long-term investments	2,970	1,980
	Net gain on foreign current transactions and translations	6,681,848	9,021,420
	Net gain on sale of fixed assets	–	–
	Rent received (Net of rent paid)	17,551,404	20,572,081
	(Net of rent paid)	–	–
	Miscellaneous income	10,325,190	30,728,950
	Total	**40,825,252**	**69,201,518**

Notes forming part of the Consolidated financial statements

(Amount in ₹)

		For the year ended March 31, 2014	For the year ended March 31, 2013
21	**COST OF MATERIALS CONSUMED**		
	Inventory at the beginning of the year	166,289,604	126,482,279
	Add: Purchases	2,548,585,011	2,625,939,877
	Less: Inventory at the end of the year	146,868,443	164,031,848
	Total	**2,568,006,172**	**2,588,390,308**
22	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE**		
	Semi-finished goods		
	– Traded Goods (CI)		
	Inventory at the end of the year	237,529,261	161,305,230
	Inventory at the beginning of the year	161,305,230	149,162,812
		(76,224,030)	**(12,142,418)**
23	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	643,905,161	636,165,088
	Contributions to Provident and other funds	58,218,599	58,178,441
	Gratuity and Leave encashment	28,673,547	25,837,189
	Staff welfare expenses	55,506,910	59,736,804
	Total	**786,304,217**	**779,917,522**
24	**FINANCE COSTS**		
	Interest on borrowings	100,032,325	99,253,903
	Other borrowing costs	11,630,590	13,787,150
	Total	**111,662,915**	**113,041,053**
25	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation on Tangible assets	208,092,215	197,537,725
	Amortization on Intangible assets	3,098,077	2,388,703
	Total	**211,190,292**	**199,926,428**

Notes forming part of the Consolidated financial statements

(Amount in ₹)

	For the year ended March 31, 2014	For the year ended March 31, 2013
26 OTHER EXPENSES		
Manufacturing Expenses		
Consumption of stores and spare parts	345,696,383	336,660,544
Power and fuel	429,152,296	422,731,153
Processing charges	265,073,079	287,783,369
Repairs to machinery	63,979,525	44,623,034
Other Manufacturing Expenses	92,491,042	34,477,987
	1,196,392,325	**1,126,276,087**
Administrative Expenses		
Legal and Professional Charges	26,520,861	36,223,976
Other administrative expenses	129,134,979	131,720,146
	155,655,840	**167,944,122**
Selling and Distribution Expenses		
Selling and Distribution Expenses	145,993,973	116,926,742
Total	**1,498,042,138**	**1,411,146,951**

27 OTHER DISCLOSURES

1) Segment Reporting

The Company has a single business segment viz. that of aluminium castings. Accordingly, disclosure requirements as per Accounting Standard 17 "Segment Reporting" specified in the Companies (Accounting Standard) Rules 2006 are not applicable to the standalone financial statements of the Company. However, in accordance with paragraph 4 of Accounting Standard 17 (Segment Reporting), information about its geographical segments is given below.

(Amount in ₹)

	Domestic	Overseas	Total
Segment Revenue	4,438,752.177	927,135,662	5,365,887,839
Segment Assets	1,451,328,478	350,421,713	1,801,750,191
Segment Liabilities	1,904,570,671	578,390,373	2,482,961,044
Capital Expenditure	2,481,531,187	230,517,611	2,712,048,798

2) Commitments & Contingent Liabilities

(Amount in ₹ Lacs)

	2013-14	2012-13
Commitments		
a) Estimated amount of contracts remaining to be executed on capital accounts	398.00	152.21
Contingent Liabilities		
a) Letters of Credit issued by the bank against imports	326.94	282.82
b) Performance and Financial Guarantees issued by the banks	248.88	344.40
c) Customs and related duties (including interest) for non-fulfillment of export obligations	603.14	418.52
d) Legal Cases and Claims filed by third parties (to the extent where financial impact is known)	353.63	349.67
e) Assessment due towards VAT/CST	899.79	–
Total	**2,432.39**	**1,395.41**

Notes forming part of the Consolidated financial statements

3) Foreign Currency Exposures (not hedged by derivative instruments):-

(Amount in ₹ Lacs)

	2013-14	2012-13
Foreign Currency Liabilities :-		
a) Trade payables	1,690.71	2,263.30
b) Payables for fixed Assets	12.11	12.04
Foreign Currency Assets:-		
a) Trade Receivables	1,122.25	723.96

4) Earning per share as computed in accordance with Accounting Standard 20 notified under the Companies (Accounting Standard) Rules, 2006

	2013-14	2012-13
i) Net Profit after Tax (₹ Lacs)	1,915.72	1,687.75
ii) Weighted average no. of Equity shares of ₹ 5/- each	11,000,000	11,000,000
iii) Basic Earning per Share (₹)	17.42	15.34
iv) Diluted Earning per Share (₹)	17.42	15.34

5) Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

(Amount in ₹)

Name of the party	Relationship	Amount outstanding as at 31 March, 2014	Relationship	Amount outstanding as at March 31, 2013
Alicon Holding GmbH, Illichmann Castalloy s.r.o., Illichmann Castalloy GmbH	Wholly Owned Subsidaries	–	Wholly Owned Subsidaries	–

6) Related Party Disclosures in accordance with Accounting Standard 18 notified under the Companies (Accounting Standard) Rules, 2006

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Wholly owned subsidiaries (directly and indirectly)	Associate Companies
Alicon Holding GmbH	Atlas Castalloy Ltd.
Illichmann Castalloy s.r.o.	Silicon Meadows Designs Ltd.
Illichmann Castalloy GmbH	Silicon Meadows Engineering Ltd.
	Nastik Trading LLP
	Pamela Trading LLP
	Mithras Trading LLP

Key Managerial Personnel

Shailendrajit Rai - Managing Director

Rajeev Sikand - Group Chief Executive Officer

Notes forming part of the Consolidated financial statements

Details of transactions during the year with related parties

(Amount in ₹ Lacs)

Transactions with subsidiaries & associate companies	2013-14	2012-13
Sales	1,212.50	1,108.80
Purchases	2,011.86	1,965.29
Expenses charged to the Company	132.28	24.76
Expenses charged by the Company	705.56	80.36
Foreign currency monetary item	–	(0.04)
Fixed assets purchased or sold	691.66	222.20
Balance of investment in subsidiary	1,061.79	1,061.79
Amount receivable at the year end	3,441.70	1,965.76
Amount payable at the year end	529.68	473.57
Transactions with key managerial personnel		
Remuneration - Shailendrajit Rai		
Salary, Allowances & Perquisites	18.71	18.71
Contribution to P.F., Gratuity and other funds	0.90	0.90
Commission	11.08	13.17
Total	**30.68**	**32.77**
Remuneration - Rajeev Sikand		
Salary, Allowances & Perquisites	56.75	34.71
Contribution to P.F., Gratuity and other funds	3.48	3.39
Commission	62.96	42.81
Total	**123.19**	**80.91**

7) Disclosure in respect of Leases in accordance with Accounting Standard 19 notified under the Companies (Accounting Standard) Rules, 2006

(Amount in ₹ Lacs)

	As at March 31, 2014	As at March 31, 2013
Not later than one year	51.50	15.17
Later than one year but not later than five years	–	–
Later than five years	–	–

Notes forming part of the Consolidated financial statements

The Company has given on operating leases equipment (one set of horizontal machining centre) which is non-cancellable for a period of 72 months.

The lease rentals receivable from its associate company (lessee) are as follows.

(Amount in ₹ Lacs)

	As at March 31, 2014	As at March 31, 2013
Not later than one year	48.18	48.18
Later than one year but not later than five years	184.68	232.86
Later than five years	–	–

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

P. S. Rao
Company Secretary

A. D. Harolikar
Director

27. SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of preparation of consolidated financial statements

a) These financial statements of the Company are prepared under the historical cost convention and on an accrual basis of accounting. These financial statements comply in all materials respects with generally accepted accounting principles in India, the applicable accounting standards notified under the Companies Act, 1956 (the 'Act') read with the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013, unless otherwise stated below.

b) All assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

c) The accounting policies adopted in the preparation of financial statements are consistent with those of previous years.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known / materialised.

1.3 Principles / Basis of consolidation

The consolidated financial statements include the financial statements of Alicon Castalloy Limited and its subsidiaries. The subsidiaries, whose financial statements have been consolidated, are as below:

A. Direct subsidiaries:

Name of the subsidiary	Country of incorporation	% shareholding in equity shares	Accounting period
Alicon Holding GmbH	Austria	100%	Year ended 31 March

B. Indirect subsidiaries:

Wholly owned subsidiary of Alicon Holding GmbH

Name of the subsidiary	Country of incorporation	% shareholding in equity shares	Accounting period
Illichmann Castalloy s.r.o.	Slovakia	100%	Year ended 31 March

Wholly owned subsidiary of Illichmann Castalloy s.r.o:

Name of the subsidiary	Country of incorporation	% shareholding in equity shares	Accounting period
Illichmann Castalloy GmbH	Austria	100%	Year ended 31 March

These consolidated financial statements are prepared in accordance with the principles and procedures prescribed in Accounting Standard 21-"Consolidated Financial Statements" ('AS-21'). The financial statements of the Parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same format as that adopted by the Parent Company for its standalone financial statements.

The financial statements of the subsidiaries used in the preparation of consolidated financial statements have been drawn upto 31 March 2014, .i.e same date as that of the Parent Company.

1.4 Revenue Recognition

i. Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection based upon negotiations with the customers for price escalations and price settlements.

ii. Domestic sales are recognised on despatch of goods by the Company from its factory premises and Export sales are accounted on the basis of dates of Bill of Lading and are reflected in the accounts net of excise duty, sales tax, and other levies.

iii. The Company besides manufacturing the products from its raw materials, also converts raw materials supplied by the customers and accounts the gross receipts as 'conversion income' once the job is competed and goods are dispatched to the customers.

iv. Other operating revenue represents income earned from the Company's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

1.5 Other Income

i Dividend income is accounted once it is received or right to receive the dividend is established.

ii Interest income is recognised on time proportion basis taking into account the amount of deposits held and applicable rate.

Statement of Significant Accounting Policies
forming part of the Consolidated Financial Statements

Iii Other temporary income for e.g. rent is recognised when the right to receive the income is established as per the terms of the contract.

1.6 Tangible Fixed Assets & Capital Work-In-Progress

i. Fixed Assets except land are stated at cost less accumulated depreciation and impairment losses, if any. The cost represents purchase price (net of recoverable taxes) and all other direct expenses including financing cost in respect of acquisition or construction of fixed assets incurred for the period up to the date the asset is ready for its intended use or for the period till commencement of commerical production respectively.

ii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iii. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

iv. In case of new production facilities, the project costs incurred are capitalised from the date the facilities are commenced and trial production is obtained successfully. The project cost including attributable borrowing cost incurred in respect of facilities not commenced/expanded has been accounted as ‘Capital Work-In-Progress’, unless the project takes substantial period to commence and where assets are separately identifiable.

v. The asset numbering exercise and determination of useful lives of assets have remained to be certified and documented by the Company on an extensive basis.

1.7 Intangible Assets

i Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably.

Ii Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price (net of recoverable of taxes) and expenses directly attributable for making the asset ready for its intended use.

1.8 Depreciation and Amortisation

i Tangible Fixed Assets other than Dies and Moulds are depreciated on Straight Line Method at the rates prescribed in schedule XIV to the Companies Act, 1956.

ii Dies and Moulds are depreciated at Written Down Value at the rates prescribed in schedule XIV to the Companies Act, 1956.

iii Depreciation on additions during the year is provided on pro-rata basis from the middle of the quarter in which capitalisation takes place.

iv Where CENVAT is claimed on capital goods, the relevant excise duty under CENVAT has been deducted from the value of the asset for claiming depreciation.

v In case where specific arrangement exists with a customer for amortisation of capital equipment, depreciation provided equals such agreed amortisation. In such cases, cumulative depreciation at least equals the minimum prescribed under Schedule XI of the Companies Act,1956.

vi Intangible assets in the nature of computer & functional software are amortised over a period of six years.

1.9 Impairment of Assets

i. An asset is treated as impaired when identified and when the carrying amount of the asset exceeds it recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

ii. At times, impairment loss is charged to the revenue, in the year in which the loss is crystalised and quantified with ease.

iii. The asset verification, determination of their useful lives, identification of impaired assets, if any has remained to be carried out by the Company on an extensive basis covering all assets. The Company has planned the exercise in the current financial year.

1.10 Investments

Long-term investments, which are unquoted, are stated at cost. Cost includes costs incidental to acquisition such as legal costs etc, Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

Current investments are stated at lower of the cost and fair market value..

1.11 Inventories

i. Raw Materials

Inventory of Raw materials is valued at cost. Cost represents purchase price, net of recoverable taxes and is determined on weighted average basis of last purchases.

ii. Semi-Finished goods

Inventory of Semi-finished goods is valued at lower of cost of net realisable value. Cost comprises of material cost and conversion cost.

Conversion cost includes cost of consumables, direct labour, and variable overheads in proportion to direct labour and fixed cost in respect of production facilities.

iii. Consumables, Stores and Spares

Consumables Stores and Spares are valued at cost. Cost represents purchase price, net of recoverable taxes, and is determined on FIFO basis.

iv. Dies and Moulds

a) The expenditure on development of Dies and Moulds commissioned on behalf of the customers is carried in the books at the appropriate cost of development, as Current Assets, subject to such cost not exceeding the maximum value contracted to be paid by the customer. Income from development and development cost of such dies is accounted for in the year in which they are completed and invoiced.

b) The unfunded cost of such dies, if any, is written off to the revenue in the event of their commercial obsolescence and in the year in which the loss is crystalised and quantified with ease.

1.12 Cash and cash equivalents

Cash and cash equivalents comprise of balance with the banks and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from the date of purchase, to be cash equivalents.

1.13 Transactions and in Foreign Currencies and Translation Differences

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction except sales which are recorded at a rate notified for a month, by the customs, for invoice purposes.

(i) Old liabilities denominated in foreign currencies but agreed to be settled in Indian rupee are not restated and continue to be carried at their original values.

(ii) Monetary items denominated in foreign currencies at the year-end are restated at the year-end rates.

(iii) Non monetary foreign currency items are carried at cost.

(iv) All exchange differences arising on settlement and restatement of year-end foreign currency monetary assets and liabilities are recognised as income or expense in the statement of profit and loss.

(v) In respect the wholly owned subsidiaries overseas, all assets and liabilities, both monetary and non-monetary, are translated at closing exchange rate, while all income and expenses are translated at average exchange rate for the year. The resulting exchange differences are accumulated and shown as 'Foreign Currency Translation Reserve' under the note 'Reserves & Surplus'.

1.14 Taxes on income

(i) Tax expense comprises of current tax and deferred tax.

(ii) Current tax is the amount of tax due & payable on the taxable income as determined in accordance with the provisions of the Income Tax Act,1961.

(iii) Deferred tax is recognised subject to the consideration of prudence, on timing difference between accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods. However, these have remained to be extensively reviewed & provided for on a cumulative basis.

(iv) Deferred tax assets, if any, are recognised, only when there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

1.15 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity fund, compensated absences and medical benefits

Defined contribution plans

Contributions to defined contribution approved Provident Fund and Pension Fund, defined contribution schemes, are made at pre-determined rates and charged to the statement of profit and loss, as incurred.

Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to contributions using Projected Unit Credit Method, with actuarial valuations being carried out by an independent valuer. Actuarial gains and losses have been recognised in full in the statement of profit and loss for the year. Past service cost has also been recognised to the extent that the benefits are already vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for as reduced by the fair value of scheme assets.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid leave, performance incentives, bonus, ex-gratia etc.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarial liability determined by an independent valuer being the present value of the defined benefit obligation at the balance sheet date.

Statement of Significant Accounting Policies
forming part of the Consolidated Financial Statements

The liability towards Workmen Compensation is also funded with New India Insurance and contribution made towards this is charged to the statement of profit and loss.

1.16 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as a part of the cost of such assets. All other borrowing costs incurred and which are not identified to the particular qualifying assets is charged to revenue.

1.17 Leases

Operating Leases: In respect of assets acquired on leases, rentals are charged to the statement of profit and loss on accrual basis and with reference to lease terms and other considerations. Assets leased out under operating leases are capitalised. Rental income is recognized on accrual basis over the lease term

Finance Leases: In respect of the assets acquired under leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as a lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of profit and loss.

1.18 Research and Development Costs

a) Research costs are expensed as and when incurred.

b) Development costs are as and when incurred, unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable and the costs can be measured reliably.

c) Research and development expenditure of a capital nature in include in the cost of relevant fixed assets.

1.19 Provisions, Contingent Liabilities and 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 to accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

As per our report of even date attached

For **Asit Mehta & Associates**
Chartered Accountants
Firm Regn No. 100733W

Sanjay Rane
Partner
Membership No: 100374

Place: Pune
Dated: April 30, 2014

On behalf of the Board of Directors

S. Rai
Managing Director

A. D. Harolikar
Director

P. S. Rao
Company Secretary

Place: Pune
Dated: April 30, 2014

Notes

Alicon Castalloy Limited

Registered Office: Gat No.1426, Village Shikrapur, Taluka Shirur, Dist, Pune-412 208, Maharashtra

(CIN: L99999PN1990PLC059487)

24TH ANNUAL GENERAL MEETING ON 29TH SEPTEMBER, 2014

ATTENDANCE SLIP

REG. FOLIO NO. ....

I CERTIFY THAT I AM REGISTERED SHAREHOLDER / PROXY FRO THE REGISTERED SHAREHOLDER OF THE COMPANY.

I HEREBY RECORD MY PRESENCE AT THE ANNUAL GENERAL MEETING OF THE ABOVE COMPANY AT THE GAT NO. 1426, VILLAGE - SHIRAKPUR, TALUKA - SHIRUR, DISTRICT - PUNE – 412208

MEMBERS / PROXY'S NAME IN BLOCK LETTERS .... MEMBERS/ PROXY'S SIGNATURE ....

Note: Fill in the attendance slip and hand it over at the Entrance of The Meeting Hall.

COMPANY HAS ARRANGED THE VEHICLE FROM PUNE RAILWAY STATION TO COMPANY AND VEHICLE WILL LEAVE LATEST BY 11:00 AM.

Alicon Castalloy Limited

Registered Office: Gat No.1426, Village Shikrapur, Taluka Shirur, Dist, Pune-412 208, Maharashtra

(CIN: L99999PN1990PLC059487)

24TH ANNUAL GENERAL MEETING ON 29TH SEPTEMBER, 2014

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s) ....

Registered Address ....

E-mail Address ....

Folio No./ Client Id :..DP ID :..

I/We, being the member (s) holding..Shares of the above named company, hereby appoint:

1. Name : .... Email ID : ....

   Address ....

   ....Signature ....or failing him

2. Name : .... Email ID : ....

   Address ....

   ....Signature ....or failing him

3. Name : .... Email ID : ....

   Address ....

   ....Signature ....or failing him

P.T.O.

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Monday, 29th day of September, 2014 at 12:30 p.m. at the Registered Office of the Company at Gat No.1426, Village Shikrapur, Taluka Shirur, Dist, Pune-412 208, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

ITEM NO. RESOLUTIONS

Item No.	Resolutions
	Ordinary Business
1.	To receive, consider and adopt the audited Balance Sheet and Statement of Profit & Loss for the year ended on 31st March, 2014.
2.	To declare dividend.
3.	To appoint a Director in place of Mr. Junichi Suzuki, who retires by rotation, but being eligible, offers himself for reappointment.
4.	To appoint Auditors and fix their remuneration.
	Special Business
5.	To Appoint Mrs. Pamela Rai (DIN: 00050999) as Director, liable to retire by rotation.
6.	To Appoint Mr. A.D. Harolikar (DIN: 00239460) as Independent Director.
7.	To Appoint Mr. Vinay Panjabi (DIN: 00053380) as Independent Director.
8.	Special Resolution for approving related party transactions with Atlas Castalloy Ltd. and Silicon Meadows Design Ltd.
9.	Special Resolution for borrowing powers to the Board of Directors.
10.	Resolution for powers to the Board of Directors to create charge on assets of the Company.

Signed this ....day of.................................., 2014.

Affix
Revenue
Stamp
Re 1/-

....
Signature of Member (s)

....
Signature of Proxy holder (s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, explanatory statements and Notes, please refer to the Notice of 24th Annual General Meeting.
3. Please complete all details including details of member (s) in the above box before submission.

alicon

Alicon Castalloy Limited

Registered Office: Gat No.1426, Village Shikrapur, Taluka Shirur, Dist, Pune-412 208, Maharashtra

(CIN: L99999PN1990PLC059487)

24TH ANNUAL GENERAL MEETING ON 29TH SEPTEMBER, 2014

ECS MANDATE FORM

(APPLICABLE FOR SHARES IN PHYSICAL FORM ONLY)

To,

M/s. Universal Capital Securities Pvt. Ltd.
21 Shakil Niwas, Opp. Sai Baba Temple,
Mahakali Caves Road, Andheri (E),
Mumbai - 400 093.

Name of the First/ Sole Shareholder..

Folio No. ....

Income Tax Permanent Account Number (PAN) ....
(Please attach a copy of PAN card)

Email ID : ....

ECS Mandate Form (For shares in physical form only)

Bank Name ....

Branch Name and Address ....

Bank Account Type (Tick) ☐ SB ☐ Current ☐ Others

Bank Account Number ....

9 Digit Code Number of the Bank ....Branch...

Appearing on MICR cheque issued by the Bank ....
(Pl attach a photocopy of the cheque)

I hereby declare that the particulars given above are correct and complete and also express my concurrence to receive information through e-mail towards dividend paid by the Company under the ECS mode.

alicon

ALICON CASTALLOY LIMITED
Registered Office:
Gat No. 1426, Village Shikrapur,
Taluka - Shirur, District Pune - 412 208

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Casting the Future

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	ALICON CASTALLOY LIMITED
2.	Annual financial statements for the year ended	31ST March 2014.
3.	Type of Audit observation	Un-qualified, Matter of Emphasis
4.	Frequency of observation	These have been appeared second time in the auditors' report under para 'Emphasis of Matter' as per the new format of the auditors' report. These are of clarficatory in nature.
5.	To be signed • Managing Director • CFO • Auditor of the company • Audit Committee Chairman	 V.K. Gupta Amit Mehta & Associates Chartered Accountants

Alicon Castalloy Limited, Gat No. 1426, Shikrapur,
Tal. Shirur, District Pune - 412208, Maharashtra - INDIA.

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F: +91 21 3767 7130

www.alicongroup.co.in