



**AMTEK AUTO LIMITED**

**24th ANNUAL REPORT**

***2009 - 2010***



# AMTEK AUTO LIMITED

## 24th ANNUAL REPORT 2009 – 2010

### Board Of Directors

Mr. Arvind Dham	<i>Chairman &amp; Director</i>
Mr. D.S. Malik	<i>Managing Director</i>
Mr. Rajeev Thakur	<i>Director</i>
Mr. Sanjay Chhabra	<i>Director</i>
Mr. B. Lugani	<i>Director</i>
Mr. B. Venugopal	<i>Nominee Director</i>
Mr. John Ernest Flintham	<i>Director</i>

### Company Secretary

Mr. Rajeev Raj Kumar

### Auditors

M/s Manoj Mohan & Associates  
*Chartered Accountants*

### CONTENTS

Notice .....	3
Directors' Report .....	6
Corporate Governance Report .....	13
Management Discussion & Analysis Report .....	28
Auditor's Report .....	33
Balance Sheet .....	36
Profit & Loss Account .....	37
Cash Flow Statement .....	38
Schedules .....	39
Financial Summary Relating to Subsidiary Companies .....	54
Consolidated Financial Statement .....	56

#### Regd. Office & Works (Unit-I)

Plot No. 16, Industrial Estate,  
Rozka-Meo (Sohna)  
Distt. Mewat (Haryana)  
Ph.: 0124-2362140  
Tel/Fax: 0124-662454  
e-mail: aal@amtek.com

#### Unit-II

Begumpur Khataula,  
P.O. Khandsa, Distt. Gurgaon, Haryana.  
Ph.: 0124-2373412  
Fax: 0124-2373408  
e-mail: amtekunit2@amtek.com

#### Unit-III

Vill. Mohammadpur, Jharsa,  
Distt. Gurgaon (Haryana).  
Ph.: 0124-2372152 Fax: 0124-2373410

#### Unit-IV (Shed 3, 4 & 5)

Village Malpura,  
Dharuhera, Rewari, Haryana

#### Unit-V

Plot No. 1, Sector-II,  
New Industrial Area,  
Distt. Raigarh  
Mandideep-462046  
Phone: 507053

#### Unit-VI

Plot No. 1, Industrial Area,  
Dharuhera, Rewari,  
Haryana

#### Unit-VII

Plot No. 53,  
Sector III, Industrial Area,  
IMT Manesar, Gurgaon (Haryana)

#### Unit-VIII

Gal No. 1074-1085  
Sanaswadi Shikrapur Chakan Road,  
Taluka Shirpur, Pune, Maharashtra

#### Unit-IX

Nalagarh, Distt. Solan (H.P.)

#### Unit-X

Ranjanagan, Pune, Maharashtra

#### Unit-XI

A-459, Industrial Area, Chopanki  
Distt - Alwar, Rajasthan

#### Unit-XII

Survey No. 1, C-2, VR-5,  
Tata Nano Vendor Park, Gujarat

#### Unit-XIII

Plot No. 73, Tata Vendor Park,  
Distt. - Udhham Singh Nagar

#### Corporate Office

3, Local Shopping Centre,  
Pamposh Enclave, G.K.-I,  
New Delhi-110 048  
Ph.: 011-42344444  
Fax: 011-42344000  
e-mail: info@amtek.com  
web: http://www.amtek.com

#### Bankers

Corporation Bank  
Andhra Bank  
Indian Overseas Bank

#### Registrar & Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 3rd Floor, 99, Madangir,  
Behind L.S.C., New Delhi-110062  
Tel: 011-29255230, Fax : 011-29252146  
E-mail: beetal@rediffmail.com

**NOTICE**

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of Amtek Auto Limited will be held at Plot No. 16, Industrial Estate, Rozka Meo, Sohna, Mewat (Haryana) on Friday, 31<sup>st</sup> December, 2010 at 9.30 a.m. to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30<sup>th</sup> June, 2010, the Audited Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. B. Lugani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sanjay Chhabra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To declare dividend
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

By order of the Board  
For **AMTEK AUTO LIMITED**

Date : 24th November 2010  
Place : New Delhi

Sd/-  
**(D. S. Malik)**  
Managing Director

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.**
3. The documents referred to in accompanying Notice and the Annual Report are open for inspection at the Registered Office of the Company on all working days except Sunday between 11.00 A.M. to 1.00 P.M. prior to the meeting.
4. The Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, the 28<sup>th</sup> December 2010 to Friday, the 31<sup>st</sup> December 2010 (both days inclusive) to decide the entitlement of Members for payment of dividend that may be declared at the Annual General Meeting.
5. Members are requested to :-
  - (i) furnish/update their Bank Account to the Company/Registrar & Transfer Agents/Depository Participants to enable the Company to print the same on the dividend warrants/to avail of ECS facility, whatever applicable.
  - (ii) bring the enclosed attendance slip and deliver the same after filling in their folio number & client ID-DP ID at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip, Duplicate Attendance Slip will be issued at the Registered Office of the Company upto a day preceeding the day of Annual General Meeting.
  - (iii) bring their copies of Annual Report to the meeting as the same will not be redistributed at the venue of Annual General Meeting.
  - (iv) quote their Folios/Client ID & DP Id Nos. in all correspondence.



## AMTEK AUTO LIMITED

- (v) Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
6. Members may please note that Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all persons transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transaction and off/market private transaction involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish a copy of PAN card to Company/Share Transfer Agent for registration of such transfer of shares.
7. Members who hold shares in de-materialized form are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting
8. The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting shall be paid on or before January 30, 2011.
- (i) To those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Registrar & Transfer Agents (R&T Agents) of the Company on or before December 27, 2010.
- (ii) In respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on December 27, 2010.
9. The Non Resident Indian Shareholders are requested to inform the Company immediately about:
- (i) The Change in Residential status on return to India for permanent settlement.
- (ii) The particulars of NRO Bank Account in India, if not furnished earlier.
10. Consequent upon amendment to Section 205(A) of the Companies Act, 1956 and introduction of Section 205(C) by the Companies (Amendment Act) 1999, the amount of dividend which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund established by the Central Government. Shareholders, who have not en-cashed their dividend warrant(s) so far for the financial year ended 30<sup>th</sup> June, 2003 or any subsequent financial years, are requested to make their claims to the R&T Agent of the Company. According to the provisions of the Act, no claim shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
11. Members desirous of making a nomination in respect of their shareholding in the Company, permitted under Section 109A of the Companies Act, 1956, are requested to send their requests in form No. 2B in duplicate (which will be made available on request) to the R&T Agent of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participants.

### 12. Electronic Clearing Services (ECS) facility

With respect to payment of dividend, the Company provides ECS facility to all members, holding shares in electronic/physical forms. Members holding shares in the physical form who wish to avail ECS facility may furnish to the Company/Registrar & Share Transfer Agent, their ECS mandate in the prescribed form, which is available elsewhere in the Annual Report or can be obtained from the Registrar & Share Transfer Agent of the Company.

### INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF THE DIRECTORS BEING RE-APPOINTED

<b>Name</b>	<b>Mr. B. Lugani</b>
Date of Birth	27th July, 1955
Qualification	Chartered Accountant
Profession	Financial and Management Consultant
Expertise	Mr. B. Lugani has 31 years experience in the field of Accounts, Finance, Management Consultancy, Income Tax, Setting up of new projects etc.



Other Directorships	<ol style="list-style-type: none"><li>1. Ahmednagar Forgings Limited</li><li>2. Raghu Consultants (P) Limited</li><li>3. Vishal Mechanical Works (P) Limited</li></ol>
---------------------	--

Name	Mr. Sanjay Chhabra
Date of Birth	18 <sup>th</sup> July, 1960
Qualification	B.Tech. (Mech.), MBA (Marketing)
Profession	Business
Expertise	Vast experience in the field of technical, marketing and project implementation
Other Directorships	<ol style="list-style-type: none"><li>1. Skyline Associates Pvt. Ltd.</li><li>2. Adisid Associates Pvt. Ltd.</li><li>3. Cipher Buildtek Pvt. Ltd.</li><li>4. Ninth Dimension Hotels &amp; Resorts Pvt. Ltd.</li><li>5. Blue Note Cafe Pvt. Ltd.</li></ol>

By order of the Board  
For **AMTEK AUTO LIMITED**

Sd/-  
**(D. S. Malik)**  
Managing Director

Date : 24th November 2010  
Place : New Delhi

**DIRECTORS' REPORT**

TO  
THE MEMBERS,  
**AMTEK AUTO LIMITED**

Your Directors have great pleasure in presenting the 24<sup>th</sup> Annual Report on the performance of your Company together with the Audited Statements of Accounts for the financial year ended 30<sup>th</sup> June 2010.

**FINANCIAL RESULTS****(Rs. in Lacs)**

<b>PARTICULARS</b>	<b>Year ended 30th June 2010</b>	<b>Year ended 30th June 2009</b>
Sales and Other Income	<b>142,434.39</b>	119,527.83
Expenditures	<b>105,704.45</b>	86,489.73
Gross Profit Before Depreciation	<b>36,729.94</b>	33,038.10
Depreciation	<b>16,659.43</b>	12,260.35
Profit Before Tax	<b>20,070.51</b>	20,777.75
Provisions for Taxation	<b>5,764.49</b>	5,555.08
Profit after Tax	<b>14,306.02</b>	15,222.67
Add. Accumulated Profit	<b>136.91</b>	14.90
Balance available for appropriation	<b>14,442.93</b>	15,237.57
<b>APPROPRIATIONS:</b>		
Transfer to General Reserve	<b>1,500.00</b>	11,800.88
Transfer to Debenture redemption Reserve	<b>1,400.00</b>	
Transfer to Foreign Currency Convertible Bond Reserve	<b>8,818.00</b>	2,475.00
Proposed Dividend on Equity Shares	<b>2,017.00</b>	704.97
Equity Dividend & Tax for previous year (not appropriated in previous year)	<b>89.38</b>	0.00
Corporate Dividend Tax	<b>335.00</b>	119.81
Surplus carried to Balance Sheet	<b>283.55</b>	136.91

**BUSINESS SNAPSHOT**

Amtek Auto is one of the largest integrated component manufacturers in India with a strong global presence. The Company has world class manufacturing facilities located in India, Europe and North America. Amtek Auto has significant expertise in the auto components space with proven capabilities in forging, gravity and high-pressure aluminium die casting and machining and sub-assembly. It has an extensive product portfolio with a range of highly engineered components. The Company is a preferred original equipment manufacturer supplier for passenger cars, light and heavy commercial vehicles, two wheeler and three wheeler diesel engines. The Company also manufactures components for non-auto sectors such as the railways, specialty vehicles and aerospace.

**Global Market  
Position**

- **Only Indian Engineering Company** and among a select few globally, to have integrated component manufacturing facilities across Forging, Iron-Casting, Aluminum Casting, Machining and Sub-Assembly of Auto and Non-Auto components
- **Largest Machining Company**, and **second largest Forging Company** in India
- **International management team** with extensive experience driving organic growth, joint ventures, technology partnerships and acquisitions

**Best-in-Class  
Operations**

- **World class integrated facilities** in Asia, Europe and North America backed by in-house design and product development. Optimized manufacturing sites with low cost base compared to global peers
- **Auto Segment:** Passenger Cars, 2/3 Wheelers, Light and Heavy Commercial Vehicles and Tractors. **Non-Auto Segment:** Railway Wagons, Locomotive Components, Specialty Vehicles and Aerospace
- **Joint Ventures** with leading international manufacturers providing growth acceleration



**Strong  
Financial  
Performance**

- FYE June 2010 Revenues of **US\$ 785 million**; Market Cap **US\$ 750 million** (October 28, 2010)
- Management delivered 5 year average **EBITDA margins of 21%** and revenue **CAGR of 8%**
- **Strong balance sheet** with low leverage position provides financial strength to pursue growth strategy

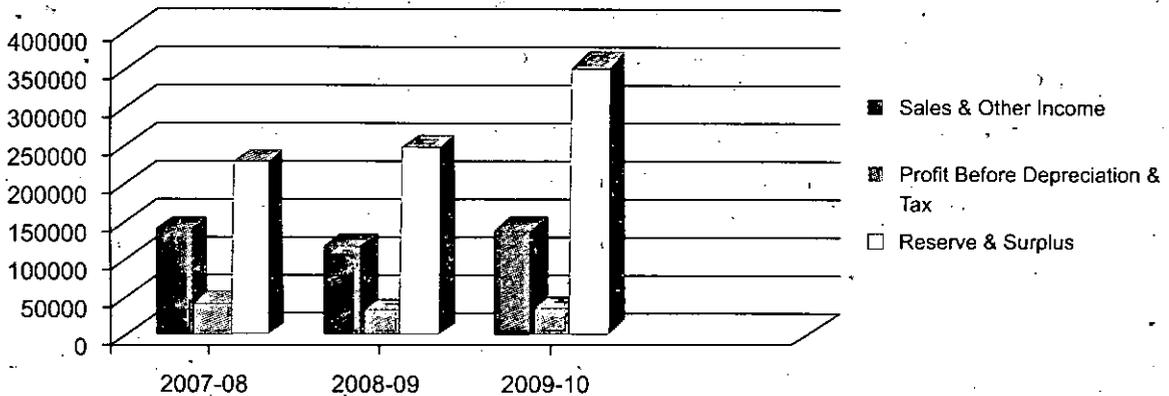
Your Company is well positioned in the Indian auto component market and is the largest casting and machining and the second largest Forging Company in India. The Company has generated average EBITDA margins of 21% over the last 5 years. Currently, the Company has a conservative leverage profile, with significant financial flexibility available for organic or inorganic expansion.

Amtek Auto's strategy is to continue to strengthen its presence in the automotive market by focusing on the Indian domestic market, leveraging its international manufacturing base and expanding the joint ventures.

The Company's Non-Auto strategy is to capture growth in railway sector, specialty vehicles and aerospace. In the railway sector, Amtek Auto plans to target opportunities within India, South East Asia and the Middle East. An existing joint venture with American Railcar Industries will provide Amtek Auto with technical expertise in the area.

**BUSINESS PERFORMANCE**

During the year under review, the revenue of the Company was Rs. 142,434.39 lacs as against the previous year revenue of Rs.119,527.83 lacs. The Profit after Tax for the year stands at Rs. 14306.02 lacs as against the corresponding year figure of Rs.15222.67 Lacs. The Company has strong reserve position of Rs. 360446.72 lacs.



**DIVIDEND**

The Board of Directors are pleased to recommend a Dividend of Rs. 1.00/- Per equity share of Rs.2/- each for the financial year 2009-10 for your approval. The Proposed dividend, if approved, at the ensuing Annual General Meeting, would result in appropriation of Rs. 2352.00 lacs (including Corporate Dividend Tax of Rs.335.00 Lacs) out of the profits. The Company has made transfer of Rs.1500.00 Lacs to the General Reserve. The total appropriation of dividend of Rs.2352.00 Lacs gives 16.44 % pay out on net profit of the Company.

The Register of members and share transfer books shall remain closed from 28<sup>th</sup> December 2010 to 31<sup>st</sup> December 2010 (both days inclusive), for the purpose of Annual General Meeting and payment of Dividend.

**ACQUISITION OF MAJORITY STAKE IN AMTEK INDIA LIMITED.**

During the period under review, the Company has entered into a Share Purchase Agreement with the existing promoters of Amtek India Limited on 28<sup>th</sup> May, 2010 to acquire an aggregate of 50720710 (Five Crores Seven Lacs Twenty Thousand Seven Hundred and Ten only) fully paid up equity shares of face value of Rs.2/-each representing 36.66% of the total paid up equity share capital of Amtek India Limited.

Out of above, AAL has acquired 33110710 fully Paid up Equity shares at a average price of Rs.64.83/- of Amtek India Limited constituting 23.93% of the Paid up Equity capital of ALL through a block deal on the Bombay Stock Exchange Limited.



## AMTEK AUTO LIMITED

Pursuant to signing of SPA, the Company has given an Open Offer to the shareholders of Amtek India Limited to acquire up to 27677565 equity shares of Rs. 2/-each representing in aggregate 20% of the fully paid up equity capital and resultant voting rights of said Company at a price of Rs. 70.40/- (Rupees Seventy and paisa forty only) per fully paid equity share, payable in cash, pursuant to Regulations 11(1) and other applicable provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

### ISSUE OF FCCB

During the period under review, the Company has issued 33,000 5.625% Foreign Currency Convertible Bonds of US\$ 5,000 each aggregating to US\$ 165 millions convertible into equity shares of the Company at the option of the investors at price Rs. 148.40 per share. These FCCBs are listed on Singapore Stock Exchange.

### ISSUE OF WARRANTS

Subsequent to the year under review, the Company issued and allotted 2,40,00,000 warrants entitling the warrant holder(s) to apply for equivalent number of fully paid up equity shares of Rs.2/- per share at a premium of Rs.178/- per share of the Company aggregating to Rs. 432 crores to the promoter group companies by way of Preferential Allotment in accordance with Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009.

### SHARE CAPITAL

During the period under review, the Company has allotted 1,50,00,000 equity shares upon conversion of warrants into equivalent number of equity shares of Rs. 2/- each at a premium of Rs. 131/- per share aggregating to Rs. 199.50 Crores to the promoters by way of Preferential Allotment.

The Company has also allotted 52,054 equity shares of Rs. 2/- per share at a premium of Rs. 207.83/- per share upon conversion of FCCB's of US \$ 0.25 million out of FCCBs of US\$ 150 million and 1310081 equity shares of Rs. 2/- per share at a premium of Rs. 456.64/- per share upon conversion of FCCB's of US\$ 13.4 million out of FCCBs of US\$250 million.

In addition to the above, the Company has also issued and allotted 51,818,467 equity shares of Rs. 2/- per share at a premium of Rs. 146.40/- per share upon conversion of FCCB's of US\$ 158.13 million out of FCCBs of US\$ 165 million.

### ISSUE OF NON CONVERTIBLE DEBENTURES

Subsequent to the year under review, the Company has also issued 10.25% Unsecured, Redeemable, Non-convertible Debentures (NCDs) aggregating to Rs.800 Crores on private placement basis to Banks & Financial Institutions. The NCDs are redeemable by way of Bullet Payment at the end of 5 years from the date of allotment viz., 20th September, 2010. The NCDs are listed on the Bombay Stock Exchange Limited.

### CREDIT RATING

The Credit Analysis & Research Ltd. (CARE) has assigned a CARE AA (CARE Double A ) rating to the NCD issue of the Company for Rs. 800 Crores. The instruments carrying AA rating are considered to offer high safety for timely servicing of debt obligation. Such instruments carry very low credit risk.

### EXPANSION

During the year under review, the Company has expanded its capacity of manufacturing of machined auto components from 305 lacs unit p.a. to 330 lacs unit p.a. and forgings capacity from 135000 tpa to 165000 tpa.

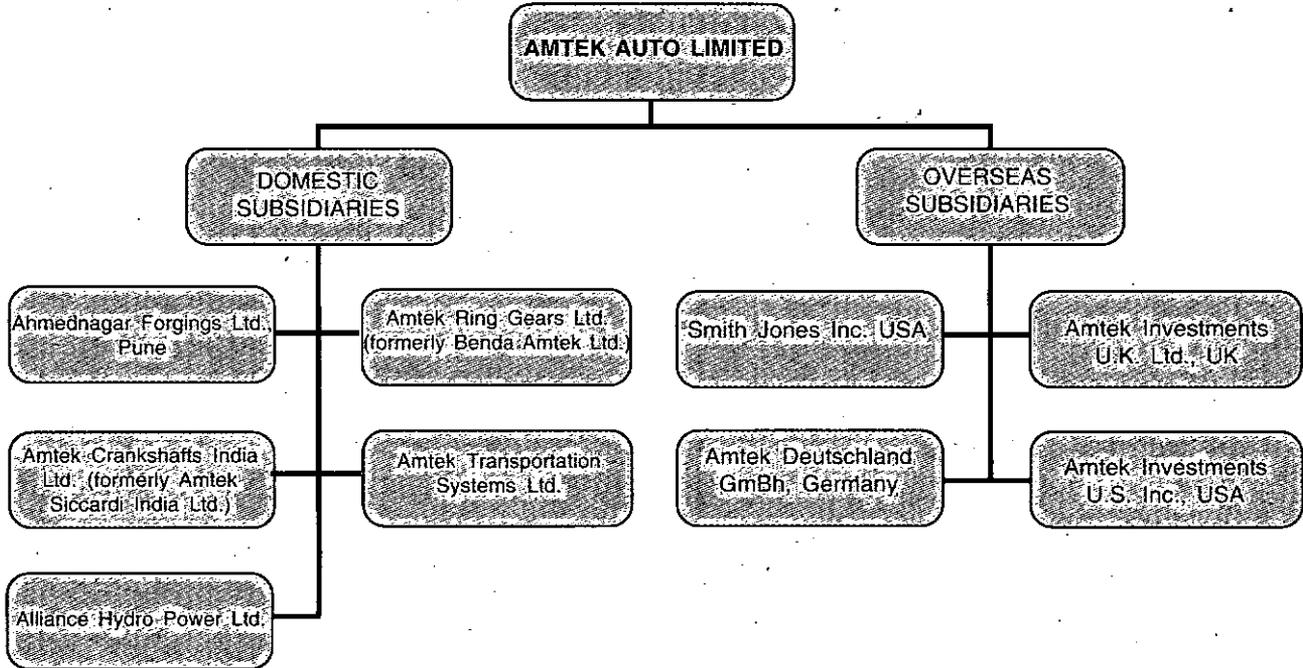
### SUBSIDIARY COMPANIES

As of 30<sup>th</sup> June 2010, Your Company has following subsidiaries:-

- Smith Jones Inc., USA
- Amtek Investments U.K. Limited (UK)
- Amtek Deutschland GmbH, Germany
- Amtek Investments U.S. 1 Inc.U.S.A
- Ahmednagar Forgings Limited, Pune
- Amtek Ring Gears Limited (formerly Benda Amtek Limited)



- Amtek Crankshafts India Limited (formerly Amtek Siccardi India Limited)
- Amtek Transportation Systems Limited
- Alliance Hydro Power Limited.



A Statement in respect of the above said subsidiaries pursuant to Section 212 of the Companies Act, 1956 is enclosed herewith as required.

The Company has received exemption from the Central Government under Section 212 (8) of the Companies Act, 1956, from the attachment of copies of the Balance Sheet, Profit and Loss Account and other documents of subsidiaries for the year ended 30<sup>th</sup> June, 2010. The annual reports and accounts of the subsidiaries will be made available upon request by any member of the Company interested in obtaining the same. However, pursuant to Accounting Standard AS-21, Consolidated Financial Statements presented by the Company include Annual Financial Results of its subsidiaries.

## DIRECTORS

In accordance with Section 256 of Companies Act, 1956 and the Article of Association of the Company Mr B.Lugani & Mr. Sanjay Chhabra retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Brief resume of Mr. B. Lugani & Mr. Sanjay Chhabra containing nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, as stipulated under clause 49 of the Listing Agreements with the Stock Exchanges in India, is provided in notice forming part of the Annual Report.

## AUDITORS

The Statutory Auditors of the Company M/s Manoj Mohan & Associates, Chartered Accountants, who hold office until the conclusion of the ensuing Annual General Meeting are willing to be reappointed as the Statutory Auditor. A Certificate from Auditors have been received to the effect that their appointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

## AUDITORS' REPORT

Notes forming part of accounts, which are specifically referred to by the auditors in their report, are self explanatory and therefore, do not call for any further comments.



## SHARE CAPITAL AUDIT

As per the directive of the Securities and Exchange Board of India (SEBI) M/s Iqneet Kaur & Co., Company Secretaries, New Delhi, undertakes Share Capital Audit on quarterly basis. The purpose of audit is reconciliation of total shares held in CDSL, NSDL and physical form with the admitted, issued and listed capital of the Company.

The Share Capital Audit Reports as submitted by the Auditor on quarterly basis were duly forwarded to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.

## CONSOLIDATED FINANCIAL STATEMENT

The Audited Consolidated Financial Statement based on the Financial Statements received from subsidiary companies as approved by their respective Board of Directors, have been prepared as per the requirements of the Listing Agreement and Accounting Standards 21 and 23 issued by The Institute of Chartered Accountants of India and show the financial resources, assets, liabilities, income, profits and other details of the Company, its associates Companies and its subsidiaries after eliminating minority interest as single entry.

## FIXED DEPOSITS

During the year under review, the Company has not accepted any public deposits under Section 58A & 58AA of the Companies Act, 1956.

## DE-MATERIALISATION OF SHARES

The Company's equity shares are available for dematerialization on both the depositories viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatory, in dematerialized form. As on 30<sup>th</sup> June 2010, 20,05,17,596 equity shares representing 99.41% of your Company's Equity Shares capital have been dematerialised.

## LISTING AT STOCK EXCHANGES

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited and The National Stock Exchange of India Limited. The Company has paid annual listing fee to the Stock Exchanges for the year 2010 - 2011.

The Debentures of the Company are listed on Bombay Stock Exchange Limited.

The Global Depository Receipts (GDRs) of the Company are listed at London Stock Exchange and Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Stock Exchange.

## STATUTORY INFORMATION

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

## CORPORATE GOVERNANCE

A separate section on Corporate Governance forming part of the Director's Report and a certificate from the Company's auditors confirming compliance of Corporate Governance norms as stipulated in clause 49 VII of the Listing Agreement with the Indian Stock Exchanges is included in the Annual Report.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of financial condition including the results of operations of the Company for the year under review as required under clause 49 of the Listing Agreement with stock exchange is presented in separate section forming part of the Annual Report.

**DIRECTORS RESPONSIBILITY STATEMENT**

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

- That in the preparation of the annual accounts for the year ended 30<sup>th</sup> June 2010, the applicable accounting standards have been followed;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- That the Directors had prepared the annual accounts on a going concern basis.

**INDUSTRIAL RELATIONS**

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

**INVESTOR RELATIONS**

Your Company always endeavors to keep the time of response to shareholders' requests / grievances at the minimum. Priority is accorded to address all the issues raised by the shareholders and provide them a satisfactory reply at the earliest possible time. The shareholders' and investors' Grievances Committee of the Board meets periodically and reviews the status of the redresses of investors' grievances.

**ACKNOWLEDGEMENT**

Your Directors would like to convey their appreciation for all the co-operation and assistance received from the Government, Financial Institutions, Bankers and Stakeholders of the Company. Your Directors also appreciate and value the contribution made by employees in meeting all the targets. We look forward to receiving the continued patronage of our business partners to become a better and strong Company.

By order of the Board  
For **AMTEK AUTO LIMITED**

Date : 24th November, 2010  
Place : New Delhi

Sd/-  
**(ARVIND DHAM)**  
Chairman

**ANNEXURE TO THE DIRECTORS' REPORT 2009-2010****A. INFORMATION REQUIRED UNDER SECTION 217(I) (e) OF THE COMPANIES ACT, 1956****I. Research & Development (R&D)**

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

**II. Technology Absorbtion:**

- a) Efforts in brief towards technology absorbtion :
- The Company has indigenised and absorbed technological changes as advised by collaborators in the past.
- b) Benefits derived as a result of above efforts e.g product :
- i) Cost reduction to savings in raw material dies & moulds & power & fuel
  - ii) Increase in productivity & better quality
- c) In case of imported technology (import) during the last 6 years reckoned from the beginning of the financial year
- N.A

**III. Foreign Exchange Outgo:**

Activities Relating to Exports: Initiatives taken to increase exports; developments of new export markets for products and services; and export plans.

The Company has strategic alliance with its group Companies in Europe and USA, to increas its share of business in the international market, which has access to all automobile majors in the U.S and European market and existing supplier, business relationship.

	Current Year	Previous year
	(Rs in Lacs)	
Foreign Exchange Used	9830.45	7,592.88
<b>IV. Conservation of Energy</b>	<b>Current Year</b>	<b>Previous year</b>
<b>A. Power &amp; Fuel consumption</b>		
<b>1. Electricity Purchased</b>		
Units (in Lacs)	202.70	182.29
Total Amt. (Rs in Lacs)	965.90	839.59
Rate/Unit	4.77	4.61
<b>2. Own generation through Generator</b>		
Units (in Lacs)	131.89	139.48
Unit/Ltr	3.19	3.19
Rate/Unit	12.54	10.31
Total Amt. (Rs in Lacs)	1654.02	1437.74
<b>B. Consumption Per Unit of Production</b>		
Auto Components (In lacs)	457.98	342.82
Cost/Pc	5.72	6.64



**CORPORATE GOVERNANCE REPORT**

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is a combination of best Management practices and compliances of laws and regulations leading to effective control and management of the Organization and its valuable resources through effective and transparent business conduct, integrating communication, integrity and accountability towards its all stakeholders. Amtek firmly believes that Corporate Governance is a very essential mechanism for achieving all round excellence with ultimate objective of enhancing stakeholders' value.

It begins with Company's continuous review of its internal procedures and practices encompassing all its business areas in the most appropriate manner, which would spell fairness, transparency and accountability. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

**II. BOARD OF DIRECTORS**

The Business of the Company is managed by the Board of Directors. The Board of Directors of the Company provide leadership and strategic guidance, objective judgment independent of management and exercises control over the Company, while remaining at all times accountable to the stakeholders. The functions of the Board include formulation of strategic business plans, budgets, setting up goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business, industry and finance. The Board of Directors has the ideal composition with more than half the Directors being non-executive Directors. Since the Company has a Non Executive Chairman, the Board's composition meets the stipulated requirement of at least one third of the Board comprising of independent Directors who have no professional and/or business relationship with the Company.

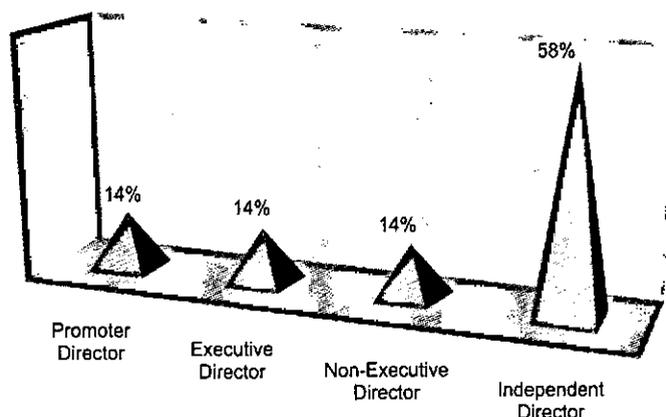
**A. Composition of Directorships**

The Company has a Non Executive Chairman and the number of Independent Directors is more than 50% of total number of Directors. As on 30<sup>th</sup> June, 2010 the Company has 7 directors on its Board of which 4 were Independent. The number of Non Executive directors is more than 50% of the total number of Directors. The Company is in compliance with the Clause 49 of the listing agreement pertaining to the Composition of Directors.

**Non-Executive Chairman  
Mr. Arvind Dham**

Promoter Director	Executive Director	Non-Executive Director	Non-Executive and Independent Directors
Mr. Arvind Dham	Mr. D.S. Malik	Mr. John Ernest Flintham	Mr. Rajeev Thakur Mr. B. Venugopal Mr. B. Lugani Mr. Sanjay Chhabra

### Composition of Directorship



#### B. Pecuniary Relationship

There is no pecuniary relationship or transaction of the non-executive Directors vis-à-vis the Company.

#### C. Attendance Record of Board Meetings

During the year under review, Eight Board meetings were held on 30.07.2009, 12.10.2009, 31.10.2009, 02.12.2009, 29.01.2010, 30.04.2010, 28.05.2010 and 05.06.2010. The Board members are given appropriate documents and information in advance of each Board meeting.

The attendance record of all the Directors on the Board is as under:-

Director	No. of Board Meetings attended	Attendance at last AGM	Attendance at last EGM
Mr. Arvind Dham	04	NO	NO
Mr. D. S. Malik	08	YES	YES
Mr. Sanjay Chhabra	05	NO	NO
Mr. Rajeev Thakur	05	NO	NO
Mr. B. Lugani	08	YES	YES
Mr. B. Venugopal	05	NO	NO
Mr. John Ernest Flintham	02	NO	NO

#### D. Post Meeting follow-up mechanism

All the important decisions taken at the Board/Committee Meetings are promptly communicated to the concerned departments. Action Taken Report on decisions/minutes of previous meeting is placed at the succeeding meeting of the Board/Committee for noting.



**E. Directors of the Company having directorship in other Companies, Membership/Chairmanship in committees (as prescribed under Corporate Governance) across all Companies in which they are directors.**

Name of Director	Category of Directorship	No. of other directorships Held in Other Public Companies*	No. of Membership in other companies committees**	
			Member	Chairman
Mr. Arvind Dham	Promoter & Non Executive Chairman	4	3	-
Mr. D. S. Malik	Executive & Managing Director	5	2	1
Mr. Sanjay Chhabra	Independent & Non Executive	-	-	-
Mr. Rajeev Thakur	Independent & Non Executive	-	-	-
Mr. B. Lugani	Independent & Non Executive	1	4	1
Mr. B. Venugopal (Nominee LIC)	Independent & Non Executive	-	-	-
Mr. John Ernest Flintham	Non Executive	3	-	-

\* This excludes directorship held in Private Companies, Foreign Companies and Companies formed under section 25 of the Companies Act, 1956

\*\* In accordance with Clause 49, membership/chairmanship of only Audit Committee & Shareholders / Investor Grievance Committee in all Public Limited Companies have been considered.

**III. BOARD PROCEDURES**

All the members of the Board were provided with the requisite information as prescribed in the listing agreement well before the Board Meeting and the same was dealt with appropriately.

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

**IV. AUDIT COMMITTEE**

The Board of the Company has constituted Audit Committee, comprising of three directors. All the members of the committee viz. Mr. B. Lugani (Chairman), Mr. Rajeev Thakur and Mr. Sanjay Chhabra are independent and non executive. The constitution of the Audit Committee meets the requirements of section 292A of the Companies Act, 1956 and the Listing Agreement. The power and role of the audit committee is as per the guidelines set out in the Listing Agreement and as prescribed under section 292A of the Companies Act, 1956.

During the period, the committee met 5 times and the attendance of members at the meetings was as follows:

Name of Member	Status	No. of Meetings attended
Mr. B. Lugani	Chairman	5
Mr. Rajeev Thakur	Director	5
Mr. Sanjay Chhabra	Director	5



**V. REMUNERATION COMMITTEE**

The Board has constituted a Remuneration Committee, comprising of three non executive and independent directors viz. Mr. Sanjay Chhabra (Chairman), Mr. Rajeev Thakur and Mr. B. Lugani. The committee has been constituted to review and approve the annual salaries, commission, service agreement and other employment conditions for the executive directors.

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

During the year under review, only one meeting of the Remuneration Committee was held, in which all the members were present.

**A) The details of the remuneration to the Managing Directors and Executive Director provided as per accounts for the year ended June 30, 2010 are given below:-**

(Rs. In Lacs)

Executive Director	Salary	Commission	Total	Service Contract
Mr. D. S. Malik	17.82	-	17.82	5 Years

1. Remuneration includes Salary, Bonus, Contribution to Provident Fund and all other perquisites taxable or non-taxable.
2. Appointment are contractual.
3. Information about qualification and last employment is based on particulars furnished by the employee.
4. The above employee does not hold by himself or alongwith his spouse and dependent children 2% or more of equity shares of the Company.
5. The above employee is not a relative of any Director of the Company.

**(B) The details of the remuneration paid to the Non Executive Directors for the year ended June 30, 2010 are given below:-**

Non Executive Director	Sitting Fee (Rs.)	Commission	Total (Rs.)
Mr. B. Lugani	1,00,000	-	1,00,000
Mr. Sanjay Chhabra	70,000	-	70,000
Mr. Rajeev Thakur	70,000	-	70,000
Mr. B. Venugopal	50,000	-	50,000

**VI. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Board has constituted a Shareholders'/ Investors' Grievance Committee, comprising of three directors under the chairmanship of Mr. Rajeev Thakur. The other members of the committee are Mr. Sanjay Chhabra, and Mr. B. Lugani. The committee has been constituted to specifically look into redressal of shareholders' and investors grievances.

During the year, the committee met four times and all the members were present in all the meetings.

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review was 26. As on 30<sup>th</sup> June 2010, there were Nil complaints pending with the Company.

The Company has also adopted code of internal procedures and conduct for prevention of insider trading in the shares of the Company, pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended. The Board has designated Company Secretary as the Compliance Officer for this purpose and has authorized this committee to monitor the compliances as required under the aforesaid Regulation.

**VII. SHARE TRANSFER COMMITTEE**

The Board has delegated the powers to approve transfer of the Shares to share Transfer Committee. The Committee held five meeting during the year and approved transfer of the shares lodged with the Company.



The committee deals with the following matters:

- Transfer/transmission of shares;
- Issue of new share certificates/duplicate share certificates;
- Review of de - materialization of shares.
- All other matters relating to shares.

**VIII. GENERAL BODY MEETINGS**

The last three Annual General Meetings were held as under:-

Year	Location	Date	Time	Special Resolutions passed
2008-2009	16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon; Haryana.	31.12.2009	9.30 A.M.	NA
2007-2008	16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana.	31.12.2008	9.30 A.M.	NA
2006-2007	16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana.	26.12.2007	9.30 A.M.	<ol style="list-style-type: none"> <li>1. Amendment in Article of Association to reflect increase in Authorised Share Capital.</li> <li>2. Issue of Further Shares u/s 81 (1A).</li> <li>3. Issuance of Warrants u/s 81 (1A)</li> </ol>

1. During the last year under review, the members of the Company passed a special resolution in Extra Ordinary General Meeting of the Company was held on Friday the 17<sup>th</sup> day of July, 2009 at Plot No. 16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana under Section 81(1A) to issue, offer and allot equity shares and/or foreign currency convertible bonds ("FCCBs") and/or global depository receipts and/or other securities convertible into equity shares and/or such other equity-linked instruments, for a value up to US \$ 175 million.
2. During the year under review no Resolution was put through Postal Ballot.

**IX. DISCLOSURES**

**(A) Basis of Related Party Transaction**

The details of all materially significant transactions with related parties are periodically placed before the audit committee. The Company has entered into related party transactions as set out in the notes to accounts, which are not likely to have conflict with the interest of the Company.

**(B) Whistle Blower Policy**

The Company encourages an open door policy where employees have access to the Head of the business / Function. In terms of Company's Code of Conduct, any instance of non adherence to the code/ any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Head of Corporate Human Resources.

We hereby affirm that no personnel have been denied access to the audit committee.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years — Nil

The Company has complied with all mandatory requirements of the revised Clause 49 of the Listing Agreement, which came into effect from 1<sup>st</sup> January 2006. Further, the Company has also complied with the non-mandatory requirement relating to constitution of Remuneration Committee and establishing the Whistleblower Policy.



**(C) Code of Business Conduct and Ethics for Directors and management personnel**

The Board has prescribed a Code of Conduct ("Code") for all Board members and senior management of the Company. The Code has been posted on the website of the Company ([www.amtek.com](http://www.amtek.com)). All Board members and senior management personnel have confirmed compliance with the Code for the year 2009-10. A declaration to this effect signed by the Managing Director & CEO of the Company is provided elsewhere in the Annual Report.

**(D) Disclosure of Accounting Treatment :**

In the preparation of financial statements for the year ended on 30<sup>th</sup> June, 2010; there was no treatment different from that prescribed in an accounting standard that had been followed.

**(E) Board Disclosures – Risk Management :**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

**(F) Proceeds from preferential issues of warrants etc.**

During the year under review, the Company raised an amount of Rs. 149.625 Crores through preferential issues of Equity Shares upon conversion of warrants on Private Placement Basis, the uses / application of funds of which were disclosed to the Audit Committee as a part of their quarterly declaration of financial results. The funds were utilized for their intended purposes as disclosed in the respective notices calling general meeting seeking shareholders for such issues. All such disclosures were duly certified by the statutory auditors.

**X. SUBSIDIARY MONITORING FRAMEWORK**

All the Subsidiary Companies of the Company are board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stockholders. As a majority stockholder, the Company nominates its representatives on the Boards of Subsidiary Companies and monitors the performance of such Companies inter alia, by the following mean:

- a) Financial Statements, in particular the investments made by the unlisted subsidiary Companies, are reviewed quarterly by the Audit Committee of the Company.
- b) All minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board regularly.
- c) A statement containing all significant transactions and arrangements entered into by the unlisted Subsidiary Companies is placed before the Company's Board.

**XI. MEANS OF COMMUNICATION**

Results for quarter ended 30<sup>th</sup> September 2009, 31<sup>st</sup> December 2009, 31<sup>st</sup> March 2010 and 30<sup>th</sup> June 2010 have been published in English and Hindi newspapers (viz The Pioneer and Hari Bhumi).

The Company also uploads its financial results, shareholding pattern and other information on the website of the Company i.e. [www.amtek.com](http://www.amtek.com)

A management Discussion and Analysis report which forms part of the Annual Report is given by means of a separate annexure and is attached to the Directors' Report.

**XI. GENERAL SHAREHOLDERS INFORMATION**

**1. ANNUAL GENERAL MEETING**

Date	Day	Time and Venue
December 31, 2010	Friday	9.30 A.M, Plot No.16, Industrial Estate Rozka-Meo, Sohna, Distt. Mewat (Haryana)



**2. FINANCIAL CALENDER FOR F.Y. 2010-11**

Particulars	Date
Financial year	July 1, 2010 to June 30, 2011
First Quarter Results	Mid November, 2010
Second Quarter Results	Mid February, 2011
Third Quarter Results	Mid May, 2011
Fourth Quarter Results	Mid August, 2011

**3. DATE OF BOOK CLOSURE**

Tuesday, December 28, 2010	Friday, December 31, 2010
(Both days inclusive)	

**4. DIVIDEND PAYMENT DATE**

<p>The payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or before 30 January 2011.</p>	<p>a) To all beneficial owner holding shares in electronic form, as per data made available to the Company by NSDL and CDSL as of the end of the day on Monday, 27 December 2010 ; and</p> <p>b) To all those shareholders holding shares in physical form, after giving effect to all the valid share transfer lodged with the Company on or before the closing hours on Monday, 27 December 2010.</p>
--	---

**5. LISTING ON STOCK EXCHANGES:**

- a) The Shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fees for the year 2010-2011 has been paid to the Stock Exchanges with-in the stipulated time.
- b) The Global Depository Receipts are listed on London Stock Exchange and Foreign Currency Convertible Bonds are listed on Singapore Stock Exchange.
- c) **Debt Securities**  
The wholesale Debt Market (WDM) Segment of BSE.
- d) **Debenture Trustee**  
Axis Trustee Services Limited  
Maker Tower F, 13<sup>th</sup> Floor, Cuffe Parade, Colaba  
Mumbai- 400005

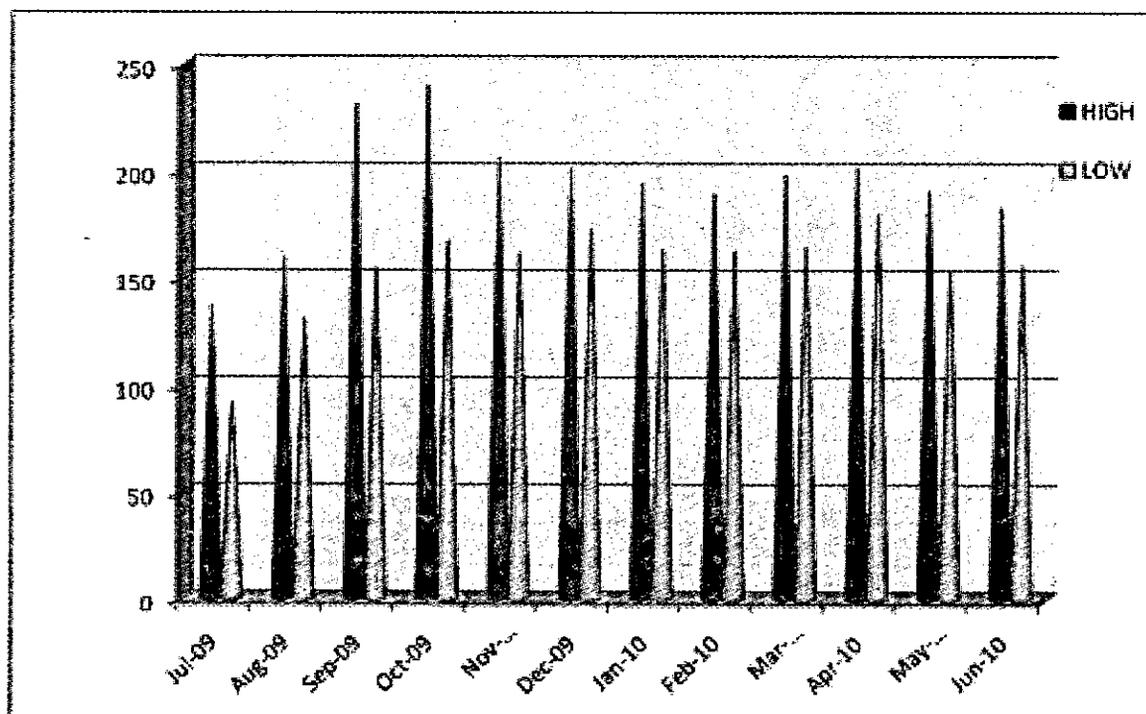
**6. STOCK CODES:**

Particulars	Codes
Bombay Stock Exchange Limited	<b>520077</b>
National Stock Exchange of India Limited	<b>AMTEKAUTO</b>
ISIN NO. For dematerialized shares	<b>INE 130C01021</b>

**6a. STOCK MARKET DATA**

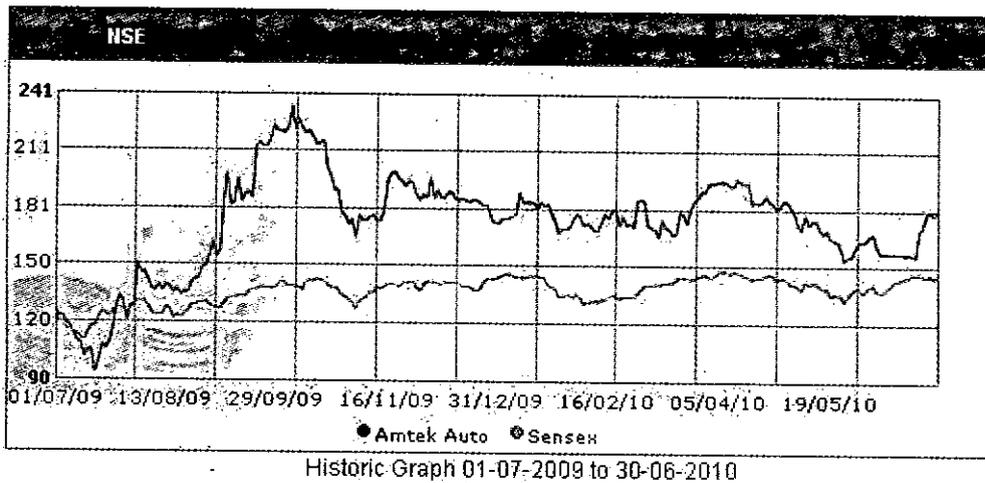
Monthly high and low quotations of shares traded at Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
July 2009	137.00	91.65	136.70	91.50
August 2009	158.80	130.05	158.75	128.35
September 2009	230.80	154.00	230.80	155.00
October 2009	239.30	167.00	239.90	165.5
November 2009	205.70	161.15	205.90	160.50
December 2009	201.00	172.20	199.50	166.65
January 2010	194.00	163.05	193.50	164.00
February 2010	188.80	162.20	188.80	165.10
March 2010	197.50	164.20	197.40	165.40
April 2010	200.85	179.00	200.70	175.10
May 2010	190.00	152.25	190.00	152.50
June 2010	182.70	155.05	182.80	155.05

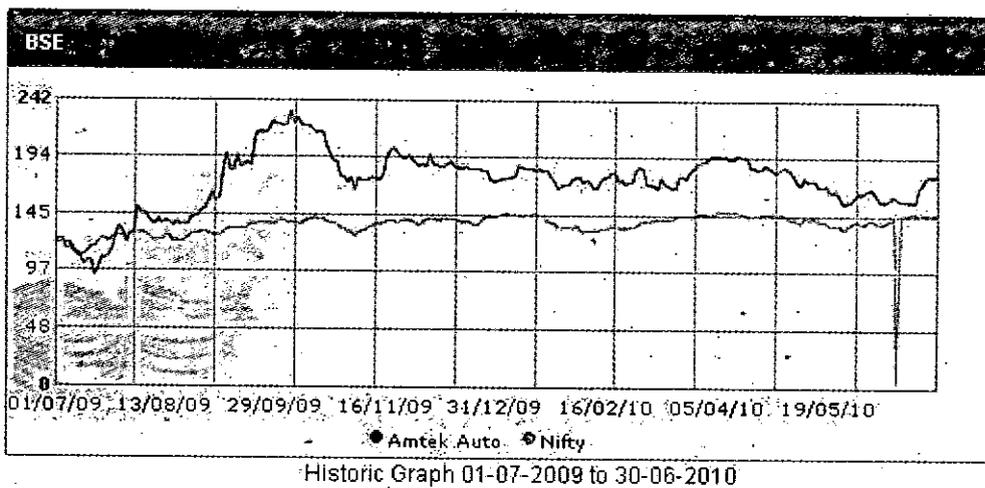
**HIGH LOW PRICE CHART AT STOCK EXCHANGES**




**Performance of Amtek Auto Share Price in Comparison to BSE Sensex**



**Performance of Amtek Auto Share Price in Comparison to NSE NIFTY**



**7. REGISTRARS AND TRANSFER AGENTS:**

Beetal Financial & Computer Services Pvt. Ltd.  
 BEETAL HOUSE, 3<sup>rd</sup> Floor, 99, Madangir,  
 Behind L.S.C. New Delhi - 110 006  
 Phone No. : 011 – 29961281-82-83  
 Fax No. 011 - 29961284

**8. SHARE TRANSFER SYSTEM**

Presently, the share certificates which are received for transfer in physical form are processed and are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The transfers are approved in the Share Transfer Committee which meets on a periodical basis.



# AMTEK AUTO LIMITED

## 9. DISTRIBUTION OF SHAREHOLDING AS ON JUNE 30, 2010

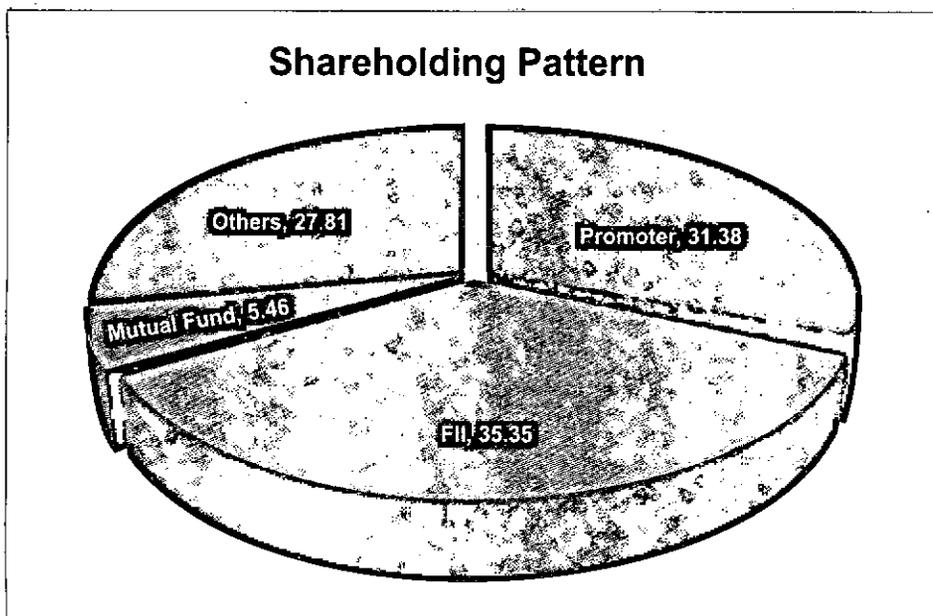
No. of Shares held (Rs.2/- paid up)	Shareholders Number	% of Total	Total (in Rs.)	% of Total Shareholding
Up to 5000	20007	98.02	8130260	2.02
5001 10000	161	0.79	1181892	0.29
10001 20000	60	0.29	881692	0.22
20001 30000	22	0.11	545516	0.13
30001 40000	20	0.10	696434	0.17
40001 50000	7	0.03	322854	0.08
50001 100000	32	0.16	2291008	0.57
100001 Above	102	0.50	389349938	96.52
<b>TOTAL :</b>	<b>20411</b>	<b>100.00</b>	<b>403399594</b>	<b>100.00</b>

## 10. THE SHAREHOLDING PATTERN ON JUNE 30, 2010

Category Code	Category of Shareholder	Total Number of Shareholders	Total Number of Shares	Percentage
(A)	Shareholding of Promoter and Promoter Group			
(1)	<b>Indian</b>			
(a)	Individual's/Hindu Undivided Family	4	2797240	1.387
(b)	Central Government/State Government(s)	0	0	0
(c)	Bodies Corporate	8	60493400	29.992
(d)	Financial Institutions / Banks	0	0	0
(e)	Any Other (specify)	0	0	0
	<b>Sub - Total (A) (1)</b>	<b>12</b>	<b>63290640</b>	<b>31.379</b>
(2)	<b>Foreign</b>			
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0
(b)	Bodies Corporate	0	0	0
(c)	Institutions	0	0	0
(d)	Any Other (Specify)	0	0	0
	<b>Sub - Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>12</b>	<b>63290640</b>	<b>31.379</b>
(B)	<b>Public Shareholding</b>			
(1)	<b>Institutions</b>			
(a)	Mutual Funds/UTI	20	11010524	5.459
(b)	Financial Institutions / Banks	20	15456816	7.663
(c)	Central Government / State Government(s)	0	0	0



(d) Venture Capital Funds	0	0	0
(e) Insurance Companies	0	0	0
(f) Foreign Institutional Investors	66	71300422	35.350
(g) Foreign Venture Capital Investors	0	0	0
(h) Any Other (Specify) (OCB/Foreign Bank)	0	0	0
<b>Sub Total (B) (1)</b>	<b>106</b>	<b>97767762</b>	<b>48.472</b>
<b>(2) Non-Institutions</b>			
(a) Bodies Corporate	690	10417950	5.165
(b) Individuals –			
i. Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh.	18573	4408602	2.186
ii. Individual Shareholders holding nominal Share Capital in excess of Rs. 1 lakh	7	1660506	0.823
(c) Any Other (specify)	0	0	0
(i) Trusts	1	350	0.000
(ii) Clearing Members	142	302850	0.150
(iii) NRI Individuals	475	214341	0.106
(iv) HUF	400	179162	0.089
(v) Foreign Corporate Bodies	4	23447634	11.625
<b>Sub-Total (B)(2)</b>	<b>20292</b>	<b>40631395</b>	<b>20.144</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>20398</b>	<b>138399157</b>	<b>68.616</b>
<b>TOTAL (A) + (B)</b>	<b>20410</b>	<b>201689797</b>	<b>99.995</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>	<b>1</b>	<b>10000</b>	<b>0.005</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>20411</b>	<b>201699797</b>	<b>100.00</b>





## 11. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The dematerialization facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 30<sup>th</sup> June 2010, 200,517,596 equity shares representing 99.414% of your Company's Equity shares capital have been de-materialised.

## 12. OUTSTANDING GDRS/ADRS/ WARRANTS/ OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

During the year 2004-2005, the Company had issued 94,15,000 Global Depository Receipts(GDRs) at an offer price of US\$ 7.328 each aggregating to US\$ 69 million representing 1,88,30,000 underlying Equity Shares of Rs.2/- each at a premium of Rs.163/- per share. As on 30<sup>th</sup> June 2010 the Company has 10,000 outstanding GDRs. On the conversion of GDRs into equity shares there will be no impact on the equity capital of the Company, since the Company has already issued shares to the trustee i.e. Bank of New York.

In the year 2004-05, the Company issued 1,50,000 Foreign Currency Convertible Bonds of US\$ 1000 each. During the year under review, the FCCB of US \$ 17.5 million were outstanding. Out of which the Company has bought back FCCB of US \$ 9.5 million and the same has been cancelled. Also FCCBs of US\$ .25 million have been converted into 52,054 equity shares of Rs.2/- each at a conversion price of Rs.209.83 per share and the remaining FCCBs of US \$ 7.75 million were matured and redeemed.

In the year 2005-06, the Company issued 2,500 Zero Coupon Foreign Currency Convertible Bonds of US\$ 100,000 each aggregating to US\$ 250 millions convertible into equity shares of the Company at the option of the investors. The FCCBs will be converted into equity shares of the Company at the rate of Rs.458.64 per share. The Company has brought back FCCBs of US\$ 113.9 and the same has been cancelled. As on date FCCBs of US\$ 13.14 million have been converted into 1310081 equity shares of Rs.2/- each at a conversion price of Rs. 458.64 per share. As on date FCCBs of US \$ 108.6 million are outstanding.

During the year 2009-10, the Company has issued 33,000 5.625% Coupon Foreign Currency Convertible Bonds of US\$ 5,000 each aggregating to US\$ 165 millions convertible into equity shares of the Company at the option of the investors. The new FCCBs will be initially converted into equity shares of the Company at the rate of Rs.148.40 per share. As on date 31626 FCCBs of US\$ 158.13 million have been converted into 51,818,467 equity shares of Rs.2/- each at a conversion price of Rs.148.40 per share. As of date FCCBs of US\$ 6.87 million are outstanding.

Subsequent to the year 2009-10, the Company issued and allotted 24 million warrants entitling the warrant holder(s) to apply for equivalent number of fully paid up equity shares of Rs.2/- per share at a premium of Rs.178/- per share.

Assuming that all the outstanding FCCB's and warrants are converted into equity shares during the year ended 30<sup>th</sup> June 2011, the paid up equity share capital of the Company will increase from Rs.41,83,47,490/- divided into 20,91,73,745 Equity Shares of Rs.2/- each to Rs.49,20,85,010/- divided into 24,60,42,505 Equity Shares of Rs. 2/-each.

## 13. PLANT LOCATION

Unit I - 16, Industrial Estate, Rozka Meo, Sohna, Distt. Mewat, Haryana.

Unit II - Bagumpur Khataula, P.O. Khandsa, Distt. Gurgaon, Haryana.

Unit III - Vill. Mohammadpur, Jharsa, Distt. Gurgaon (Haryana).

Unit IV (Shed No. 3, 4, & 5) - Village Malpura, Dharuhera, Rewari, Haryana.

Unit V - Plot No. 1, Sector - II, New Industrial Area, Distt. Raisen, Mandideep - 462046.

Unit VI - Plot No. 1, Industrial Area, Dharuhera, Rewari, Haryana.

Unit VII - Plot No. 53, Sector - III, Industrial Area, IMT Manesar, Gurgaon ( Haryana)

Unit VIII - Gat No. 1074-1085, Sanaswadi Shikrapur Chakan Road, Taluka Shirpur, Pune, Maharashtra.

Unit IX - Nalagarh, Distt. Solan (H.P.)

Unit X - Ranjangaon, Pune, (Maharashtra)

Unit-XI - A-459, Industrial Area, Chopanki, Distt - Alwar, Rajasthan

Unit-XII - Survey No. 1, C-2, VR-5, Tata Nano Vendor Park, Gujrat

Unit-XIII - Plot No. 73, Tata Vendor Park, Distt. - Udham Singh Nagar



**14. INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO:-**

Mr. Rajeev Raj Kumar, Company Secretary  
Bhanot Apartment, 4, Local Shopping Centre,  
Pushpvihar, New Delhi – 110 062.  
Ph. 011- 41649800 Fax: 011-29054554

By order of the Board  
for **AMTEK AUTO LIMITED**

Date : 24th November, 2010  
Place : New Delhi

Sd/-  
**(ARVIND DHAM)**  
Chairman



**AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Shareholders  
Amtek Auto Limited

We have examined the compliance of conditions of corporate governance by Amtek Auto Limited for the year ended on 30<sup>th</sup> June 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. 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 given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the shareholders/ Investors Grievances Committee has maintained records to show the Investors Grievance and certify that as at 30.06.2010, there were no investors grievance remaining unattended/pending for more than 30 days.

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

For **Manoj Mohan & Associates**  
Chartered Accountants  
Firm Regn. No. 009195C

Place : New Delhi  
Date : 24th November, 2010

Sd/-  
**(M. K. Aggarwal)**  
Partner  
Membership No. 76980

**DECLARATION BY CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

As required under Clause 49 of the Listing Agreement with Stock Exchange, it is hereby confirmed that for the year ender 30<sup>th</sup> June 2010, the Director's of Amtek Auto Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Employee Code of Conduct, as applicable to them.

New Delhi  
24th November, 2010

Sd/-  
**D.S. Malik**  
Managing Director

**CEO AND CFO CERTIFICATION**

We, D.S. Malik, Managing Director and Vinod Uppal, Vice President (Finance), responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 30<sup>th</sup> June 2010 and to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - II. These statements together, present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 30<sup>th</sup> June 2010 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - I) There has not been any significant change in internal control over financial reporting during the year under reference;
  - II) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
  - III) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**New Delhi**  
**24th November, 2010**

Sd/-  
**VINOD UPPAL**  
**Vice President (Finance)**

Sd/-  
**D. S. MALIK**  
**Managing Director**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

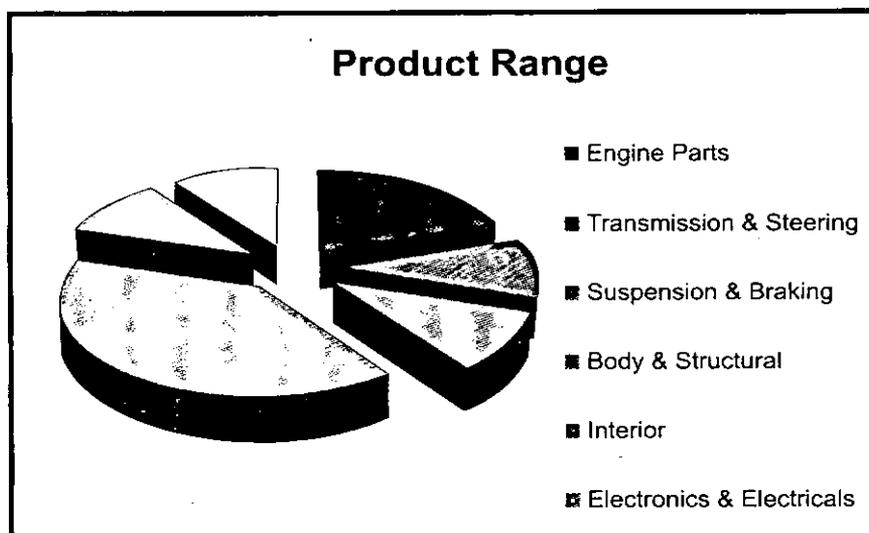
### 1. INDUSTRY OVERVIEW

The Indian auto component industry is one of India's sunrise industries with tremendous growth prospects. From a low-key supplier providing components to the domestic market alone, the industry has emerged as one of the key auto components centers in Asia and is today seen as a significant player in the global automotive supply chain. India is now a supplier of a range of high-value and critical automobile components to global auto makers such as General Motors, Toyota, Ford and Volkswagen amongst others.

Further, the segment has created a niche by diversifying its portfolio into aerospace, railway, power segments and prosthetics. The strategy and plan to look into newer markets outside the country also helped the auto component manufacturers to survive the global recession. Acquisitions helped the sector in expanding its technology and providing value-added services to the customers.

The entry of new generation vehicles and demand for genuine spare parts also helped in adding to the sales for the companies. The aftermarket service segment showed a huge potential for sustaining profits despite the slowdown in global automobile sector.

As per a report by the Automotive Component Manufacturers Association of India (ACMA), the turnover of the Auto Component Industry was US\$ 22 billion in 2009-10. The report states that 20 per cent of the auto component industry is dominated by engine parts, 10 per cent by drive transmission and steering parts, 10 per cent each by suspension & braking parts and 40 per cent by body & structural, while Interior and electrical parts capture 10 per cent, respectively as mentioned below in the graph:



The compounded annual growth rate (CAGR) of the auto component industry was around 21 per cent in the period 2009-10. Exports from the auto component industry are worth US\$ 3.8 billion in 2009-10, according to the ACMA report.

#### AMTEK AUTO LTD.

Amtek Auto has completed significant capital expenditure in its facilities over the past few years and expects limited capex going forward.

Amtek Auto's European businesses have been successful in securing significant new orders during the quarter and are expected to operate at higher utilization levels for the rest of FY2011. The US manufacturing order book has been transferred to India from where products are now being exported to our North American distribution centres resulting in a significant increase in profitability.

The Non-Auto segment has increased production levels during FY2011 compared to the same period in the prior year. This segment is expected to contribute 11% of total revenues in the current financial year and is expected to grow significantly going forward, driven by a ramp up of new programs. One of Amtek Auto's key focus areas in the Non-Auto segment is addressing the Indian Railway's requirement for railway wagons and locomotive engine components.

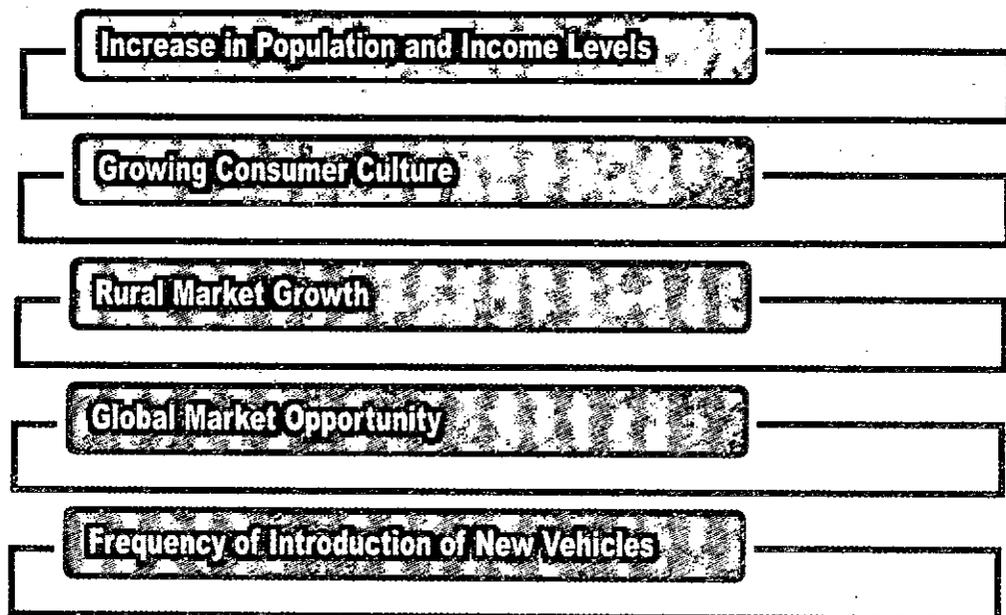
The first prototype for railway wagons, being developed jointly with American Railcar Industries (ARI), is expected to be completed by September 2011.

**2. OPPORTUNITY & THREATS**

**Opportunities**

- 1) **Increase in Population and income levels:** India has the youngest population in the world, with about 65% under the age of 35. Further, about 63% of the Indian population is in the working age group. The income levels in India, have more than doubled in the last seven years as indicated by Per Capita Income. It is predicted that the Per Capita Income in India, would continue to increase with comparatively higher saving rate. Growing middle income level population and rise in their average income levels all augur well for the automotive industry, both in terms of personal transportation needs as well as goods movement.
- 2) **Growing Consumer Culture:** In India, the demand for a better lifestyle has enhanced consumption levels and rapid growth in several segments like retail chains, cellular phones and cable satellite television. Proliferation of mobile phones and satellite televisions is leading to urbanization of mindset and consumerism in rural people. With increasing desire for leading urban lifestyle, per capita movement between villages and urban centres is expected to witness an explosive growth in the coming years, which will lead to huge demand for passenger carriers and buses.
- 3) **Rural Market Growth:** As per the recent report by Accenture Consulting, rural spending is now less dependent on farm income, with less than 50% of the rural income being contributed by farm income. Income remittances from migrant rural population and increase in non-farm activities such as trading and agro-processing are boosting non-farm income. The increase in procurement prices and improved access to finance and institution credit has brought greater wealth to rural households.
- 4) **Global Market Opportunity:** India continues to be a cost competitive source for the automotive industry globally, both for vehicles and components. India's manufacturing base continues to benefit from these scale economies coupled with technology/quality improvements. The Company is also setting up/exploring manufacturing footprint overseas, which would combine these advantages with local operations and sourcing in these markets.
- 5) **Frequency of Introduction of New Vehicles:** Now a days, IT in India is mainly focused mainly on Product Design and Development to introduce new Products in the market. So the Competition to launch a new Vehicle led to increase in demand of Auto Component Product.

The opportunities of the Industry can be depicted as follows:

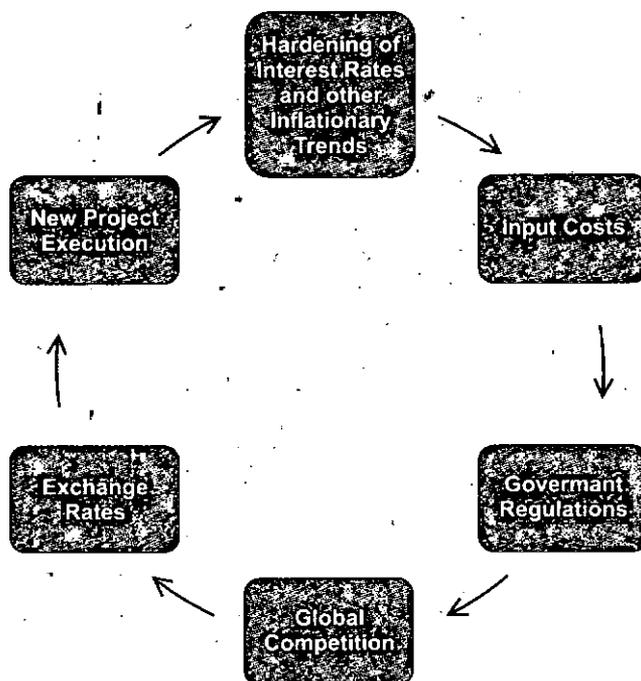




## THREATS:

- 1) **Hardening of interest rates and other inflationary trends:** Further hardening of consumer interest rates could have an adverse impact on the automotive industry. Increase in inflation could also have a negative impact on sales of auto component in the domestic market.
- 2) **Input Costs:** With many economies coming out of recession, prices of commodity items like steel, non-ferrous, precious metals, rubber and petroleum products are expected to rise significantly. Whilst the Company continues to pursue cost reduction initiatives, increase in price of input materials could severely impact the Company's profitability to the extent that the same are not absorbed by the market through price increases and/or could have a negative impact on the demand in the domestic market.
- 3) **Government Regulations:** Stringent emission norms and safety regulations could bring new complexities and cost increases for automotive industry, impacting the Company's business. WTO, Free Trade Agreements and other similar policies could make the market, more competitive for local manufacturers.
- 4) **Global Competition:** India continues to be an attractive destination for the global automotive players. The global automotive manufacturers present in India have been expanding their product portfolio and enhancing their production capacities. To counter the threat of growing global competition, the Company has planned to bridge the quality gap between its products and foreign offerings while maintaining its low cost product development/sourcing advantage.
- 5) **Exchange Rates:** Our operations are subject to risk arising from fluctuations in exchange rates with reference to countries in which we operate. These risks primarily relate to fluctuations of Pound to US Dollar, Japanese Yen and Euro and fluctuations of Indian Rupee against Pound, US Dollar and Euro.
- 6) **New Project Execution:** Intensifying competition, reducing product life cycles and breadth of the Company's product portfolio, necessitates the Company to continuously invest in new products, upgrades and capacity enhancement programme. Though the Company employs sophisticated techniques and processes to forecast the demand of new products yet the same is subject to margin of error. Timely introduction of new products, their acceptance in the market place and managing the complexity of operations across various manufacturing locations would be the key to sustain competitiveness.

The Threats are depicted as follows:



### 3. SEGMENT WISE PERFORMANCE

The Company deals in only one segment i.e. Automotive Components. Therefore, it is not required to give segment wise performance.

### 4. OUTLOOK

*Indian Market:* Key indicators signal a continuing expansion in all sectors of the domestic auto market. There have been significant foreign direct investment announcements by global automotive manufacturers which are expected to provide a strong foundation for Amtek Auto's growth in the near term. The Company expects to benefit from increasing demand in the domestic market across all of its operations in Forging, Casting and Machining. Significant new business has been secured from new entrants and new models in the marketplace, which will further improve capacity utilizations.

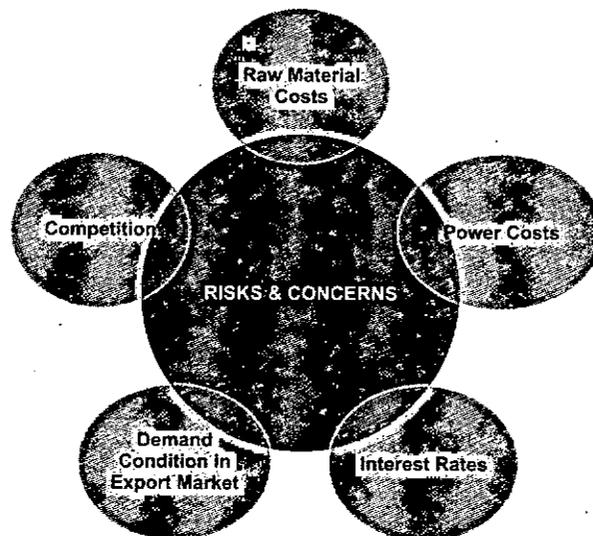
*European and US Markets:* Economic stimulus packages that were supporting European markets have been phased out and demand is expected to remain flat over the coming quarters. However, Amtek Auto's restructured European businesses have secured new orders in Casting and Machining which are expected to benefit the business in FY2011. The UK market is showing signs of improvement which is primarily due to stronger sales at our largest customers. Although US Government stimulus packages have been removed, the US markets are showing signs of recovery. The strong performance of the US heavy truck segment in the first three quarters of CY2010 as a result of economic revival in the US and improved freight demand is expected to continue into CY2011.

*Joint Ventures:* During the year under review, the Company entered into a Joint Venture with Sumitomo Corporation of Japan by incorporating a JV Company in the name & style of SMI Amtek Crankshafts Private Limited, which is forecasted to grow well during FY 2011.

In summary, strong domestic market demand and improving overseas markets together with significant capacity installation completed over the last 18 months, positions Amtek Auto to benefit from the expected upward trend in the market. Increased demand, low capex and sustained higher margins are expected to result in significantly improved return on capital going forward.

### 5. RISKS & CONCERNS

Entry of new players and launch of new models have increased market competition. Nearly 81 % of the respondents believe that competition will be the major challenge facing the industry in FY11. High input prices and demand conditions in the export markets were viewed as the other major challenges facing the sector.



## 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate system of internal control. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

### Some significant features of the internal control systems are:

- Corporate policies on accounting and major processes;
- Well-defined processes for formulating and reviewing annual and long term business plans;
- Preparation and monitoring of annual budgets for all operating and service functions;
- A well established multidisciplinary Internal Audit team, which reviews and reports to management and the Audit Committee about the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks;

## 7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year, the total sales and other income increased to Rs. 1,42,434.39 lacs from Rs. 1,19,527.83 lacs in the previous year.

The Gross profit before depreciation and taxation has increased to Rs. 36,729.94 lacs as compared to the previous year figure of Rs. 33,038.10 lacs.

Profit after tax has decreased to Rs. 14,306.02 lacs as compared to the previous year of Rs. 15,222.67 lacs.

The Board of Directors has recommended a dividend of Rs.1/- per share of the face value of Rs.2/- each for the Financial year 2009-10.

All the units of the Company operated satisfactorily during the year.

## 8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

During the year under review, the Company had undertaken extensive steps for optimizing the use of its manpower through automation and role enrichment. There is a continuous focus on enhancing productivity in all facets of our operations. Industrial relations were cordial throughout the year.

## 9. CAUTION STATEMENT

*Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.*

By order of the Board  
for **AMTEK AUTO LIMITED**

Date : 24th November, 2010  
Place : New Delhi

Sd/-  
**(ARVIND DHAM)**  
Chairman

**AUDITORS' REPORT**

To,  
The Members,  
**Amtek Auto Limited**  
Sohna (Distt. Mewat)

We have audited the attached Balance Sheet of Amtek Auto Limited as at 30<sup>th</sup> June 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India (Indian GAAP). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 (as amended) by the companies (Auditors' Report) (amended) order, 2004 (together the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) 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;
- (ii) 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.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement of the Company, dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 30<sup>th</sup> June 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30<sup>th</sup> June 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 30<sup>th</sup> June 2010;
  - (b) in the case of the Profit and Loss Account, of the *Profit* for the year ended on that date; and
  - (c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

**For & on behalf of**  
**Manoj Mohan & Associates**  
Chartered Accountants  
Firm Regn. No.009195C

**(M. K. Aggarwal)**  
Partner  
Membership No.-76980

Place : New Delhi  
Dated : 24<sup>th</sup> November 2010



**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE OF AMTEK AUTO LIMITED FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2010**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, have been physically verified by the management at reasonable intervals. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) During the year, the Company has not disposed off substantial part of the fixed assets and the going concern status of the Company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable.
- (b) The procedure for physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) *The Company, during the year under report, has given loans & advances to its seven subsidiary companies and joint ventures, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.*
  - a) *The balance at the end of the year and the maximum amount involved during the year was Rs.68,778.83 lacs.*
  - b) *In our opinion and according to the information and explanations given to us, the rate of interest, where-ever applicable and other terms and conditions are not prima-facie prejudicial to the interest of the Company.*
  - c) *In respect of the loan granted to its subsidiaries, the loan is interest free and being repayable on demand are not overdue.*
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, consumable stores, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the act has been entered in the register required to be maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion and according to the information & explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the Company has complied with all the provisions of section 58A and 58AA and any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to deposits accepted from public. No order has been passed by the Company Law Board, Reserve Bank of India, National Company Law Tribunal or any other Court or any Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central government has prescribed maintenance of cost accounting records under section 209 (1) (d) of the Companies Act, 1956 in respect of certain machining activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been properly maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.



(b) The disputed statutory dues aggregating to Rs.30.04 lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statute	Nature of Dues	Period to which it relates	Forum where dispute is pending	Amount (Rs. in lacs)
1.	Haryana Sales Tax Act & Central Sales Tax Act	Sales Tax	1991	Appellete Sales Tax Tribunal	10.62
2.	Excise Duty	Cenvat	2008	Commissionerate Delhi III	19.42
<b>Total</b>					<b>30.04</b>

- (x) The Company has no accumulated losses and has not incurred any cash loss during the year under report or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause of 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company. The Company, however, is maintaining proper records of transactions and contracts in respect of long term investment made by it and timely entries have been made therein. Further, all the securities including shares, debentures and other investments have been held by the Company in its own name.
- (xv) The Company has given guarantees for credit facilities taken by others from Banks or Financial Institutions, the terms and conditions whereof are not prejudicial to the interest of the Company.
- (xvi) According to the information and explanation given to us, in our opinion, term loan availed by the Company were, prima facie, applied by the Company during the year under report for the purpose for which the term loans were obtained, other than temporary deployment pending applications.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment and no long term funds have been used to finance short term assets except permanent working capital.
- (xviii) According to the information & explanation given to us, the Company, during the year under report, has made preferential allotment of 1,50,00,000 equity shares of Rs.2/- each at a premium of Rs.131/- per shares against warrants issued by it in the earlier years, to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. The Company has also received application money against 2,40,00,000 warrants (carrying option/entitlement to subscribe to 1 number of equity share of Rs.2/- each at a premium of Rs.178/- per share to parties and Companies covered in the register maintained under section 301 of the companies Act, 1956. According to the information & explanation given to us, the prices at which shares have been issued, is not prejudicial to the interest of the Company.
- (xix) According to information and explanation given to us and the records of the Company examined by us, the Company has issued Non Convertible Debentures and has created security in favour of the debenture holders.
- (xx) According to information and explanation given to us and the records of the Company examined by us, the Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For & on behalf of**  
**Manoj Mohan & Associates**  
 Chartered Accountants  
 Firm Regn. No.009195C

Sd/-  
**(M. K. Aggarwal)**

Place : New Delhi  
 Dated : 24<sup>th</sup> November 2010

Partner  
 Membership No.-76980



# AMTEK AUTO LIMITED

## BALANCE SHEET AS AT 30TH JUNE 2010

(Rs. In Lacs)

PARTICULARS	SCHEDULE	As at 30th June 2010	As at 30th June 2009
<b>I. SOURCES OF FUNDS</b>			
<b>1. SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	1	4,034.00	2,819.86
(b) Application money against Warrants	1A	21,540.00	4,987.50
(c) Reserves & Surplus	2	360,446.72	251,462.34
<b>2. LOAN FUNDS</b>			
(a) Secured	3	88,807.84	88,042.28
(b) Unsecured		182,780.83	247,209.23
<b>TOTAL</b>		<b>657,609.39</b>	<b>594,521.21</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>			
Gross Block	4	403,723.76	366,360.27
Less : Accumulated Depreciation		57,442.02	41,090.68
<b>Net Block</b>		<b>346,281.74</b>	<b>325,269.59</b>
<b>2. INVESTMENTS</b>	5	74,564.70	49,349.60
<b>3. CURRENT ASSETS, LOANS &amp; ADVANCES</b>	6		
i) Interest Receivables		382.45	140.08
ii) Inventories		39,525.50	33,431.71
iii) Sundry Debtors		33,741.09	30,583.48
iv) Cash & Bank Balances		67,840.72	66,113.15
<b>(b) Loans &amp; Advances</b>		136,390.42	126,469.98
<b>Total Current Assets And Loans &amp; Advances</b>		<b>277,880.18</b>	<b>256,738.40</b>
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>	7		
Current Liabilities		38,765.23	36,011.91
Provisions		2,352.00	824.78
<b>Total Current Liabilities &amp; Provisions</b>		<b>41,117.23</b>	<b>36,836.69</b>
<b>Net Current Assets</b>		<b>236,762.95</b>	<b>219,901.71</b>
<b>4. MISCELLANEOUS EXPENDITURE</b>	8		0.31
(To the extent not written off or adjusted)			
<b>TOTAL</b>		<b>657,609.39</b>	<b>594,521.21</b>

Notes to the Accounts & Significant Accounting Policies 12  
The accompanying schedules 1 to 12 form an integral part of the accounts.

For and on behalf of the Board

In terms of our report of even date attached

**For Manoj Mohan & Associates**

Chartered Accountants

Sd/-

**(M.K. AGGARWAL)**

Partner

Membership No. - 76980

Place : New Delhi

Dated : 24th November, 2010

Sd/-

**D.S. MALIK**

Managing Director

Sd/-

**VINOD UPPAL**

V.P (Finance & Accounts)

Sd/-

**ARVIND DHAM**

Director

Sd/-

**RAJEEV RAJ KUMAR**

Company Secretary



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2010**

(Rs. In Lacs)

PARTICULARS	SCHEDULE	For the year ended 30th June 2010	For the year ended 30th June 2009
<b>Sales &amp; Other Income</b>		<b>142,434.39</b>	<b>119,527.83</b>
<b>EXPENDITURE</b>			
Materials & Manufacturing Expenses	9	83,953.59	70,107.46
Personnel Expenses	10	6,045.30	6,124.18
Administrative, Selling & Other Expenses	11	3,252.41	4,043.29
Financial Expenses		12,453.15	6,214.80
<b>TOTAL</b>		<b>105,704.45</b>	<b>86,489.73</b>
<b>Profit before Depreciation</b>		<b>36,729.94</b>	<b>33,038.10</b>
Depreciation		16,659.43	12,260.35
<b>Profit Before Tax</b>		<b>20,070.51</b>	<b>20,777.75</b>
<b>Tax Expenses</b>		5,764.49	5,555.08
<b>Profit for the year</b>		<b>14,306.02</b>	<b>15,222.67</b>
Add: Surplus brought forward from earlier years		136.91	14.90
<b>Balance available for Appropriation</b>		<b>14,442.93</b>	<b>15,237.57</b>
<b>APPROPRIATIONS :</b>			
Transferred to General Reserves		1,500.00	11,800.88
Transferred to Debenture Redemption Reserve Account		1,400.00	-
Transferred to Foreign Currency Convertible Bond Redemption Reserve		8,818.00	2,475.00
Proposed Dividend on Equity Shares		2,017.00	704.97
Dividend & Tax for Previous year (not appropriated in the previous year)		89.38	-
Corporate Dividend Tax		335.00	119.81
<b>Surplus carried to Balance Sheet</b>		<b>283.55</b>	<b>136.91</b>
Earning Per Share (Before considering exceptional / Extra ordinary items)	Basic (Rs.)	9.28	10.80
	Diluted (Rs.)	7.23	9.00
	(Pro-rata)		
Earning Per Share (After considering exceptional / Extra ordinary items)	Basic (Rs.)	8.61	10.80
	Diluted (Rs.)	6.71	9.00
	(Pro-rata)		
Notes to the Accounts & Significant Accounting Policies	12		
The accompanying schedules 1 to 12 form an integral part of the accounts.			

For and on behalf of the Board

In terms of our report of even date attached

**For Manoj Mohan & Associates**

Chartered Accountants

Sd/-

**(M.K. AGGARWAL)**

Partner

Membership No. - 76980

Sd/-

**D.S. MALIK**

Managing Director

Sd/-

**ARVIND DHAM**

Director

Sd/-

**VINOD UPPAL**

V.P (Finance & Accounts)

Sd/-

**RAJEEV RAJ KUMAR**

Company Secretary

Place : New Delhi

Dated : 24th November, 2010



# AMTEK AUTO LIMITED

## CASH FLOWS STATEMENT FOR THE YEAR ENDED 30TH JUNE 2010

(Rs. in Lacs)

PARTICULARS	For the year ended 30th June 2010	For the year ended 30th June 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit as per Profit & Loss Account	20,070.51	20,777.75
Add : Depreciation	16,659.43	12,260.35
Add : Financial Charges	12,453.15	6,214.80
Loss/(Gain) on sale of fixed assets (net)	(1,164.13)	(241.56)
Loss/(Gain) on sale of Investments (net)	(188.75)	-
Dividend Income	(398.48)	(359.51)
Interest Received & Other Income	(12,912.66)	(13,681.11)
Deferred & Preliminary exp. written off	0.32	212.70
	<b>34,519.39</b>	<b>25,183.42</b>
(Increase)/Decrease in Inventories	(6,093.79)	(8,408.98)
(Increase)/Decrease in Other Receivables	(242.37)	237.83
(Increase)/Decrease in Sundry debtors	(3,157.61)	(4,239.07)
(Increase)/Decrease in Loans & advances	(9,920.44)	(76,306.61)
Increase/(Decrease) in Current Liabilities	(2,871.83)	4,565.32
	<b>12,233.35</b>	<b>(58,968.09)</b>
Interest Received & Other income	12,912.66	13,681.11
Dividend Received	398.48	359.51
	<b>25,544.49</b>	<b>(44,927.47)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to fixed assets (including capital work in progress)	(46,884.07)	(75,345.58)
Proceeds from sale of fixed assets	4,752.35	542.64
Purchase of investments (Net)	(25,026.35)	(7,511.33)
	<b>(67,158.07)</b>	<b>(82,314.27)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital/FCCB Conversion	14,962.50	0.00
Proceeds from Application money against Warrants	21,540.00	4,987.50
Proceeds from new borrowings	80,703.83	81,129.87
Repayment of borrowings	(60,358.53)	21,574.09
Financial Charges Paid	(12,592.49)	(5,895.91)
Payment of Dividend & Tax thereon	(914.16)	(824.78)
	<b>43,341.15</b>	<b>100,970.77</b>
Net cash flows during the year (A+B+C)	1,727.57	(26,270.97)
Cash & Cash equivalents (opening balance)	66,113.15	92,384.12
	<b>67,840.72</b>	<b>66,113.15</b>

### Notes

- The above statement has been prepared under indirect method except in case of dividend which has been considered on the basis of actual movement of cash with corresponding adjustments in assets and liabilities.
- Cash and cash equivalents represent cash and bank balances only.
- Additions to fixed assets are stated inclusive of movements of capital work in progress between beginning and end of the year and treated as part of investing activities.  
Previous year figures have been re-grouped / recast, wherever necessary.

We have examined the above Cash Flow Statement of Amtek Auto Ltd. for the year ended 30th June 2010 and verify that it has been derived from the audited accounts (and underlying records) of the Company reported on by us as per our report.

**For Manoj Mohan & Associates**

Chartered Accountants

Regn. No. 009195C

Sd/-

**(M.K. AGGARWAL)**

Partner

Membership No. - 76980

Sd/-

**D.S. MALIK**

Managing Director

Sd/-

**VINOD UPPAL**

V.P (Finance & Accounts)

Sd/-

**ARVIND DHAM**

Director

Sd/-

**RAJEEV RAJ KUMAR**

Company Secretary

Place : New Delhi

Dated : 24th November, 2010



**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 30TH JUNE 2010**

**Schedule 1 : SHARE CAPITAL**

(Rs. in Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>AUTHORISED</b>		
25,00,00,000 Equity Shares of Rs.2/- each (Previous year 25,00,00,000 Equity share of Rs.2/- each)	5,000.00	5,000.00
35,00,000 Preference Shares of Rs.100/- each (Previous year 35,00,000 Preference shares of Rs.100/- each)	3,500.00	3,500.00
	<b>8,500.00</b>	<b>8,500.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP.</b>		
20,16,99,797 Equity shares of Rs.2/-each fully paid up (Previous Year 14,09,93,143 Equity shares of Rs.2/- each fully paid up)	4,034.00	2,819.86
<b>TOTAL</b>	<b>4,034.00</b>	<b>2,819.86</b>

**Schedule 1A : APPLICATION MONEY AGAINST WARRANTS**

(Rs. in Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
Application money against 2,40,00,000 Warrant (Each Warrant carry option / entitlement to subscribe to 1 number of Equity share of Rs. 2/- each on premium of Rs. 178/- per Share (Previous year 1,50,00,000 warrants)	21,540.00	4,987.50
	<b>21,540.00</b>	<b>4,987.50</b>

**Schedule 2 : RESERVES & SURPLUS**

(Rs. in Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>Share Premium</b>		
Opening Balance	152,715.25	
Addition during the year	88,386.07	152,715.25
<b>Capital Reserve</b>		
Opening Balance	6,900.00	
Addition during the year	8,733.67	6,900.00
Investment Allowance Reserve	54.68	54.68
Debenture Redemption Reserve Account	6,000.00	0.00
Capital Subsidy	25.50	25.50
<b>Foreign Currency Convertible Bond Redemption Reserve</b>		
Opening Balance	42,075.00	
Addition during the year	8,818.00	42,075.00
<b>General Reserves</b>		
Opening Balance	49,555.00	
Less : Transfer to Debenture Redemption Reserve	(4,600.00)	
Addition during the year	1,500.00	49,555.00
Surplus in Profit & Loss Account	283.55	136.91
<b>TOTAL</b>	<b>360,446.72</b>	<b>251,462.34</b>

**Schedule 3 : LOAN FUNDS** (Rs. in Lacs)

PARTICULARS	As at	As at
	30th June 2010	30th June 2009
<b>Secured Loans:</b>		
(I) Bank Borrowings	11,807.84	10,263.01
(II) Rupee Term Loans	-	20,779.27
(III) 11.25% Non-Convertible Debentures	25,000.00	25,000.00
(IV) 11.50% Non-Convertible Debentures	8,000.00	8,000.00
(V) 12.00% Non-Convertible Debentures	17,000.00	17,000.00
(VI) 12.50% Non-Convertible Debentures	7,000.00	7,000.00
(VII) 10.00% Non-Convertible Debentures	20,000.00	0.00
<b>TOTAL</b>	<b>88,807.84</b>	<b>88,042.28</b>
<b>Unsecured Loans:</b>		
i) 0.5% Foreign Currency Convertible Bonds 2010	-	8,359.73
ii) 0.0% Foreign Currency Convertible Bonds 2011	53,922.99	119,424.75
iii) 5.625% Foreign Currency Convertible Bonds 2015	12,744.59	0.00
iv) External Commercial Borrowing	116,113.25	119,424.75
<b>TOTAL</b>	<b>182,780.83</b>	<b>247,209.23</b>

**Notes:**

Term debts from Financial Institutions/Banks are secured by way of first mortgage of Company's all immovable properties ranking pari passu interse and hypothecation of whole of the Company's movable properties including plant & machinery, machinery spares, tools and accessories (save and except book debts) present and future, subject to prior charges created/ to be created in favour of the Company's bankers on inventories book debts and other specified movables for securing the borrowing for working capital requirements and loans under EFS/ECS/HP/Lease schemes if any are secured by way of charge on the specified assets financed under the scheme.

The 11.25% Non-Convertible Debentures are redeemable in November 2014, 2015, 2016, 2017, & 2018

The 11.50% Non-Convertible Debentures are redeemable in May 2014, 2015, 2016, 2017, & 2018

The 12.00% Non-Convertible Debentures are redeemable in December 2013

The 12.50% Non-Convertible Debentures are redeemable in December 2013

The 10.00% Non convertible Debenture are redeemable in December 2015, 2016, 2017, 2018, 2019

**Schedule 4 : FIXED ASSETS**

(Rs. In Lacs)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As on 01.07.09	Additions During the yr.	Sales/Trf. During the yr.	Total as on 30.06.2010	01.07.2009	During the Year	Written Back/Adj.	Total as on 30.06.2010	WDV as on 30.06.2010	WDV as on 30.06.2009
Land & Site Development (Including Leasehold)	5,081.97	8,729.64	-	13,811.61	-	-	-	-	13,811.61	5,081.97
Building	15,811.77	5,784.68	-	21,596.45	1,054.67	532.05	-	1,586.72	20,009.73	14,757.10
Plant & Machinery	273,823.89	65,608.81	3,877.32	335,555.38	38,731.55	15,766.94	299.90	54,198.59	281,356.79	235,092.34
Electrical Installation	2,121.19	106.67	-	2,227.86	355.29	130.31	-	485.60	1,742.26	1,765.90
Furniture & Fixture	886.71	149.24	-	1,035.95	132.28	35.65	-	167.93	868.02	754.43
Office Equipment	1,916.17	314.79	-	2,230.96	595.12	128.40	-	723.52	1,507.44	1,321.05
Vehicle	693.62	260.47	18.99	935.10	221.77	66.08	8.19	279.66	655.44	471.85
<b>Total</b>	<b>300,335.32</b>	<b>80,954.30</b>	<b>3,896.31</b>	<b>377,393.31</b>	<b>41,090.68</b>	<b>16,659.43</b>	<b>308.09</b>	<b>57,442.02</b>	<b>319,951.29</b>	<b>259,244.64</b>
Capital Work-in-progress	66,024.95	25,981.50	65,676.00	26,330.45	-	-	-	-	26,330.45	66,024.95
<b>Total Gross Block</b>	<b>366,360.27</b>	<b>106,935.80</b>	<b>69,572.31</b>	<b>403,723.76</b>	<b>41,090.68</b>	<b>16,659.43</b>	<b>308.09</b>	<b>57,442.02</b>	<b>346,281.74</b>	<b>325,269.59</b>
<b>Total Gross Block Previous Year</b>	<b>292,198.71</b>	<b>163,481.32</b>	<b>89,319.76</b>	<b>366,360.27</b>	<b>29,713.27</b>	<b>12,260.35</b>	<b>882.94</b>	<b>41,090.68</b>	<b>325,269.59</b>	<b>-</b>



**Schedule 5 : INVESTMENTS**

(Rs. in Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>(Quoted - Long Term Trade) at cost</b>		
2,01,96,665 Equity Shares of Rs.10/- each of Ahmednagar Forgings Ltd. (Previous year 18,366,665 Equity Shares of Rs.10/- each)	9,323.52	8,463.42
3,31,10,710 Equity Shares of Rs. 2/- each of Amtek India Ltd. (Previous year Nil)	21,517.71	-
7014 Equity Shares of Rs.10/- each of Dena Bank (Previous year 7014 Equity Shares of Rs. 10/- each)	1.89	1.89
<b>(Unquoted - Long Term Non Trade) at cost</b>		
11,333,610 Equity Shares of Rs.10/- each of Amtek Ring Gears Ltd.. (Previous year 11,333,610 Equity Shares of Rs.10/- each)	6,589.96	6,589.96
99,22,400 Equity Shares of Rs. 10.- each of Amtek Crankshafts India Ltd. (Previous year 99,22,400 Equity Shares of Rs.10/- each)	8,731.71	8,731.71
1,05,070 Equity Shares of US \$ 0.01 each of Smith Jones, Inc. (Previous year 1,05,070 Equity Shares of US \$ 0.01 each)	1,209.40	1,209.40
2,20,00,000 Equity Shares of UK £ 1 each of Amtek Investments (UK) Ltd. (Previous year 2,20,00,000 Equity Shares of 1 UK Pound each)	16,569.23	16,569.23
100 Equity Shares of US \$1/- each of Amtek Investments (US(I) Incorporation (Previous year 100 Equity Shares of @US\$ 1 /- each)	766.28	766.28
45,500 Equity Shares of Rs.10/- each of Alliance Integrated Metallics Ltd. (Previous year 45,500 Equity Shares of Rs. 10/- each)	22.75	22.75
25,000 Equity Shares of Euro 1/- each of Amtek Duetshland Gmbh (Previous year 25000 Equity Shares of Euro 1/- each)	1,883.30	1,883.30
1,82,06,167 Equity Shares of Rs.10/- each of Amtek Tekfor Automotive Ltd. (Previous year 1,31,69,370 Equity Share of Rs. 10/- each)	1,820.62	1,316.94
1,48,93,800 Equity Shares of Rs.10/- each of MPT Amtek Automotive India Ltd. (Previous year 1,15,00,000 Share of Rs. 10/- Share)	1,489.38	1,150.00
0.01% 26,95,000 Preference Shares of Rs.100/- each of SMI Amtek Crankshaft Pvt. Ltd. (Previous year Nil)	2,695.00	-
50,000 Equity Shares of Rs.10/- each of SMI Amtek Crankshaft Pvt. Ltd. (Previous year Nil)	5.00	-
Nil Equity Shares of Rs.10/- each of Vibrant Buildmart Pvt. Ltd. (Previous year 24500 Shares)	-	2.45
35,000 Equity Shares of Rs.10/- each of Alliance Hydro Power Ltd. (Previous year Nil)	3.50	-
49,994 Equity Shares of Rs.10/- each of Amtek Transportation Systems Ltd. (Previous year 49,994 Shares)	5.00	5.00
<b>Investments in Mutual Funds</b>	1,930.45	2,637.27
<b>TOTAL</b>	<b>74,564.70</b>	<b>49,349.60</b>

**Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES**

(Rs. In Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>a) Current Assets</b>		
<b>i) Interest Receivable</b>	382.45	140.08
<b>ii) Inventory: (As Taken, Valued and Certified by the Management)</b>		
- Raw Material	17,479.58	13,086.38
- Semi Finished Goods	18,016.43	16,969.89
- Finished Goods	710.64	468.01
- Consumables Stores	3,172.96	2,769.92
- Other Stocks	145.89	137.51
<b>TOTAL</b>	<b>39,525.50</b>	<b>33,431.71</b>

**Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES (Contd...)**
**(Rs. In Lacs)**

<b>PARTICULARS</b>	<b>As at 30th June 2010</b>	<b>As at 30th June 2009</b>
<b>III) Sundry Debtors:</b> (Unsecured considered good)		
Outstanding for over six month	2,976.85	1756.35
Other Debtors	30,764.24	28,827.13
<b>TOTAL</b>	<b>33,741.09</b>	<b>30,583.48</b>
<b>IV) Cash and Bank Balances</b>		
Cash in Hand	31.38	28.40
Balances with Scheduled Banks in current aAccounts, fixed deposits and margin money	67,809.34	66,084.75
<b>TOTAL</b>	<b>67,840.72</b>	<b>66,113.15</b>
<b>b) Loans and Advances</b>		
a) Advances Recoverable in Cash or in kind or for value to be received (considered good)	135,916.94	126,235.12
b) Security Deposits	473.48	234.86
<b>TOTAL</b>	<b>136,390.42</b>	<b>126,469.98</b>

**Schedule 7 : CURRENT LIABILITIES**
**(Rs. In Lacs)**

<b>PARTICULARS</b>	<b>As at 30th June 2010</b>	<b>As at 30th June 2009</b>
Sundry Creditors	6,469.89	5,204.96
Unpaid Dividend	17.02	16.13
Other Liabilities	29,036.04	27,846.22
Expenses Payable	1,124.06	687.04
Interest Accrued but not due	2,118.22	2,257.56
<b>TOTAL A</b>	<b>38,765.23</b>	<b>36,011.91</b>
<b>PROVISIONS</b>		
Proposed Dividend	2,017.00	704.97
Corporate Dividend Tax	335.00	119.81
<b>TOTAL B</b>	<b>2,352.00</b>	<b>824.78</b>
<b>GRAND TOTAL (A+B)</b>	<b>41,117.23</b>	<b>36,836.69</b>

**Schedule 8 : MISCELLANEOUS EXPENDITURE  
(To the extent not written off or adjusted)**
**(Rs. In Lacs)**

<b>PARTICULARS</b>	<b>As at 30th June 2010</b>	<b>As at 30th June 2009</b>
1. Deferred Revenue Expenses		
a. Deferred Expenditure	-	0.31
<b>TOTAL</b>	<b>-</b>	<b>0.31</b>



**Schedule 9 : MATERIAL & MANUFACTURING EXPENSES**

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2010	For the year ended 30th June 2009
Material Consumed	78,899.71	65,351.69
Add: Decrease / (Increase) in Stock	(1297.56)	(245.88)
	<b>77,602.15</b>	<b>65,105.81</b>
Consumables	1,578.96	1,237.30
Power & Fuel	2,619.92	2,277.33
Other Manufacturing Expenses	1,255.07	763.02
Freight Inwards	211.38	199.86
Repairs of Plant & Machinery	568.59	456.14
Technical Know how	117.52	68.00
<b>TOTAL</b>	<b>83,953.59</b>	<b>70,107.46</b>

**Schedule 10 : PERSONNEL EXPENSES**

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2010	For the year ended 30th June 2009
Salaries and Wages	4,826.64	4,759.05
Contribution to P.F., ESI, Gratuity, Leave Encashment, Staff Welfare etc.	1,218.66	1,365.13
<b>TOTAL</b>	<b>6,045.30</b>	<b>6,124.18</b>

**Schedule 11 : ADMINISTRATIVE, SELLING AND OTHER EXPENSES**

(Rs. in Lacs)

PARTICULARS	For the year Ended 30th June 2010	For the year Ended 30th June 2009
Advertisement & Publicity	7.91	20.60
Auditor's Remuneration	18.00	18.00
Books & Periodicals	3.01	3.24
Charity & Donation	3.89	6.13
Director's Remuneration & Perquisites	20.72	12.82
Business promotion & Development Expenses	263.34	206.16
Insurance	72.33	55.23
ISO/QS Expenses	8.93	8.64
Legal & Professional	91.44	189.61
Office and Factory Expenses	230.84	158.11
Printing & Stationery	116.51	78.41
Rate, Fee & Taxes	84.59	103.35
Rent	389.06	278.30
Repairs & Maintenance others	184.25	99.31
Running & Maintenance Vehicle	134.32	150.07
Watch & Ward	117.98	102.38
Subscription & Membership Fees	11.24	11.62
Telephone, Telex & Postage Expenses	173.00	147.07
Travelling & Conveyance	497.50	414.04
Loss on Sale of Investments	-	1,047.48
<b>SELLING &amp; DISTRIBUTION EXP:</b>		
Cash Discount	97.60	100.61
Freight Outwards	725.63	619.41
<b>EXPENSES WRITTEN OFF:</b>		
Share / GDR Issue Expenses	-	212.27
Deferred Expenditure	0.32	0.43
<b>TOTAL</b>	<b>3,252.41</b>	<b>4,043.29</b>



**SCHEDULE : 12 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS  
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2010)**

**I. SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF ACCOUNTING**

These accounts are prepared on the historical cost basis and on the accounting principles of a going concern. Accounting policies, not specifically referred to otherwise, are consistent and in accordance with generally accepted accounting principles in India (Indian GAAP) and are in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as referred to in sec. 211 (2c) of the Companies Act, 1956.

**B. REVENUE RECOGNITION**

Sales are recognized at the time of dispatch of goods and are exclusive of excise duty and Central sales Tax/ VAT. All expenses and income are accounted for on accrual basis.

**C. FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets includes their original cost of acquisition net of cenvat including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets.

**D. DEPRECIATION**

Depreciation on fixed assets is provided on "Straight Line Method"(SLM) in the manner and at the rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions / deductions to Fixed Assets is provided on pro-rata basis from the date of actual installation or upto the date of such sale / disposal, as the case may be.

**E. INVENTORIES**

Raw Materials, Stores & Spares, Goods under process and Finished Goods are valued at cost or Net Realizable Value whichever is lower. Waste and Scrap is valued at Net Realizable Value.

Cost of inventories of Raw Materials and Stores and Spares is ascertained on FIFO Basis.

Cost of goods under process and finished goods comprises of cost of materials, production overhead and depreciation on plant and machinery. Cost of material for this purpose is ascertained on First In first Out basis.

Provision for obsolescence in inventories is made, whenever required.

**F. INVESTMENT**

Current investments are valued at lower of cost or fair market value.

**G. FOREIGN CURRENCY TRANSACTIONS**

- a) The working capital loans are revalued at exchange rates prevailing at the year end. Exchange differences arising on such revaluation are duly recognized in the Profit & Loss Account.
- b) In case of forward exchange contracts to repay working capital loans, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expenses over the life of the contract.
- c) Debtors and working capital loans in foreign currency are revalued at the year end exchange rates. Exchange differences arising on such revaluation are recognized in Profit & Loss Account.
- d) Exchange differences arising on revaluation of foreign currency loans relating to acquisition of fixed assets from outside India are adjusted against relevant fixed assets.

**H. EXCISE DUTY**

Excise duty is paid on clearance of goods, but is accounted for in the books on accrual basis. Accordingly, provision for excise duty is made for goods lying in the Bonded Warehouse.



**I. EMPLOYEES' RETIREMENT BENEFITS**

- a) The liability for Gratuity & Leave Encashment is accounted for on the basis of actuarial valuation in accordance with the Accounting Standard 15 (Revised) issued by the Institute of Chartered Accountants of India.
- b) Retirement benefits in the form of Provident Fund are charged to the Profit and Loss Account for the year when the contribution to the respective funds are due.

**J. RESEARCH AND DEVELOPMENT**

Capital Expenditure is shown separately under respective heads of fixed assets. Revenue expenses including depreciation are included under the respective heads of expenses.

**K. BORROWING COST**

Interest on borrowings are recognized in the Profit and Loss account except interest incurred on borrowings, specifically raised for Projects which is capitalized with the cost of the asset until such time the asset is ready to be put to use for intended purpose.

**L. TAXATION**

- a) Provision for Taxation is made on the basis of the taxable profits computed for the current accounting period (reporting period) in accordance with Income Tax Act, 1961.
- b) Deferred Tax is recognized, subject to consideration of prudence, on timing difference, being difference between taxable income and accounting income / expenditure that originate in one period and are capable of reversal in one or subsequent year(s). Deferred taxes are reviewed for their carrying value at each balance sheet date.

**M. IMPAIRMENT OF ASSETS**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exist, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit and loss account. If at any subsequent balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

**II. NOTES ON ACCOUNTS**

1. Schedule 1 to 12 form an integral part of the Balance Sheet and Profit & Loss Account.

**2. Contingent Liabilities:**

(Rs.in lacs)

Sr.No.	Particulars	Current Year	Previous Year
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for	2,145.65	2,925.28
b.	Guarantees issued by the bank on behalf of the Company	558.76	240.63
c.	Unexpired Letter of Credit	59.95	71.70
d.	Disputed Liabilities:		
	- Sales Tax	10.62	10.62
	- Cenvat	19.42	19.42

\* Contingent Assets are neither recognized, nor disclosed.



# AMTEK AUTO LIMITED

### 3. Earning Per share:

Calculation of EPS (Basic and Diluted)	Year Ended 30 <sup>th</sup> June, 2010	Year Ended 30 <sup>th</sup> June, 2009
<b>Basic</b>		
Opening Number of Shares	14,09,93,143	14,09,93,143
Total Shares outstanding	20,16,99,797	14,09,93,143
Profit after Tax, Excluding extraordinary item (Rs. Lacs)	15,415.52	15,222.67
Profit after Tax, including extraordinary item (Rs. Lacs)	14,306.02	15,222.67
EPS excluding extraordinary items (Rs. Per Share)	9.28	10.80
EPS including extraordinary items (Rs. Per Share)	8.61	10.80
<b>Diluted</b>		
Stock option outstanding	Nil	Nil
EPS excluding extraordinary items (Rs. Per Share)	7.23	9.00
EPS including extraordinary items (Rs. Per Share)	6.71	9.00
Reconciliation of basic and diluted shares used in computing EPS		
Number of shares considered as basic weighted average shares outstanding	16,60,91,889	14,09,93,143
Add: Effect of dilutive equity	4,40,22,630	2,80,85,611
Number of shares considered for calculating of diluted earning per share	21,31,01,384	16,90,78,754

4. The Company, during the year, has entered into a Share Purchase Agreement with the promoters of Amtek India Limited (AIL) and has acquired 3,31,10,710 equity shares of AIL. The Company in pursuance to regulation 10 & 12 and other applicable provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 has given an open offer to the existing shareholders of AIL to acquire 2,76,77,565 equity shares representing 20% of the fully paid Equity share capital of AIL.
5. In the opinion of the Board of Directors, all current assets, loans and advances, if realized in the ordinary course of business, would be realized at least equal to the amounts at which they have been stated in the Balance Sheet. Provision for the known liabilities have been made in the books of accounts.
6. Travelling expenses, Telephone expenses, Business Promotion and Running & Maintenance of vehicle expenses includes Rs.94.64 lacs, Rs.9.70 lacs, Rs.84.94 lacs & Rs.11.84 lacs (Previous Year Rs. 90.95 lacs, Rs 4.93 lacs, Rs.85.26 lacs, & Rs.9.29 lacs), respectively incurred by directors.
7. Maximum amount outstanding at any time during the year due from/due to directors is Rs.Nil. (Previous year Rs.Nil).
8. Other liabilities under current liabilities include Deferred Tax & short term loans.
9. Confirmation of Balances in respect of some of the Debtors/creditors as at 30th June 2010 are yet to be received as at the date of Audit report.
10. (a) Sundry Creditors include a Sum of Rs.30.20 lacs (Previous Year Rs 13.47) due to Small Scale Industries.  
(b) The List of SMEs units to whom Company owes a sum exceeding Rs.1,00,000 and which is outstanding for more than 30 days is as under:-  
Gaugeman Industries, Dharam Packing Industries, Bhagwati Packers & Tirupati Engg Works etc.  
(c) The Payments to SMEs Undertakings have been made as per stipulated terms.  
(d) The above information has been compiled in respect of parties to the extent to which they could be identified as SMEs on the basis of information available with the Company.



11. The balances with Schedule Banks include:	Current Year	(Rs. In Lacs) Previous Year
Fixed Deposits held under lien against various financial commitments	5,276.61	466.44
<b>12. Miscellaneous income include:</b>		
a) Interest Including TDS of Rs.376.31 Lacs (Previous Year Rs.487.60 Lacs)	2,246.83	4,754.31
b) Dividend Income	398.48	359.51
c) Other Income(Exchange fluctuation, job work, rent, other sales & misc. income)	10,665.83	8,926.80
d) Profit on sales of quoted long/short term trade investment	188.74	-
e) Profit on sale of fixed assets	1,164.13	241.56
<b>TOTAL</b>	<b>14,664.02</b>	<b>14,282.18</b>

13. Auditors Remuneration 18.00 18.00

14. Market Value of the Quoted investments as on 30.06.2010:

Ahmednagar Forgings Limited	Rs.106.90 per share (Aggregate value of Rs.21,590.23 lacs)
Dena Bank	Rs.93.05 per share (Aggregate value of Rs.6.53 lacs)
Amtek India Limited	Rs.64.50 per share (Aggregate value of Rs.21,356.41 lacs)

15. The position with regard to various FCCBs issued by the Company is as under:

Particulars	0.5% FCCB \$150 Mn.	0% FCCB \$250 Mn.	5.625% FCCB \$165 Mn.
<b>Date of Issue</b>	June 2005	June 2006	Oct 2010
<b>Date of Maturity</b>	June 2010	June 2011	Oct 2014
<b>Conversion price per share</b>	209.83	458.64	148.40
<b>YTM</b>	5.75%	6%	Nil
<b>Balance at the beginning of the year</b>	\$17.50 Mn.	\$250 Mn.	Nil
<b>Issue during the year</b>	Nil	Nil	\$165 Mn.
<b>Redeemed/Repayment</b>	\$17.25 Mn.	\$128 Mn.	Nil
<b>Conversion</b>	\$0.25 Mn.52,054 Equity Shares	\$5.90 Mn.5,76,827 Equity Shares	\$137.56 Mn.4,50,77,773 Equity Shares
<b>Balance at the end of the year</b>	Nil	\$116.10 Mn.	\$27.44 Mn.

16. During the year, the Company, out of 0% FCCB of \$250 Million has settled FCCB of \$128 Million (Equivalent to Rs.60,271.52 lacs) by paying an amount of \$109.48 Million (Equivalent to Rs.51,537.85 lacs) and has transferred the resulting amount of Rs.8,733.67 lacs to Capital Reserve Account.-Further, the Company, out of 0.5% FCCB of \$150 Million has settled FCCB of \$9.50 Million (Equivalent to Rs.4,394.10 lacs) by paying \$10.525 million (Equivalent to Rs.4,868.20 lacs) and has also paid YTM of \$2.33 million (Equivalent to Rs.10,83.09 lacs) on the balance outstanding of \$7.75 Million.

17. The Company, during the year, has allotted 1,50,00,000 equity shares of Rs.2/- each at a premium of Rs.131/- towards 1,50,00,000 warrants issued to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956



18. The Company, during the year, has received application money of Rs.21,540.00 lacs against issue of 2,40,00,000 warrants (carrying option/ entitlement to subscribe to one no of equity share of Rs.2/- each at a premium of Rs.178/- per share within 18 months from the date of allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

**19. RETIREMENT BENEFITS**

The Company has various Schemes of retirement benefits schemes such as Provident Fund, Gratuity and Earned Leaves.

**Post Employment Benefit Plans:**

Effective from financial year 2007-08, the Company has implemented Accounting Standard (AS)-15 (Revised -2005) dealing with Employees Benefits, issued by the Institute of Chartered Accountants of India. AS-15 (Revised-2005) deals with recognition, measurement and disclosure of short term, post employment, termination and other long term employee benefits provided by the Company.

Payments to defined contribution retirement benefit schemes is charged as an expense as they fall due.

The cost of providing defined benefits is determined using Projected Unit Credit Method and accordingly, actuarial valuation has been carried out at the Balance Sheet date. Actuarial gain & losses are recognized in full in the profit & loss account for the period in which they occur. Past service cost is recognised to the extent the benefits are already vested, and otherwise is amortised on a Straight line Method over the average period until the benefits become vested.

The retirement benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations as adjusted for unrecognised past service cost, and as reduced by the fair value of available refunds and reductions in future contributions to the scheme.

**a) Defined Benefit plan:**

**Gratuity Plan & Leave Encashment Plan**

The Company, in accordance with AS-15 (Revised) has made the provision for Gratuity and Leave Encashment on projected unit credit method.

**Disclosure in respect of "Employees Benefit plans"**

**i. Change in Present Value of obligations:**

		(Rs. in Lacs)	
<i>Particulars</i>	<i>Gratuity Plan Unfunded</i>	<i>Leave Encashment Plan Unfunded</i>	
<b>A</b> Present Value of Obligation as on 01.07.2009	271.31	228.99	
<b>B</b> Present Service Cost	39.02	57.10	
<b>C</b> Past Service cost	21.14	-	
<b>D</b> Interest Cost	21.70	18.32	
<b>E</b> Actuarial (Gain) / Loss	(7.72)	37.34	
<b>F</b> Benefits Paid	(45.97)	(58.87)	
<b>G</b> Present Value of Obligations as on 30th June, 2010 (A+B+C+D+E)	299.48	282.88	



ii. Change in Fair Value of Plan Assets: (Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Unfunded</i>	<i>Leave Encashment Plan Unfunded</i>
<b>A</b> Fair Value of plan assets as on 01.07.2009	-	-
<b>B</b> Expected Return on plan assets	-	-
<b>C</b> Employer's Contributions	-	-
<b>D</b> Benefits Paid	-	-
<b>E</b> Actuarial Gain	-	-
<b>F</b> Fair Value of Plan assets as on 30 <sup>th</sup> June, 2010 ( A+B+C+D+E)	-	-

iii. Actuarial Gain / (Loss) Recognised (Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Unfunded</i>	<i>Leave Encashment Plan Unfunded</i>
<b>A</b> Actuarial Gain / (Loss) for the year – Obligation	7.72	(37.34)
<b>B</b> Actuarial (Gain) / Loss for the year – Plan Assets	-	-
<b>C</b> Total (Gain) / Loss for the year	(7.72)	37.34
<b>D</b> Actuarial (Gain) / Loss recognised in the year	(7.72)	37.34
<b>E</b> Unrecognised Actuarial (Gains)/ Losses at the end of the year	-	-

iv. Expenses Recognised in the Statement of Profit & Loss (Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Unfunded</i>	<i>Leave Encashment Plan Unfunded</i>
<b>A</b> Current Service Cost	39.02	57.10
<b>B</b> Past Service cost	21.14	-
<b>C</b> Interest Cost	21.70	18.32
<b>D</b> Expected Return on plan assets	-	-
<b>E</b> Net Actuarial (Gain)/ Loss recognized in the year	(7.72)	37.34
<b>F</b> Expenses recognised in the Statement of Profit & Loss as on 30 <sup>th</sup> June, 2010 ( A+B+C+D)	74.14	112.76



# AMTEK AUTO LIMITED

## v. Amount Recognised in Balance Sheet

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Unfunded</i>	<i>Leave + Encashment Plan Unfunded</i>
<b>A</b> Present Value of Obligation as at the end of the year	299.48	282.88
<b>B</b> Fair Value of Plan Assets as at the end of the year	-	-
<b>C</b> Funded Status	(299.48)	(282.88)
<b>D</b> Unrecognised Actuarial (Gain) / Losses	-	-
<b>E</b> Net Assets/ (Liability) Recognised in the Balance Sheet	(299.48)	(282.88)

## vi. Principle Actual Assumptions

<i>Particulars</i>	<i>Gratuity Plan Rate</i>	<i>Leave Encashment Plan Rate</i>
<b>A</b> Discount Rate	8.00%	8.00%
<b>B</b> Salary Escalation Rate	5.50%	5.50%
<b>C</b> Expected Rate of return on plan assets	0.00%	0.00%
<b>D</b> Expected Average Remaining Working Lives of Employees	25.01	25.01

## 20. Related party Disclosures & transactions:

As per Accounting Standard AS -18 issued by the Institute of Chartered Accountants of India, related parties in terms of the said standard are disclosed below :-

### A Names of related parties and description of relationship"

1) Subsidiaries	1) Ahmednagar Forgings Ltd.
	2) Amtek Crank Shafts India Ltd.
	3) Amtek Ring Gear Ltd.
	4) Smith Jones Inc. USA
	5) Amtek Investment (U.K) Ltd.
	6) Amtek Investment US Inc.
	7) Amtek Deutschland GmbH
	8) Amtek Transportation Systems Ltd.
	9) Alliance Hydro Power Ltd.
2) Joint Ventures	1) Amtek Tekfor Automotive Ltd.
	2) MPT Amtek Automotive (India)Ltd.
	3) SMI Amtek Crankshafts Pvt.Ltd.
3. Associates	1) Amtek India Ltd. & it subsidiary.
3) Key Management Personnel	1) Shri Arvind Dham
	2) Shri D.S. Malik
4) Relatives of Key Management Personnel	1) Mrs.Anita Dham wife of Shri Arvind Dham



**B. Transactions**

(Rs. in Lacs)

Particulars	Subsidiaries /Associates	Key Management Personnel	Relative of Key Management Personnel	Total
Purchases of Goods	401.57 (1,704.75)	-	-	401.57 (1,704.75)
Sales of Goods	32.55 (11,098.75)	-	-	32.55 (11,098.75)
Loan Given	9,007.08 (53,700.94)	-	-	9,007.08 (53,700.94)
Purchase of Fixed Assets	- (34.69)	-	-	- (34.69)
Sale of Fixed Assets	13.68 (13.95)	- (-)	- (-)	13.68 (13.95)
Services Received	- (6.86)	-	-	- (6.86)
Services Rendered	- (8.40)	- (-)	- (-)	- (8.40)
Net Dividend Received/ (Paid)	337.96 (319.67)	-	-	337.96 (319.67)
Directors Remuneration	-	20.72 (12.82)	-	20.72 (12.82)
Payable at the year end	85.63 (1,000.49)	-	-	85.63 (1,000.49)
Receivable at the year end	71,372.53 (68,501.76)	-	-	71,372.53 (68,501.76)

**21. A. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C & 4D OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.**

**(a) PARTICULARS IN RESPECT OF UNITS MANUFACTURED**

Class of Goods	Unit	Insalled Capacity		Production	
		Current Year	Previous Year	Current Year	Previous Year
1. Machined Auto Components	No.s (in lacs)	330.00	305.00	163.57	131.81
2. Forgings	T.P.A	1,65,000.00	1,35,000.00	63,673.89	47,244.58
3. Aluminium Castings	T.P.A	30,000.00	30,000.00	4,877.96	2,062.00

**b) PARTICULARS IN RESPECT OF MATERIAL CONSUMED**

Class of Goods	Unit	Current Year	Previous Year
1. Forgings/Castings	Nos. (in Lacs)	169.10	141.14
2. Steel / Aluminium	T.P.A.	78,620.94	55,329.83



# AMTEK AUTO LIMITED

## c) PARTICULARS IN RESPECT OF SALES (Rs in Lacs)

Class of Goods	Unit	Current Year		Previous Year	
		Qty.	Value	Qty.	Value
1. Machined Auto Components	Nos. (Lacs)	163.26	72,841.87	135.85	61,867.65
2. Forgings	Tons	63,424.92	43,036.62	51,256.00	37,780.80
3. Aluminium Castings	Tons	4,877.96	11,891.88	2,062.00	5,597.20
<b>Total</b>			<b>1,27,770.37</b>		<b>1,05,245.65</b>

## d) PARTICULARS IN RESPECT OF FINISHED GOODS: (Rs in Lacs)

Class of Goods	Unit	Opening Balance				Closing Balance			
		Current Yr.		Previous Yr.		Current Yr.		Previous Yr.	
		Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount
1. Machined Auto Components	Nos. (Lacs)	0.99	366.81	5.03	1,696.52	1.29	492.44	0.99	366.81
2. Forgings	Tons	161.00	101.20	4,172.42	3,017.22	409.97	218.20	161.00	101.20
3. Castings	TPA	-	-	-	-	-	-	-	-
<b>Total</b>			<b>468.01</b>		<b>4,713.74</b>		<b>710.64</b>		<b>468.01</b>

## e) PARTICULARS IN RESPECT OF SEMI FINISHED GOODS: (Rs in Lacs)

Class of Goods	Unit	Opening Balance				Closing Balance			
		Current Yr.		Previous Yr.		Current Yr.		Previous Yr.	
		Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount
1. Machined Auto Components	Nos. (Lacs)	24.52	9,116.77	17.91	6,044.91	26.67	10,060.23	24.52	9,116.77
2. Forgings	Tons	12,581.22	7,823.52	8,847.59	6,398.28	15,919.94	7,925.00	12,581.22	7,823.52
3. Castings	Tons	12.56	29.60	14.12	35.09	15.69	31.20	12.56	29.60
<b>Total</b>			<b>16,969.89</b>		<b>12,478.28</b>		<b>18,016.43</b>		<b>16,969.89</b>

	Current Year	(Rs. in Lacs) Previous Year
B. CIF value of imports raw material, components spares parts & capital goods	4,522.69	4,390.81
C. EXPENDITURE IN FOREIGN CURRENCY		
i) Travelling	84.04	105.18
ii) Interest/Legal & other Expenses	5,223.72	3,096.89
D. EARNING IN FOREIGN CURRENCY		
i) Export Income	10,677	16,423
ii) Interest Income	478	1398
22. The Company has entered into hedge derivative transactions for cost reduction and risk diversification strategy to manage its loan portfolio. The Company is accounting for profit and / or loss in such transactions on actual receipt / payment basis.		
23. Export sales include sale in transit to its overseas customers /subsidiary acknowledged in subsequent year, indirect export and deemed export.		
24. Details of units manufactured, material consumed and sales include components bought and sold.		
25. Previous year's figures have been regrouped, rearranged and recasted, wherever considered necessary.		



**III. BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE :**

**I. Registration Details:**

Registration No. 

H	-	3	0	3	3	3
---	---	---	---	---	---	---

  
 Balance Sheet date 

30	06	2010
----	----	------

  
 Status Code 

0	5
---	---

**II. Capital Raised during the year (Rs. in Lacs)  
Public Issue/GDR/FCCB Conversion**

914.14
--------

**Right Issue**

Nil
-----

**Application Money against Warrants**

21,540.00
-----------

**Private Placement/Promoters/  
Financial Institutions**

300.00
--------

**Premium**

88,386.07
-----------

**CRPS**

Nil
-----

**III. Position of Mobilisation and Deployment of Funds: (Rs. in Lacs)**

**Total Liabilities**

6,57,609.39
-------------

**Total Assets**

6,57,609.39
-------------

**Sources of Funds :**

**Paid-up Capital**

4,034.00
----------

**Reserves & Surplus**

3,60,446.72
-------------

**Secured Loans**

88,807.84
-----------

**Unsecured Loans**

182,780.83
------------

**Application of Funds :**

**Net Fixed Assets**

3,46,281.74
-------------

**Investments**

74,564.70
-----------

**Net Current Assets**

2,36,762.95
-------------

**Misc. Expenditure**

Nil
-----

**IV. Performance of Company (Rs. in Lacs)**

**Turnover**

1,42,434.39
-------------

**Total Expenditure**

1,22,363.88
-------------

**Profit before Tax**

20,070.51
-----------

**Profit after Tax**

14,306.02
-----------

**Earning per share (Basic)**

9.28
------

**Dividend Rate %**

50
----

**V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)**

**Code**

8409
------

**Products Name**

CONNECTING RODS ASSLY / PISTON ASSLY.
---------------------------------------

8483
------

CASE COMPONENT ASSEMBLIES
---------------------------

7326
------

FORGING
---------

In terms of our report of even date attached  
For **MANOJ MOHAN & ASSOCIATES**  
Chartered Accountants

Sd/-  
**(M.K. AGGARWAL)**  
Partner  
Membership No. - 76980

Place : New Delhi  
Date : 24th November, 2010

Sd/-  
**ARVIND DHAM**  
Director

Sd/-  
**VINOD UPPAL**  
V.P (Fin. & Acctt.)

For and on behalf of the Board

Sd/-  
**D.S. MALIK**  
Managing Director

Sd/-  
**RAJEEV RAJ KUMAR**  
Company Secretary

**CONSOLIDATED FINANCIAL STATEMENT**  
of  
**AMTEK AUTO LIMITED**  
and  
**ITS SUBSIDIARIES**

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**  
**RELATING TO SUBSIDIARY COMPANIES**

1.	Name of Subsidiary:	a) Smith Jones Inc. USA b) Ahmednagar Forgings Ltd. ,Pune c) Amtek Investments (UK) Ltd. d) Amtek Investments US(1) Inc. e) Amtek Deutschland GmbH. Germany f) Amtek Crankshafits (India) Ltd. Gurgaon g) Amtek Ring Gears Ltd. Gurgaon h) Amtek Transportation Systems Ltd. i) Alliance Hydro Power Ltd.
2.	Date from which it Became subsidiary	a) 23rd December 2002 b) 31st January 2003 c) 24th June 2004 d) 7th January 2005 e) 4th July 2005 f) 10th June 2006 g) 10th June 2006 h) 7th April 2009 i) 8th July 2009
3.	Financial year of the Subsidiary ended on	a) 30th June 2010 b) 30th June 2010 c) 31st December 2009 d) 30th June 2010 e) 31st December 2009 f) 30th June 2010 g) 30th June 2010 h) 31st March 2010 i) 31st March 2010
4.	Shares of the subsidiary Held by Amtek Auto Ltd. On the above date	a) 1,05,070 shares @ \$0.01 each fully paid-up. b) 2,01,96,665 shares @ Rs.10/-each fully paid-up. c) 22,00,00,000 shares @ £ 1/-each fully paid-up. d) 100 shares @ \$1/-each fully paid-up. e) 25,000 shares @ Euro 1/-each fully paid-up. f) 99,22,400 shares @ Rs.10/-each fully paid-up. g) 1,13,33,610 shares @ Rs.10/-each fully paid-up. h) 49,994 shares of @ Rs.10/- each fully paid-up. i) 35,000 shares of @ Rs. 10/- each fully paid-up.

**AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT**

4A. Extent of holding	a)	100%
	b)	54.06%
	c)	100%
	d)	100%
	e)	100%
	f)	100%
	g)	96.63%
	h)	100%
	i)	70%
5. Net aggregate Profit/loss For the current year Year	a)	Rs. (351.36) lacs
	b)	Rs. 6,408.62 lacs
	c)	Rs. 171.33 lacs
	d)	Rs. Nil
	e)	Rs. (1,151.64) lacs
	f)	Rs. 4,157.70 lacs
	g)	Rs. 4,236.36 lacs
	h)	Rs. Nil
	i)	Rs. Nil
6. Net aggregate profit or Losses for the previous Financial years since Becoming subsidiary so Far as it concerns the Members of the holding Company dealt with or Provided for the Accounts of the holding Company	a)	Nil
	b)	Nil
	c)	Nil
	d)	Nil
	e)	Nil
	f)	Nil
	g)	Nil
	h)	Nil
	i)	Nil
7. Net aggregate amount Received as dividends For previous financial years since becoming subsidiary dealt with in the accounts of the holding Company in the financial year.	a)	Nil
	b)	Rs. 201.96 Lacs
	c)	Nil
	d)	Nil
	e)	Nil
	f)	Nil
	g)	Rs. 136.00 Lacs
	h)	Nil
	i)	Nil

**For and on behalf of the Board**

In terms of our report of even date annexed

**For Manoj Mohan & Associates**

Chartered Accountants

Sd/-

**(M.K. AGGARWAL)**

Partner

Membership No. - 76980

Sd/-

**D.S. MALIK**

Managing Director

Sd/-

**ARVIND DHAM**

Director

Sd/-

**VINOD UPPAL**

V.P (Finance & Account)

Sd/-

**RAJEEV RAJ KUMAR**

Company Secretary

Place : New Delhi

Dated : 24th November, 2010

**AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT**

**Financial Summary Relating to Subsidiaries Companies As At 30th June 2010**

S. No.	Name of Subsidiary Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	(Rs. in lacs)
1	Ahmednagar Forgings Ltd.	INR	NA	3,675.00	48,534.40	105,899.78	105,899.78	92.85	66,532.91	9,412.87	3,004.25	6,408.62	20%	
2	Amtek Ring Gears Ltd.	INR	NA	1,172.87	18,868.87	36,856.30	36,856.30	3,906.04	37,453.12	6,083.75	1,847.39	4,236.36	12%	
3	Amtek Crankshafts/India Ltd.	INR	NA	992.25	26,164.01	55,178.90	55,178.90	252.59	44,559.16	6,303.43	2,145.73	4,157.70	Nil	
4	Amtek Investments UK Ltd.	GBP	69.7205	16,657.79	15,343.24	80,961.76	80,961.76	-	39,259.71	(592.04)	(763.37)	171.33	Nil	
5	Smith Jones Inc.	US\$	46.4453	0.50	8,415.52	10,633.65	10,633.65	-	2,298.28	(313.96)	1.40	(315.36)	Nil	
6	Amtek Investments US Inc.	US\$	46.4453	0.04	0.00	0.04	0.04	-	-	-	-	Nil	Nil	
7	Amtek Deutschland GmbH	Euro	56.9930	13.00	5,474.71	22,149.81	22,149.81	412.63	34,181.99	(984.12)	167.52	(1,151.64)	Nil	
8	Amtek Transportation Systems Ltd.	INR	NA	5.00	-	11,344.40	11,344.40	-	-	-	-	-	Nil	
9	Alliance Hydro Power Ltd.	INR	NA	5.00	-	5.00	5.00	-	-	-	-	-	Nil	

Note: The Balance Sheet, Profit & Loss Account, Directors' Report and Auditors' Report of the subsidiaries are not being attached in view of exemption granted by Ministry of Companies' Affairs, Govt. of India, New Delhi vide its approval letter No.47/575/2010 CL-III dated 26-08-2010. The said annual accounts of the subsidiaries companies and the related detailed information will be made available to the holding & subsidiary Company's investors seeking such information at any point of time (during the business hours). The annual accounts of the subsidiary companies will also be kept for inspection by any investor at the corporate office of the Company/ subsidiary Company.

In terms of our report of even date annexed  
**For Manoj Mohan & Associates**  
Chartered Accountants

Sd/-  
**(M.K. AGGARWAL)**  
Partner  
Membership No. - 76980

Sd/-  
**D.S. MALIK**  
Managing Director

Place : New Delhi  
Dated : 24th November 2010

Sd/-  
**VINOD UPPAL**  
V.P. (Finance & Accounts)

**For and on behalf of the Board**

Sd/-  
**ARVIND DHAM**  
Director

Sd/-  
**RAJEEV RAJ KUMAR**  
Company Secretary

**AUDITORS' REPORT**

TO

The Board of Directors,  
AMTEK AUTO LTD.,

We have audited the attached Consolidated Balance Sheet of Amtek Auto Ltd. & its subsidiaries and Joint venture as on 30th June 2010, the Consolidated Profit & Loss Account and also consolidated Cash-Flow Statement for the year ended 30th June 2010.

These financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the Consolidated financial statements of Consolidated of Smith Jones Inc. & Amtek Investments US(1) Inc. USA, Amtek Investment (UK) Limited, Amtek Deutschland GmbH, Germany, Amtek Crankshafts (India) Limited, Amtek Ring Gears Limited, Amtek Transportation systems Ltd, Amtek Tekfor Automotive Limited, MPT Amtek Automotive (India) Limited, SMI Amtek Crankshafts Pvt. Limited & Alliance Hydro Power Limited subsidiaries/joint venture of Amtek Auto Ltd., whose financial statements reflect the gross block of Rs.17,002.78 lacs, Rs.64,914.42 lacs, Rs.32,074.15 lacs, Rs.42,931.09 lacs, Rs.34,416.81 lacs, Rs.4,144.19 lacs, Rs.2,162.63 lacs, Rs.880.86 lacs Rs. 1976.40 Lacs & Rs. 36.49 Lacs respectively as at 30th June 2010 and total revenue of Rs.2,298.28 lacs, Rs.39,259.71 lacs, Rs.34,181.99 lacs, Rs.44,559.16 lacs, Rs.37,453.12 lacs, Rs. Nil, Rs.2,581.06 lacs, Rs. Rs. 667.68 lacs, Rs. 327.55 lacs & Rs. Nil respectively for the period then ended and also reflected the goodwill in Amtek Investment (UK) Limited, Amtek Deutschland GmbH, Germany, Amtek Crankshafts (India) Limited, Amtek Ring Gears Limited of Rs.29,607.89 lacs, Rs.6,927.09 lacs, Rs.292.52 lacs & Rs.1,676.58 lacs, respectively. The financial statements of Smith Jones Inc & Amtek Investments US (1) Inc.; Amtek Investments (UK) Limited; Amtek Deutschland GmbH; Amtek Crankshafts (India) Limited; Amtek Ring Gears Limited; Amtek Transportation systems Ltd., Amtek Tekfor Automotive Limited, MPT Amtek Automotive (India) Limited, SMI Amtek Crankshafts Pvt. Limited & Alliance Hydro Power Limited have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries and joint venture, is based solely on the report of the other Auditors.

We report that consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, on consolidated Financial Statements and Accounting Standard (AS) 27 on Consolidation of Financial Statements of Joint Ventures, issued by the Institute of Chartered Accountants of India, and on the basis of the separate audited financial statements of Amtek Auto Ltd. and its subsidiaries in the consolidated financial statements.

In Our Opinion and on the basis of information and explanations given to us, the Consolidated Financial Statements give a true and fair view in conformity with the Accounting Principles generally accepted in India

- a) In the case of the consolidated Balance Sheet, of the state of affairs of Amtek Auto Ltd. and its subsidiaries as at 30th June 2010; and
- b) In the case of the consolidated Profit & Loss Account, of the *profit* for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **Manoj Mohan & Associates**  
Chartered Accountants  
Regd. No. 009195C

Sd/-

**(M.K. Aggarwal)**

Partner

Membership No. - 76980

Place : New Delhi.  
Dated : 24th November 2010

AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE 2010

(Rs. In Lacs)

PARTICULARS	SCHEDULE	As at 30th June 2010	As at 30th June 2009
<b>I. SOURCES OF FUNDS</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	1	4,034.00	2,819.86
(b) Application money against Warrants	1A	21,540.00	4,987.50
(c) Reserves & Surplus	2	435,950.11	317,056.95
<b>2. MINORITY INTEREST</b>		24,190.52	22,256.46
<b>3. LOAN FUNDS</b>	3		
(a) Secured		197,316.80	141,377.70
(b) Unsecured		183,549.08	248,432.08
<b>TOTAL</b>		<b>866,580.51</b>	<b>736,930.55</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. GOODWILL</b>		38,504.08	39,441.94
<b>2. FIXED ASSETS</b>	4		
Gross Block		705,641.10	623,352.73
Less : Accumulated Depreciation		161,024.49	132,552.02
<b>Net Block</b>		<b>544,616.61</b>	<b>490,800.71</b>
<b>3. INVESTMENTS</b>	5	28,136.91	4,905.50
<b>4. CURRENT ASSETS, LOANS &amp; ADVANCES</b>	6		
(a) <b>Current Assets</b>			
i) Interest Receivables		417.47	169.84
ii) Inventories		81,224.68	75,542.27
iii) Sundry Debtors		64,051.99	52,198.95
iv) Cash & Banks Balances		82,472.86	79,814.98
(b) <b>Loans &amp; Advances</b>		107,402.61	101,563.65
<b>Total Current Assets And Loans &amp; Advances</b>		<b>335,569.61</b>	<b>309,289.69</b>
<b>Less: Current Liabilities &amp; Provisions</b>	7		
Current Liabilities		76,813.53	106,429.59
Provisions		3,440.02	1,078.32
<b>Total Current Liabilities &amp; Provisions</b>		<b>80,253.55</b>	<b>107,507.91</b>
<b>Net Current Assets</b>		<b>255,316.06</b>	<b>201,781.78</b>
<b>5. MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)	8	6.85	0.62
<b>TOTAL</b>		<b>866,580.51</b>	<b>736,930.55</b>
Notes to the Accounts & Significant Accounting Policies The accompanying schedules 1 to 12 form an integral part of the accounts.	12		

For and on behalf of the Board

In terms of our report of even date attached  
**For Manoj Mohan & Associates**  
Chartered Accountants

Sd/-  
**(M.K. AGGARWAL)**  
Partner  
Membership No. - 76980

Sd/-  
**D.S. MALIK**  
Managing Director

Sd/-  
**ARVIND DHAM**  
Director

Place : New Delhi  
Dated : 24th November, 2010

Sd/-  
**VINOD UPPAL**  
V.P (Finance & Accounts)

Sd/-  
**RAJEEV RAJ KUMAR**  
Company Secretary

**AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2010**

(Rs. In Lacs)

PARTICULARS	SCHEDULE	For the Year ended 30th June 2009	For the Year ended 30th June 2008
<b>INCOME</b>			
Sales & Other Income		<b>369,084.97</b>	<b>343,862.42</b>
<b>EXPENDITURE</b>			
Material & Manufacturing Expenses	9	230,971.29	207,017.29
Personnel Expenses	10	31,855.00	36,954.50
Administrative, Selling & Other Expenses	11	15,485.70	29,845.08
Financial Expenses		20,509.88	15,230.45
<b>TOTAL</b>		<b>298,821.87</b>	<b>289,047.32</b>
<b>Profit before Depreciation</b>		<b>70,263.10</b>	<b>54,815.10</b>
Depreciation		31,022.63	27,284.60
<b>Profit Before Tax</b>		<b>39,240.47</b>	<b>27,530.50</b>
Tax Expense for the year		12,162.49	8,494.60
<b>Profit after Tax</b>		<b>27,077.98</b>	<b>19,035.90</b>
Less: Minority Interest		3,029.21	1,759.52
<b>Profit after Tax &amp; Minority Interest</b>		<b>24,048.77</b>	<b>17,276.38</b>
Add: Accumulated Profit		48,134.14	46,211.96
<b>Balance available for Appropriation</b>		<b>72,182.91</b>	<b>63,488.34</b>
<b>APPROPRIATIONS</b>			
Trfd. to General Reserves		1,500.00	11,800.88
Trfd. to Debenture Redemption Reserve Account		1,400.00	-
Transfer to Foreign Currency Convertible Bond Redemption Reserve		8,818.00	2,475.00
Proposed Dividend on Equity Capital		2,352.81	875.24
Dividend & Tax for Previous year (not appropriated in the previous year)		110.79	-
Corporate Dividend Tax		480.45	203.08
<b>Surplus carried to Balance Sheet</b>		<b>57,520.86</b>	<b>48,134.14</b>
Earning Per Share (Before considering exceptional/Extra ordinary items-net of tax)			
	- Basic (Rs.)	15.15	12.25
	- Diluted (Rs.)	11.81	10.22
	(Pro-rata)		
Earning Per Share (After considering exceptional/Extra ordinary items-net of tax)			
	- Basic (Rs.)	14.48	12.25
	- Diluted (Rs.)	11.29	10.22
	(Pro-rata)		
Notes to the Accounts & Significant Accounting Policies	12		
The accompanying schedules 1 to 12 form an integral part of the accounts.			

**For and on behalf of the Board**

In terms of our report of even date attached  
**For Manoj Mohan & Associates**  
Chartered Accountants

Sd/-  
**(M.K. AGGARWAL)**  
Partner  
Membership No. - 76980

Sd/-  
**D.S. MALIK**  
Managing Director

Sd/-  
**ARVIND DHAM**  
Director

Place : New Delhi  
Dated : 24th November, 2010

Sd/-  
**VINOD UPPAL**  
V.P (Finance & Accounts)

Sd/-  
**RAJEEV RAJ KUMAR**  
Company Secretary

AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED 30TH JUNE 2010

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2010	For the year ended 30th June 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit as per Profit & Loss Account	39,240.47	27,530.50
Add: Depreciation	31,022.63	27,284.60
Add : Financial Charges	20,509.88	15,230.45
Loss/(Gain) on sale of fixed assets, net	(1,867.73)	67.97
Loss/(Gain) on sale of Investments, net	(669.09)	1,328.98
Interest Received & Other Income	(18,539.81)	(17,236.57)
Deferred/Intangible Asset & Preliminary exp. written off	822.05	609.59
	<b>70,518.40</b>	<b>54,815.52</b>
(Increase)/Decrease in Inventories	(5,682.41)	(3,458.20)
(Increase)/Decrease in Other Receivables	(247.63)	297.33
(Increase)/Decrease in Sundry debtors	(11,853.04)	30,085.52
(Increase)/Decrease in Loans & advances	(5,838.96)	(57,231.10)
Increase/(Decrease) in Current Liabilities	(41,032.45)	(14,560.87)
<b>Cash Generation by operations</b>	<b>5,863.91</b>	<b>9,948.20</b>
Interest Received & Other income	18,539.81	17,236.57
<b>Net cash from operating activities</b>	<b>24,403.72</b>	<b>27,184.77</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to fixed assets (including capital work in progress)	(96,782.90)	(115,873.92)
Proceeds from sale of fixed assets	8,187.84	1,230.82
Sales/Purchase of investments, net	(22,562.32)	(82.21)
Increase in Deferred/intangible asset/Goodwill & Misc. Expenditure	109.58	(25,364.11)
<b>Net Cash from Investing Activities</b>	<b>(111,047.80)</b>	<b>(140,089.42)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital/GDR/Redemption of Preference Shares/Share Application Money (Net)	14,962.50	-
Proceeds from Application money against warrant	21,540.00	4,987.50
Proceeds from new borrowings	142,434.58	103,824.10
Repayment of borrowings	(67,370.34)	(3,932.40)
Increase/(Decrease) in Reserves through Acquisition/Minority Interest	(426.45)	103.23
Financial Charges Paid	(20,649.22)	(14,911.56)
Payment of Dividend & Tax thereon	(1,189.11)	(1,078.32)
<b>Net Cash from financing activities</b>	<b>89,301.96</b>	<b>88,992.55</b>
Net cash flows during the year (A+B+C)	2,657.88	(23,912.10)
Cash & cash equivalents (opening balance)	79,814.98	103,727.08
<b>Cash &amp; cash equivalents (closing balance)</b>	<b>82,472.86</b>	<b>79,814.98</b>

NOTES TO CASH FLOW STATEMENT

The above statement has been prepared under indirect method except in case of dividend which has been considered on this basis of actual movement of cash, with corresponding adjustments in assets and liabilities.

Cash and cash equivalents represent cash and bank balances only.

Additions to fixed assets are stated inclusive of movements of capital work in progress between beginning and end of the year and treated as part of investing activities.

Previous year figures have been re-grouped / recast, wherever necessary.

We have examined the above Consolidated Cash Flow Statement of Amtek Auto Ltd for the year ended 30th June 2010 and verify that it has been derived from the audited accounts (and underlying records) of the Company reported on by us as per our report.

For Manoj Mohan & Associates

Chartered Accountants  
Firm Regn. No. 009195C

Sd/-

(M.K. AGGARWAL)

Partner

Membership No. - 76980

Place : New Delhi

Dated : 24th November, 2010

For and on behalf of the Board

Sd/-

D.S. MALIK

Managing Director

Sd/-

VINOD UPPAL

V.P (Finance & Accounts Acctt.)

Sd/-

ARVIND DHAM

Director

Sd/-

RAJEEV RAJ KUMAR

Company Secretary

**AMTEK AUTO LIMITED & SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENT**

**SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 30.06.2010**

**Schedule 1 : SHARE CAPITAL**

(Rs. In Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>AUTHORISED</b>		
25,00,00,000 Equity Shares of Rs.2/- each (Previous year 25,00,00,000 Equity shares of Rs.2/- each)	5,000.00	5,000.00
35,00,000 Preference Shares of Rs.100/- each (Previous year 35,00,000 Preference shares of Rs.100/- each)	3,500.00	3,500.00
	<b>8,500.00</b>	<b>8,500.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP.</b>		
20,16,99,797 Equity shares of Rs.2/-each fully paid up (Previous year 14,09,93,143 Equity shares of Rs.2/- each fully paid up)	4,034.00	2,819.86
<b>TOTAL</b>	<b>4,034.00</b>	<b>2,819.86</b>

**Schedule 1A : APPLICATION MONEY AGAINST WARRANTS**

(Rs. in Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
Application money against 2,40,00,000 Warrant (Each Warrant carry option / entitlement to subscribe to 1 number of Equity share of Rs. 2/- each on premium of Rs. 178/- per Share (Previous year 1,50,00,000 warrants)	21,540.00	4,987.50
	<b>21,540.00</b>	<b>4,987.50</b>

**Schedule 2: RESERVES & SURPLUS**

(Rs. In Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>Share Premium</b>		
Opening Balance	152,715.25	
Addition during the year	88,386.07	
	241,101.32	152,715.25
Debenture Redemption Reserve	6,000.00	-
<b>Capital Reserve</b>		
Opening Balance	6,900.00	
Addition during the year	8,733.67	
	15,633.67	6,900.00
Investment Allowance Reserve	54.68	54.68
Capital Subsidy	25.50	25.50
Capital Reserves through Acquisition	18,266.08	17,597.38
<b>Foreign Currency Convertible Bond Redemption Reserve</b>		
Opening Balance	42,075.00	
Addition during the year	8,818.00	
	50,893.00	42,075.00
<b>General Reserve</b>		
Opening Balance	49,555.00	
Less Transfer to Debenture Redemption Reserve	(4,600.00)	
Addition during the year	1,500.00	
	46,455.00	49,555.00
Profit B/F from Profit & Loss Account	57,520.86	48,134.14
<b>TOTAL</b>	<b>435,950.11</b>	<b>317,056.95</b>

**AMTEK AUTO LIMITED & SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENT**

**Schedule 3 : LOAN FUNDS**

(Rs. In Lacs)

PARTICULARS	As at 30th June 2009	As at 30th June 2008
<b>Secured Loans:</b>		
(I) Bank Borrowings	43,504.21	38,034.50
(II) Loans from Banks / Financial Institutions	76,812.59	46,343.20
(III) Non-Convertible Debentures	77,000.00	57,000.00
<b>TOTAL</b>	<b>197,316.80</b>	<b>141,377.70</b>
<b>Unsecured Loans:</b>		
i) 0.5% Foreign Currency Convertible Bonds 2010	-	8,359.73
ii) 0.0% Foreign Currency Convertible Bonds 2011	53,922.99	119,424.75
iii) 5.625% Foreign Currency Convertible Bonds 2014	12,744.59	-
iv) External Commercial Borrowings	116,113.25	119,424.75
v) Others	768.25	1,222.85
<b>TOTAL</b>	<b>183,549.08</b>	<b>248,432.08</b>

**Notes:**

Term debts from Financial Institutions/Banks are secured by way of first mortgage of Company's all immovable properties ranking pari passu interse and hypothecation of whole of the Company's movable properties including plant & machinery, machinery spares, tools and accessories (save & except book debts) present and future, subject to prior charges created / to be created in favour of the Company's bankers on inventories book debts and other specified movables for securing the borrowing for working capital requirements and loans under EFS/ECS/HP/Lease schemes if any are secured by way of charge on the specified assets financed under the scheme.

The 11.25% Non-Convertible Debentures are redeemable in November 2014, 2015, 2016, 2017, & 2018.

The 11.50% Non-Convertible Debentures are redeemable in May 2014, 2015, 2016, 2017, & 2018.

The 12.00% Non-Convertible Debentures are redeemable in December 2013.

The 12.50% Non-Convertible Debentures are redeemable in December 2013.

The 10.00% Non convertible Debenture are redeemable in December 2015, 2016, 2017, 2018, 2019.

**Schedule 4 : FIXED ASSETS**

(Rs. In Lacs)

Particulars	GROSS BLOCK				DEPRECIATION			WRITTEN DOWN VALUE		
	As on 01.07.2009	Additions Dur. the Yr.	Sales/Trfs Dur. the Yr.	Total as on 30.06.2010	As on 01.07.2009	During the Year	Written Back/Adj.	Total as on 30.06.2010	WDV as on 30.06.2010	WDV as on 30.06.2009
Land & Site Development (Including Leasehold)	6,373.76	12,234.34	1.31	18,606.79	-	-	-	-	18,606.79	6,373.76
Building	24,662.34	7,090.34	-	31,752.68	3,884.95	819.45	-	4,704.40	27,048.28	20,777.39
Plant & Machinery	462,519.09	150,804.56	8,836.09	604,487.56	125,414.58	29,600.03	2,533.96	152,480.65	452,006.91	337,104.51
Electrical Installation	2,322.28	557.19	5.61	2,873.86	369.12	147.68	-	516.80	2,357.06	1,953.16
Furniture & Fixture	2,466.23	172.37	-	2,638.60	1,449.96	176.11	-	1,626.07	1,012.53	1,016.27
Office Equipment	2,569.51	349.83	-	2,919.34	995.85	170.50	-	1,166.35	1,752.99	1,573.66
Data Processing Unit	214.75	32.10	0.11	246.74	133.29	31.48	0.02	164.75	81.99	81.46
Vehicle	846.43	278.37	27.79	1,097.01	304.27	78.02	16.82	365.47	731.54	542.16
<b>Total</b>	<b>501,974.39</b>	<b>171,519.10</b>	<b>8,870.91</b>	<b>664,622.58</b>	<b>132,552.02</b>	<b>31,023.27</b>	<b>2,550.80</b>	<b>161,024.49</b>	<b>503,598.09</b>	<b>369,422.37</b>
Capital Work-in-progress	<b>121,378.34</b>	64,910.94	145,270.76	41,018.52	-	-	-	-	41,018.52	121,378.34
<b>Total Gross Block Curr Yr.</b>	<b>623,352.73</b>	<b>236,430.04</b>	<b>154,141.67</b>	<b>705,641.10</b>	<b>132,552.02</b>	<b>31,023.27</b>	<b>2,550.80</b>	<b>161,024.49</b>	<b>544,616.61</b>	<b>490,800.71</b>
<b>Total Gross Block Pre Yr.</b>	<b>510,276.73</b>	<b>217,372.83</b>	<b>104,296.83</b>	<b>623,352.73</b>	<b>106,766.55</b>	<b>27,284.60</b>	<b>1,499.13</b>	<b>132,552.02</b>	<b>490,800.71</b>	<b>-</b>

**AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT**

**Schedule 5 : INVESTMENTS**

(Rs. In Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>(Quoted - Long Term Trade) at cost</b>		
3,31,10,710 Equity Shares of Rs.2/- each of Amtek India Ltd. (Previous year Nil)	21,517.71	-
1,00,000 Equity Shares of Rs.10/- each of Grapco Mining & Co.Ltd. (Previous year 1,00,000 Equity Shares of Rs.10/- each)	13.00	13.00
1,03,100 Equity Shares of Rs.10/- each of Global Infrastructure & Technologies Ltd. (Previous year 1,03,100 Equity Shares of Rs.10/- each)	54.86	54.86
3,500 Equity Shares of Rs.2/- each of Sanghvi Movers Ltd. (Previous year 3,500 Equity Shares of Rs.10/- each)	0.60	0.60
5,000 Equity Shares of Rs.10/- each of Good Value Marketing Ltd. (Previous year 5,000 Equity Shares of Rs.10/- each)	2.00	2.00
29,810 Equity Shares of Rs.10/- each of Dena Bank. (Previous year 29,810 Equity Shares of Rs.10/-each )	8.04	8.04
<b>(Unquoted - Long Term Non Trade) at cost</b>		
50,000 Equity Shares of Rs.10/- each of Photon Biotech Ltd. (Previous year 50,000 Equity Shares of Rs.10/- each)	12.00	12.00
10,000 Equity Shares of Rs.10/- each of SICOM Ltd. (Previous year 10,000 Equity Shares of Rs.10/- each)	8.00	8.00
1 Equity Share of Pound 1/- of KTH (Previous year 1 Equity share of Pound 1)	-	-
60,500 Equity Shares of Rs.50/- each of Alliance Integrated Metallics Ltd. (Previous year 60,500 Equity Shares of Rs.50/-each)	30.25	30.25
23,16,500 Equity Shares of Rs. 10/- each WHF Precision Forging Ltd. (Previous year 23,16,500 Equity Shares of Rs.10/-each)	231.66	231.66
Nil Equity Shares of Rs.10/- each of Vibrant Buildmart Pvt. Ltd. (Previous year 24500 Shares)	-	2.45
5,000 Equity Shares of Rs.10/- each of Alliance Hydro Power Ltd. (Previous year Nil shares of Rs. 10/- each)	0.50	-
<b>Life Insurance for funding of pensions</b>	412.63	329.81
<b>Investments in Mutual Funds</b>	5,845.66	4,212.83
	<b>28,136.91</b>	<b>4,905.50</b>

AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT

Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES

(Rs. In Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>a) Current Assets</b>		
i) Interest Receivable	417.47	169.84
ii) Inventory: (As taken, valued and certified by the Management)		
– Raw Material	30,399.89	28,769.24
– Semi Finished Goods	43,087.11	39,485.08
– Finished Goods	2,805.66	2,812.95
– Consumables Stores	4,734.79	4,117.54
– Other Stocks	197.23	357.46
<b>TOTAL</b>	<b>81,224.68</b>	<b>75,542.27</b>
<b>iii) Sundry Debtors:</b> (Unsecured considered good) Outstanding for over six months Other Debts	10,274.24 53,777.75	7,361.34 44,837.61
<b>TOTAL</b>	<b>64,051.99</b>	<b>52,198.95</b>
<b>iv) Cash and Bank Balances</b>		
Cash in Hand	118.71	403.19
Balances with Scheduled banks in current accounts, fixed deposits and margin money	82,354.15	79,411.79
<b>TOTAL</b>	<b>82,472.86</b>	<b>79,814.98</b>
<b>b) Loans and Advances</b>		
a) Advances Recoverable in Cash or in kind or for value to be received (considered good)	106,482.28	101,119.79
b) Security Deposits	920.33	443.86
<b>TOTAL</b>	<b>107,402.61</b>	<b>101,563.65</b>

Schedule 7 : CURRENT LIABILITIES & PROVISIONS

(Rs. In Lacs)

PARTICULARS	As at 30th June 2010	As at 30th June 2009
<b>CURRENT LIABILITIES:</b>		
Sundry Creditors	24,331.81	48,838.67
Unpaid Dividend	32.43	27.84
Interest accrued but not due	2,118.22	2,257.56
Other Liabilities (Net)	46,995.32	52,146.12
Expenses Payable	3,335.75	3,159.40
<b>TOTAL A</b>	<b>76,813.53</b>	<b>106,429.59</b>
<b>PROVISIONS</b>		
Provision for Taxation	606.76	–
Proposed Equity Dividend	2,352.81	875.24
Corporate Dividend Tax	480.45	203.08
<b>TOTAL B</b>	<b>3,440.02</b>	<b>1,078.32</b>
<b>GRAND TOTAL (A+B)</b>	<b>80,253.55</b>	<b>107,507.91</b>

**AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT**

**Schedule 8 : MISCELLANEOUS EXPENDITURE  
(To the extent not written off or adjusted)**

(Rs. In Lacs)

<b>PARTICULARS</b>	<b>As at 30th June 2010</b>	<b>As at 30th June 2009</b>
1 Deferred Revenue Expenses		
a. Share/ GDR Issue Exp	0.09	-
c. Deferred Expenditure	6.76	0.62
<b>TOTAL</b>	<b>6.85</b>	<b>0.62</b>

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2010**

**Schedule 9 : MATERIAL & MANUFACTURING EXPENSES**

(Rs. In Lacs)

<b>PARTICULARS</b>	<b>For the Year ended 30th June 2010</b>	<b>For the Year ended 30th June 2009</b>
Material Consumed	213,836.39	186,198.99
Add: Decrease / (Increase) in Stock	(3,707.50)	4,296.28
	<b>210,128.89</b>	<b>190,495.27</b>
Consumables	6,951.45	5,164.41
Power & Fuel	9,138.03	7,869.61
Other manufacturing Expenses	1,819.17	1,200.96
Freight Inwards	654.91	774.18
Repairs of Plant & Machinery	2,157.41	1,512.86
Technical Know How	121.43	-
<b>TOTAL</b>	<b>230,971.29</b>	<b>207,017.29</b>

**Schedule 10 : PERSONNEL EXPENSES**

(Rs. In Lacs)

<b>PARTICULARS</b>	<b>For the Year ended 30th June 2010</b>	<b>For the Year ended 30th June 2009</b>
Salary and Wages	24,768.89	32,292.16
Contribution to P.F., E.S.I., Gratuity, Leave Encashment, VRS, Staff Welfare etc.	7,086.11	4,662.34
<b>TOTAL</b>	<b>31,855.00</b>	<b>36,954.50</b>

**Schedule 11 : ADMINISTRATIVE, SELLING AND OTHER EXPENSES**

(Rs. In Lacs)

<b>PARTICULARS</b>	<b>For the Year ended 30th June 2010</b>	<b>For the Year ended 30th June 2009</b>
Advertisement & Publicity	8.94	23.23
Auditors' Remuneration	94.08	153.89
Books & Periodicals	3.61	4.78
Charity & Donation	4.00	6.20
Directors' Remuneration & Perquisites	119.37	164.43

AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT

Schedule 11 : ADMINISTRATIVE, SELLING AND OTHER EXPENSES (Contd...)

(Rs. In Lacs)

PARTICULARS	For the Year ended 30th June 2010	For the Year ended 30th June 2009
Business Promotion & Development Expenses	285.55	320.12
Insurance	803.18	1,672.66
ISO Expenses	18.39	230.95
Legal & Professional	1,096.95	1,463.71
Loss on Sale of Assets	-	339.55
Office and Factory Expenses	2,673.26	4,181.63
Printing & Stationery	572.42	967.43
Rate, Fee & Taxes	631.39	1,024.97
Rent	2,292.69	3,672.29
Repairs & Maintenance - others	1,871.90	8,605.90
Running & Maintenance - Vehicles	561.34	855.27
Watch & Ward Expenses	218.78	255.00
Subscription & Membership Fees	56.52	15.68
Telephone, Telex & Postage Expenses	649.46	737.39
Travelling & Conveyance	897.85	1,221.50
Loss on sale of Investments	-	1,334.89
Exchange Fluctuation	7.38	-
Provision for Doubtful debts	-	35.68
<b>SELLING &amp; DISTRIBUTION EXP</b>		
Cash Discount / Warranty Claim's / Forwarding Deductions	392.16	465.89
Freight Outwards	1,359.06	1,482.45
Packing & Forwarding	45.37	-
<b>EXPENSES WRITTEN OFF</b>		
Share/ GDR Issue Expenses	-	212.27
Deferred Expenditure	0.63	1.54
Goodwill	821.42	395.78
<b>TOTAL</b>	<b>15,485.70</b>	<b>29,845.08</b>

**AMTEK AUTO LIMITED & SUBSIDIARIES/ JOINT VENTURES**

**SCHEDULE: 12 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED ACCOUNTS  
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2010)**

**1. ACCOUNTING POLICIES –**

**A. Principles of Consolidation :**

- i. The consolidated Financial Statement relates to Amtek Auto Ltd (the Parent Company ), Ahmednagar Forgings Ltd, Amtek Crank shaft (India) Ltd , Amtek Ring gear Ltd , Amtek Transportation systems Ltd. and Alliance Hydro Power Ltd (subsidiary companies incorporated in India) , Smith Jones Inc. (wholly owned foreign subsidiary Company incorporated in USA) , Amtek Investments UK Limited (wholly owned foreign subsidiary Company incorporated in UK)., Amtek Investments US (I), Inc. (wholly owned foreign subsidiary Company incorporated in U.S.A.), & Amtek Deutschland GmbH (wholly owned foreign subsidiary Company incorporated in Germany), Amtek tekfor Automotive Limited (50:50 Joint Venture incorporated in India), MPT Amtek Automotive (India) Limited (50:50 Joint Venture incorporated in India) and SMI Amtek Crankshaft Pvt Limited (50:50 Joint Venture incorporated in India).
- ii. The Consolidated Financial statements have been prepared on the basis of AS-21 issued by ICAI read along with the following assumptions :
  - (a) The Financial Statement of the parent Company and its subsidiary/ Joint Venture companies have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions, resulting in unrealized profit or losses.
  - (b) Investment of the parent Company in the subsidiaries/ Joint Ventures are eliminated against respective stake of the parent Company.
  - (c) In respect of foreign subsidiary, the financials have been converted from US GAAP/UK GAAP/German GAAP to Indian GAAP. Current Assets and Liabilities of overseas subsidiaries have been translated in reporting currency, at the exchange rate prevailing at the close of the year.
  - (d) All transactions in foreign currency transaction are recorded by applying the exchange rate prevailing at the time of transaction. Gain or loss upon settlement of the transaction during the year is recognized in Profit and Loss Account.
  - (e) Impact of exchange fluctuation, whether revenue or capital in nature appearing in the accounts of the foreign subsidiary are directly charged to revenue in consolidated financial statement.

**B. Notes to the Consolidated Financial Statements**

The notes to the consolidated financial statement intended to serve as a means of informative disclosure and guide to better understanding of the financial information about the economic activities and the economic resources controlled as single economic entity. Recognizing this purpose, the Company has disclosed only such notes from the individual financial statement, which fairly presents the needed disclosures. Practical consideration and lack of uniformity on account of local laws and practices made it desirable to exclude notes to account and accounting policies which in the opinion of the management could be better viewed when referred to individual financial statements. Consolidated financial statement have been prepared using uniform accounting policies for like transaction and other events in similar circumstance except in case of depreciation on fixed assets and other items, for which the accounting treatment is given on the basis of local laws applicable in the respective countries for which using uniform accounting policies for the purpose of consolidation is impracticable.

**AMTEK AUTO LIMITED & SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENT**

**2. NOTES TO ACCOUNT -**

Schedule 1 to 12 form an integral part of the Balance Sheet and Profit and Loss Account.

**A. Contingent Liabilities:**

	Current Year	(Rs.in Lacs) Previous year
a) Capital commitment & contingency	4455.02	3,939.57
b) Guarantees issued by the Bank on behalf of the Company	570.25	252.13
c) Unexpired Letters of Credit /EEPC/Bond Obligation	142.56	174.32
d) Disputed Liability	164.91	164.91
e) Future Lease rental payments	Nil	1,347.70

**B. Earning per share:**

Calculation of EPS (Basic and Diluted)	Year Ended 30th June, 2010	Year Ended 30th June, 2009
<b>Basic</b>		
Opening Number of Shares	14,09,93,143	14,09,93,143
Total Shares outstanding	20,16,99,797	14,09,93,143
Profit after Tax, before extraordinary item (Rs. Lacs)	25,158.27	17,276.38
Profit after Tax, after extraordinary item (Rs. Lacs)	24,048.77	17,276.38
EPS before extraordinary items (Rs. Per Share)	15.15	12.25
EPS after extraordinary items (Rs. Per Share)	14.48	12.25
<b>Diluted</b>		
Stock option outstanding	Nil	Nil
EPS before extraordinary items (Rs. Per Share)	11.81	10.22
EPS after extraordinary items (Rs. Per Share)	11.29	10.22
Reconciliation of basic and diluted shares used in computing EPS		
Number of shares considered as basic weighted average shares outstanding	16,60,91,889	14,09,93,143
Add: Effect of dilutive FCCB conversion and warrants	4,40,22,630	2,80,85,611
Number of shares considered for calculating diluted earning per share	21,31,01,384	16,90,78,754

**C. Related party Disclosure**

In accordance with the requirements of Accounting Standard (AS-18) the names of the related parties where control exists and /or with whom transactions have taken place during the year and description of relationships as identified and certified by the management are as hereunder:

**(i) Subsidiaries companies / Associates**

Ahmednagar Forgings limited (Kuruli, Pune)  
 Amtek Crankshafts (India) Ltd (Manesar, Gurgaon)  
 Amtek Ring Gears Ltd. (Gurgaon)  
 Smith Jones Inc. (IOWA, USA)  
 Amtek Investments UK Limited (Letchworth, UK)  
 Amtek Investments US (I) Inc. (Michigan, U.S.A)  
 Amtek Deutschland GmbH (Hennef, Germany)  
 Amtek Tekfor Automotive Ltd (Joint Venture)  
 MPT Amtek Automotive (India) Ltd. (Joint Venture)  
 Amtek Transportation Systems Ltd. (Gurgaon)  
 SMI Amtek Crankshaft Pvt Ltd. (Joint Venture)  
 Alliance Hydro Power Ltd.  
 Amtek India Ltd & its Subsidiary

**AMTEK AUTO LIMITED & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENT**

**(ii) Key Management Personnel**

Sh. Arvind Dham

Sh. D. S. Malik

**D. Interest in Joint Ventures Companies**

Pursuant to Accounting Standard 27 on Financial Reporting of interest in Joint Ventures, the relevant information relating to the Joint Venture Companies, are as under:

**D. Interest in Joint Venture Companies**

Pursuant to Accounting Standard 27 on Financial Reporting of Interests in Joint Ventures, the relevant information relating to the Joint Venture Companies are as under:

<b>Name of the Joint Venture Company</b>	<b>Country of Incorporation</b>	<b>Proportion of Ownership Interest</b>	<b>Description of Interest</b>
Amtek Tekfor Automotive Ltd.	India	50%	JV is established principally for
MPT Amtek Automotive Ltd.	India	50%	manufacture, assemble and to sell automotive components
SMI Amtek Crankshaft Pvt. Ltd.	India	50%	

The Company's share in the aggregate amount to each of the assets, liabilities, income, expenses, capital Commitment and contingent liabilities as at 30th June, 2010 are as under:

**Amt. in Lacs**

<b>Proportion of Company's Interest in Join Venture</b>	<b>Amtek Tekfor Automotive Ltd.</b>	<b>M.P.T. Amtek Automotive (India) Ltd.</b>	<b>SMI AMtek Crankshaft Pvt. Ltd.</b>
Assets	Rs. 2,869.65	Rs. 1,058.99	Rs. 2,659.37
Liability	Rs. 2,869.65	Rs. 1,058.99	Rs. 2,659.37
Income	Rs. 2,581.06	Rs. 667.68	Rs. 327.55
Expenses	Rs. 2,480.15	Rs. 1,127.90	Rs. 370.25
Capital Commitments	Nil	Nil	Nil
Contingent Liabilities	Nil	Nil	Nil

**E.** Export sales include sale in transit to its overseas customers/subsidiary acknowledged in subsequent year, indirect export and deemed export.

**F.** Grouping have been rearranged in terms of presentation of those of subsidiary companies wherever necessary.

**For and on behalf of the Board**

In terms of our report of even date attached

**For Manoj Mohan & Associates**

Chartered Accountants

Sd/-

**(M.K. AGGARWAL)**

Partner

Membership No. - 76980

Sd/-

**D.S. MALIK**

Managing Director

Sd/-

**ARVIND DHAM**

Director

Sd/-

**VINOD UPPAL**

V.P (Finance & Accounts)

Sd/-

**RAJEEV RAJ KUMAR**

Company Secretary

Place : New Delhi

Dated : 24th November, 2010

This Page has been Intentionally left Blank

**NOMINATION FORM - 2B**

(Only for shares held in physical form)

(To be filled in by individual(s) applying singly or jointly)

To,  <b>Beetal Financial &amp; Computer Services Pvt. Ltd.</b> Beetal House, 3rd Floor, 99, Madangir, Behind L.S.C., New Delhi-110062	From <b>Name of member and address</b> _____ _____ Folio No. _____ No. of shares _____
---	--

**I am/we are holder(s) of equity shares of the Company as mentioned above. I/We nominate the following person in whom all rights of transfer and/or amount payable in respect of said equity shares shall vest in the event of my/our death.**

Nominee's name								Age			
To be furnished in case the nominee is a minor				Date of Birth							
Guardian's Name & Address*											
Occupation of Nominee Tick (✓)	1	Service		2	Business		3	Student		4	Household
	5	Professional		6	Farmer		7	Others			
Nominee's Address											
		Pin Code									
Telephone No.								Fax No.			
Email Address								STD Code			
Specimen signature of Nominee signature of Nominee/Guardian (in case nominee is minor)											

**Kindly take the aforesaid details on record.**

\*To be filled in case nominee is a minor

Thanking you,

Yours faithfully,

Date.....

Name and address of member(s) {as appearing on the Certificate(s)}		Signature (as per specimen with Company)	
Sole/1st holder			
Address			
2nd holder			
3rd holder			
4th holder			
Witnesses (two)			
Name and Address		Signature & Date	
1.			
2.			

**INSTRUCTIONS:**

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by only individual members. This facility is not available to members who are non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family and holders of power of attorney. If the shares are held jointly, all joint holders must sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of shares and in that event the name and address of the Guardian should be given by the holder.
4. The nominee cannot be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of shares in favour of a nominee shall be a valid discharge by the Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled in, else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. This nomination will stand rescinded whenever the shares in the given folio are entirely transferred or dematerialised.
10. Upon receipt of a duly executed nomination form, the Share Transfer Agent of the Company will register the form and allot a registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claim other than that of a registered nominee, unless so directed by any competent court.
13. The intimation regarding nomination / nomination form should be filed **in duplicate** with the Share Transfer Agent of the Company who will return one copy thereof to the Members.
14. For shares held in dematerialised form, nomination is required to be filed with the Depository Participant in their prescribed form.

FOR OFFICE USE ONLY	
Nomination Registration Number	
Date of Registration	
Checked by (Name and Signature)	

To,

Beetal Financial & Computer Services Pvt. Ltd.

Beetal House, 3rd Floor, 99, Madangir, Behind L.S.C., New Delhi-110062

Dear Sirs,

FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill-in the information in CAPITAL LETTERS in ENGLISH ONLY. Please  wherever is applicable.

**For shares held in physical form**

Master Folio No.

For office use only	
ECS Ref. No.	<input type="text"/>

**For shares held in electronic form**

DP. ID

Client ID

Name of First holder	<input type="text"/>
Bank name	<input type="text"/>
Branch name	<input type="text"/>
Branch code	<input type="text"/>

<input type="text"/>
--

(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a xerox copy of a cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the bank's name, branch name and code number.

Account type	→	Savings <input type="text"/>	Current <input type="text"/>	Cash Credit <input type="text"/>
A/c. No. (as appearing in the cheque book)	→	<input type="text"/>		
Effective date of this mandate	→	<input type="text"/>		

I, hereby, declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Beetal Financial & Computer Services Pvt. Ltd., will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by RBI/Amtex Auto Limited.

I further undertake to inform the Company any change in my Bank/branch and account number.

\_\_\_\_\_  
(Signature of First holder)

Dated: \_\_\_\_\_

Note: On dematerialisation of existing physical shares, for which you have availed ECS facility, the above form needs to be re-submitted.

This Page has been Intentionally left Blank



**ATTENDANCE SLIP**

**AMTEK AUTO LIMITED**

**Regd. Office:** Plot No. 16, Industrial Estate, Rozka-Meo, Sohna, Distt. Gurgaon (Haryana)

PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional attendance slip on request at the venue.

DP. ID#	
Client ID#	

Master Folio No.	
No. of Share(s) held	

# Applicable for members holding shares in dematerialised form.

NAME AND ADDRESS OF THE MEMBER: \_\_\_\_\_  
\_\_\_\_\_

I hereby record presence at the 24th Annual General Meeting held at Plot No. 16, Industrial Estate, Rozka-Meo (Sohna) Distt. Gurgaon (Haryana) on 31st December, 2010.

SIGNATURE OF THE MEMBER\* OR PROXY\*

\*Strike out whichever is not applicable.



**PROXY FORM**

**AMTEK AUTO LIMITED**

**Regd. Office:** Plot No. 16, Industrial Estate, Rozka-Meo, Sohna, Distt. Gurgaon (Haryana)

DP. ID#	
Client ID#	

Master Folio No.	
No. of Share(s) held	

# Applicable for members holding shares in dematerialised form.

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a member/members of Amtek Auto Limited hereby appoint \_\_\_\_\_  
of \_\_\_\_\_  
or failing him \_\_\_\_\_ of \_\_\_\_\_  
as my/our proxy to vote for me/us and on my/our behalf at the 24th Annual General Meeting to be held at Plot No. 16, Industrial Estate, Rozka-Meo (Sohna) Distt. Gurgaon (Haryana) on 31st December, 2010

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Re. 1/- Revenue Stamp
-----------------------------

Note: This form, duly completed and signed, should be deposited at the Registered Office of the Company not later than 48 hours before the time of the meeting.

BOOK-POST

*If undelivered please return to :*

**AMTEK AUTO LIMITED**

Bhanot Apartments, 4, Local Shopping Centre,  
Pushp Vihar, New Delhi-110 062 (INDIA)

ablegraphics@gmail.com