



CORPORATE INFORMATION

BOARD OF DIRECTORS

SH. SURENDER KUMAR GUPTA  
SH. RAJEEV GUPTA  
SH. DHARAM PAL AGGARWAL  
SH. RAKESH GUPTA  
SH. NEERAJ GUPTA

Chairman & Managing Director (CMD)  
Whole Time Director  
Director  
Director  
Director

COMPANY SECRETARY

MS. AAYUSHI GUPTA

REGISTERED OFFICE

10795, Shop No. 7, GF, Jhandewalan Road,  
Nabi Karim, NEW DELHI - 110055  
Ph. : 011-23636320

AUDITORS

V. V. KALE & COMPANY  
Chartered Accountants  
16A/20, W.E.A., Main Ajmal Khan Road,  
Karol Bagh, New Delhi - 110005  
PH. : 011-25761916, 25722222

CORPORATE OFFICE

C-53 & 54, Sector - 57, NOIDA - 201 307 (U.P.)  
Ph. : 0120-4601500, 2583729-30  
Fax : 0120-4601548

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 3rd Floor, 99, Madan Gir,  
Behind Local Shopping Centre,  
Dada Harsukhdas Mandir, New Delhi - 110 062  
PH. : 011-29961281-82 Fax : 011-29961284

WORKS

Unit - I

C-53 & 54, Sector - 57, NOIDA - 201 307 (U.P.)  
Ph. : 0120-4601500, 2583729-30  
Fax : 0120-4601548

Unit - II

7th Milestone, Bhiwadi-Alwar Highway,  
Bhiwadi, Distt. Alwar, RAJASTHAN  
Fax : 01493-298327  
e-mail : spdamco@yahoo.co.in

BANKERS

AXIS Bank Ltd.

B-2 & 3, Sector-16, NOIDA  
(U.P.) - 201301

Unit - III

82, EPIP Ist,Baddi, Distt. Solan,  
HIMACHAL PRADESH  
Ph. : 01795-271216  
e-mail : amcobaddi@yahoo.co.in

E-MAIL ID : GENERAL

amco.india@gmail.com

INVESTOR COMMUNICATIONS

investorcommamco@gmail.com

WEBSITE

www.amcoindialimited.com

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## NOTICE

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of the Company AMCO INDIA LIMITED will be held on Tuesday, the 24<sup>th</sup> day of September, 2013 at Hindi Bhawan, 11, Vishnu Digamber Marg, Rauz Avenue, New Delhi-110002 at 11.00 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2013 and Profit and Loss Account for the year ended on that date and the Auditor's Report thereon and the report of the Directors.
2. To appoint a Director in place of Sh. Neeraj Gupta who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s V. V. Kale & Co., Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

**To consider and if thought fit, to pass with or without modification, the following resolutions as SPECIAL RESOLUTIONS:**

4. **“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof) for the time being in force, and the Articles of Association of the Company, and other applicable provisions, if any, consent of the members be and is hereby accorded for appointment of Mr. Surender Kumar Gupta as Managing Director of the Company for a period of four years starting from 01.07.2013 and for payment of remuneration upto a maximum of Rs. 2,00,000/- p.m.

The above shall be paid as follows:

- I. Monthly Salary:** Rs. 2,00,000 (for four years)
- II. Perquisites:** All the perquisites shall be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules same shall be evaluated at actual cost.
  - a) Company shall reimburse medical expenses including hospitalization, nursing home and surgical charges for director and his family.
  - b) Leave Travel Concession shall be paid by the Company.
  - c) Club Membership Fee shall also be paid by the Company.
- III. Other Benefits:**
  - a) Free use of Company's car for Company's work as well as for personal purposes along with driver.
  - b) Telephone at residence at company's cost.
  - c) Company shall reimburse entertainment expenses actually incurred for the business of the Company.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter, vary and modify the terms of said appointment as well as for setting remuneration in such manner as may be agreed to between the Board and Mr. Surender Kumar Gupta, subject to the same being in conformity with the provisions of Schedule XIII of the Companies Act, 1956 for the time being in force and that the Board be and is hereby authorized to take such steps as would be expedient or desirable to give effect to this resolution, without any further reference to the Company in the General Meeting.”

**“RESOLVED FURTHER THAT** in event of inadequacy of profits or loss in any of the financial years during the tenure of Mr. Surender Kumar Gupta as Managing Director of the Company, he shall be entitled to receive and be paid remuneration as per the provisions contained in Schedule XIII of the Companies Act, 1956 or any enactments / amendments thereto.”

**“RESOLVED FURTHER THAT** Mr. Rajeew Gupta, be and is hereby individually authorized to file necessary forms and documents with the Registrar of Companies and to do such other acts, deeds and things as she may deem expedient, desirable and necessary to give effect to the above resolution.”



5. **“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof) for the time being in force, and the Articles of Association of the Company, and other applicable provisions, if any, consent of the members be and is hereby accorded for appointment of Mr. Rajeev Gupta as Whole-Time Director of the Company for a period of four years starting from 01.07.2013 and for payment of remuneration upto a maximum of Rs. 1,50,000/- p.m.

The above shall be paid as follows:

**I. Monthly Salary:** Rs. 1,50,000 (for four years)

**II. Perquisites:** All the perquisites shall be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules same shall be evaluated at actual cost.

- Company shall reimburse medical expenses including hospitalization, nursing home and surgical charges for director and his family.
- Leave Travel concession shall be paid by the Company.
- Club Membership Fee shall also be paid by the Company.

**III. Other Benefits:**

- Free use of Company's car for Company's work as well as for personal purposes along with driver.
- Telephone at residence at company's cost.
- Company shall reimburse entertainment expenses actually incurred for the business of the Company.

Mr. Rajeev Gupta shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling of remuneration as specified above:

- Gratuity as per the laws applicable from time to time.
- Leave with full pay as per Company rules and encashment of unavailed leave allowed at the end of tenure.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter, vary and modify the terms of said appointment as well as for setting remuneration in such manner as may be agreed to between the Board and Mr. Rajeev Gupta, subject to the same being in conformity with the provisions of Schedule XIII of the Companies Act, 1956 for the time being in force and that the Board be and is hereby authorized to take such steps as would be expedient or desirable to give effect to this resolution, without any further reference to the Company in the General Meeting.”

**“RESOLVED FURTHER THAT** in event of inadequacy of profits or loss in any of the financial years during the tenure of Mr. Rajeev Gupta as Whole Time Director of the Company, he shall be entitled to receive and be paid remuneration as per the provisions contained in Schedule XIII of the Companies Act, 1956 or any enactments / amendments thereto.”

**“RESOLVED FURTHER THAT** Mr. Surender Kumar Gupta, be and is hereby individually authorized to file necessary forms and documents with the Registrar of Companies and to do such other acts, deeds and things as she may deem expedient, desirable and necessary to give effect to the above resolution.”

By Order of the Board of Directors  
For AMCO INDIA LIMITED

(SURENDER KUMAR GUPTA)  
CMD

Place: New Delhi.  
Date: 30.07.2013

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.

2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 14<sup>th</sup> September, 2013 to Tuesday, 24<sup>th</sup> September, 2013 (both days inclusive).



4. Members who are holding shares in identical order of names in more than one folio or joint accounts in same order are required to intimate Company Registrar & Transfer Agent the folios of such accounts to consolidate their holdings in one folio.
5. Members are requested to quote their Client ID & DP in all correspondence with the Company Registrar & Transfer Agent. Members are also requested to notify immediately any change in their address to their Depository Participants / Company Registrar & Transfer Agent.
6. Members are requested to bring the copy of Annual Report at the AGM.
7. Members having any questions on accounts are requested to send them atleast five days before the meeting to enable the company to collect the relevant information.
8. Members are informed that in case of joint holders attending the meeting, only first named joint holders in the order of names will be entitled to vote.
9. Information as required under Clause 49 of the Listing Agreement about directors who are appointed or re-appointed are given in the Corporate Governance Section of the Annual Report.
10. Shareholders who hold shares in Physical form are requested to intimate change in address to our Registrar and Transfer Agent and the shareholders holding shares in demat form are requested to intimate any change in address to their Depository Participants and not to the Registrar & Transfer Agent.
11. All documents referred in the Notice and Explanatory statement will be available for inspection by the members at the Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day except holidays.
12. **INVESTOR COMMUNICATIONS CENTRE:-**  
In order to facilitate quick and efficient service to the shareholders, the company has set up an Investor Communications Center at its Corporate Office, Noida. Shareholders may contact this center at the under-mentioned address for any assistance:-  
The Company Secretary  
Investor Communications Center  
Amco India Limited Corporate Office  
C-53 & 54, Sector-57, Noida, (U.P.)-201301  
Tel:- 0120-4601500, 2583729-30 Fax:- 0120-4601548  
E-mail (General) :- amco.india@ymail.com  
(Investor Communications) :- investorcommamco@gmail.com

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**

### **Item No. 4**

Mr. Surender Kumar Gupta has to be appointed as Managing Director of the Company in accordance with the provisions of Companies Act, 1956 for a period of 4 (four) years with effect from July 1, 2013.

The resolution and the other terms and conditions of appointment require approval of the Company in the General Meeting pursuant to Sections 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, and the resolution set out in Item No.4 is intended for that purpose.

This may be treated as an Abstract and Memorandum of Concern or Interest under Section 302 of the Companies Act, 1956.

Mr. Surender Kumar Gupta may be deemed to be concerned or interested in the resolution to the extent of his appointment as a Chairman & Managing Director.

### **Item No. 5**

Mr. Rajeev Gupta has to be appointed as Whole Time Director of the Company in accordance with the provisions of Companies Act, 1956 for a period of 4 (four) years with effect from July 1, 2013.

The resolution and the other terms and conditions of appointment require approval of the Company in the General Meeting pursuant to Sections 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, and the resolution set out in Item No.5 is intended for that purpose.

This may be treated as an Abstract and Memorandum of Concern or Interest under Section 302 of the Companies Act, 1956.

Mr. Rajeev Gupta may be deemed to be concerned or interested in the resolution to the extent of his appointment as a Whole Time Director.



DIRECTOR'S REPORT

TO THE MEMBERS,

Your Directors are pleased to present the 26<sup>th</sup> Annual Report on the performance of the Company for the financial year ended 31<sup>st</sup> March 2013 along with the Audited Accounts of the Company.

FINANCIAL RESULTS:

|  | (Rupees in Lacs) |           |
|--|------------------|-----------|
| Particulars  | 2012-2013        | 2011-2012 |
| Gross Sales  | 8148.08          | 15327.66  |
| Gross Profit after interest but before depreciation & taxation & Exceptional items | 1265.61          | 2305.32   |
| Depreciation   | 191.12           | 197.98    |
| Profit before Exceptional Items & Tax  | 38.05            | 144.04    |
| Exceptional Item   | -----            | -----     |
| Net Profit before Taxation   | 38.05            | 144.04    |
| Tax Expenses   |                  |           |
| Provision for Taxation   | (23.10)          | 60.00     |
| Deferred Tax   | 8.06             | (20.27)   |
| Net Profit after Tax   | 53.09            | 104.31    |

BUSINESS PERFORMANCE:

The Financial Year 2012-13 turned out to be a difficult year as your Company recorded a sales turnover of Rs. 8148.08 Lacs as compared to Rs. 15327.66 Lacs in previous year. In addition to it profit after tax of the company has also been tumbled from Rs. 104.31 Lacs in F.Y. 2011-12 to Rs. 53.09 Lacs in the Current F.Y. 2012-13

HEALTH, SAFETY AND ENVIRONMENT

Health, Safety and Environment are always the prime areas of concern for the company. Compliance with relevant regulation and effective management of these issues is an integral part of the company's operating philosophy. All the plants have a well-equipped first aid room for catering the emergency needs of the company.

ALLIANCES FOR DIVERSIFICATION THROUGH JOINT VENTURE

As you being aware that the plant located at Bhiwadi was not functioning properly and it was no longer profitable to carry on the business there, so it has to be shut down. In lieu of the same and for sake of diversification in allied sectors, Company showed its interest and sold 60% of total land to M/s. Krish Infrastructures Private Limited and 40% still remains with Amco India Limited. On the total land Amco India Limited has entered into a Memorandum of Understanding with M/s. Krish Infrastructures Private Limited vide Board Resolution dated 31<sup>st</sup> January, 2013 for construction and development of housing projects in the profit sharing ratio of 60:40 respectively between M/s. Krish Infrastructures Private Limited & Amco India Ltd.

DIVIDEND

Due to operating losses, Board do not recommend dividend for the financial year ended 31<sup>st</sup> March, 2013.

MATERIAL CHANGES IN BOARD OF DIRECTORS

During the year under review, following are the changes in the Board of Directors of the Company:

- Mr. Suresh Chandra Goyal, Executive Director, has resigned from the Board of Directors of the Company with effect from 15<sup>th</sup> Day of January, 2013.
- Mr. Anil Bhargava and Mr. Surender Raj Pahwa, Executive Directors of the Company have tendered their resignation from Board of Directors of the Company and the same was accepted by the board with effect from 1<sup>st</sup> Day of June, 2013.
- Mr. Subhash Bansal and Mr. Devinder Kumar Gupta, Independent Non-Executive Directors of the Company have resigned the Board of Directors of the Company with effect from 1<sup>st</sup> Day of June, 2013.

Your Directors place on record their deep appreciation and wish to thank them for their immense and fruitful contribution during their tenure as Director on Board.

- Ms. Aayushi Gupta has been appointed as the Company Secretary and Compliance Officer of the Company with effect from 3<sup>rd</sup> Day of May, 2013 due to resignation of Ms. Kamna Anand, Former Company Secretary.  
In accordance with the provisions of the Companies Act, 1956 and as per Clause 86 of Company's Article of Association, Sh. Neeraj Gupta is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

The particulars of the Director proposed to be re-appointed are given in the Corporate Governance Section of this Annual Report.

CORPORATE GOVERNANCE

Your Company is committed to benchmarking itself with global standards for providing good Corporate Governance. It has put in place an effective Corporate Governance System which ensures that the provisions of Clause 49 of the Listing Agreement with Stock Exchange are duly complied with. A Corporate Governance Report, a Management Discussion and Analysis Report, together with the Certificate of the Auditors of the Company regarding compliance of conditions of Corporate Governance had made a part of the Annual Report.

The Company has framed a Code of Conduct for all its Board Members and senior Management Personnel of the Company who have affirmed compliance thereto. The said code of conduct has been posted on the Company's website. The Declaration to this effect signed by the CMD is made part of the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors state:

- That in the preparation of annual accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956 have been followed and that there are no material departures from the same during the F.Y. 2012-13;
- That the Directors have, in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company during the F.Y. 2012-13;
- That Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities during the F.Y. 2012-13; and
- That the annual accounts have been prepared on a going concern basis during the F.Y. 2012-13.

PARTICULARS OF EMPLOYEES

As per the information required U/s 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, no disclosure is required to be made as no employee is receiving salary exceeding Rs. 5,00,000 p.m. or Rs. 60,00,000 yearly.

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

Disclosure under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to foregoing matters is given by way of Annexure to this report. The information in respect of Research & Development as well as Technology Absorption required to be disclosed in Form 'B' are not applicable.

AUDITORS

M/s V.V. Kale & Co. Chartered Accountants, Auditors of the company retire at the conclusion of forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment. They have furnished a certificate that their re-appointment if made, will be in accordance with the provisions of sub section (1B) of section 224 of the Companies Act, 1956.

COST AUDITORS

In terms of Cost Audit Order No. 52/26/CAB-2010 dated 30th June 2011 issued by Central Government through the Cost Audit Branch of the Ministry of Corporate Affairs and pursuant to the provisions of section 224(1B) read with section 233B of the Companies Act, 1956, M/s. Chandra Sharma & Co. (Registration No. 000358), Cost Accountants were appointed as the cost auditors of the Company for the year ending 31<sup>st</sup> March 2013.

Further the Compliance Report in respect of the financial year 2011-12 was filed by the Cost Accountant in the XBRL mode within the due date.

NOTES ON ACCOUNTS

The Notes on Accounts read with the Auditors Report are self explanatory and therefore do not require any further comments or explanations under section 217(3) of the Companies Act, 1956.

PUBLIC DEPOSITS

During the year under review, the Company has not invited/accepted any deposits from the public with in the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

INDUSTRIAL RELATIONS

Relation with the employees continue to be peaceful and cordial throughout the year. Your Board believe that trained and motivated people determine the future augmentation of the Company. Your Board places on record appreciation for the efforts and enthusiasm shown by employees at all levels.

ACKNOWLEDGEMENTS

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. Your Directors would like to acknowledge and place on record their sincere appreciation on the co-operation and assistance extended by the various Government Authorities, Company's Bankers etc. The Directors convey their sincere thanks for the continued support given to the company by the esteemed shareholders and valued customers. The Directors also recognize and appreciate the dedication and hard work put in by the employees at all levels and their continued contribution to its progress.

For and on behalf of the Board of Directors

SD/-

(SURENDER KUMAR GUPTA)

CMD

PLACE: NEW DELHI

DATE : 30.07.2013



ANNEXURE TO THE DIRECTORS REPORT

Information under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as follows:-

1. CONSERVATION OF ENERGY

The total energy consumption and energy consumption per unit of production.

| A   | POWER & FUEL CONSUMPTION           | 2012-13    | 2011-12    |
|-----|------------------------------------|------------|------------|
| 1   | Electricity                        |            |            |
| (a) | Purchased                          |            |            |
|     | Unit (Kwh)                         | 5143384.00 | 7821629.00 |
|     | Amount (Rs. in Lacs)               | 311.92     | 459.32     |
|     | Rate (Rs./Unit)                    | 6.06       | 5.87       |
| (b) | Generated                          |            |            |
|     | Unit (Kwh)                         | 625121.10  | 538077.00  |
|     | Rate (Rs./Unit)                    | 13.54      | 12.70      |
| 2   | Briquets                           |            |            |
|     | Quantity (Kg.)                     | 1589318.00 | 1849648.00 |
|     | Amount (Rs. in Lacs)               | 96.70      | 109.89     |
|     | Rate (Rs./Kg.)                     | 6.08       | 5.94       |
| 3   | LPG                                |            |            |
|     | Quantity (Kg.)                     | ----       | 11210.00   |
|     | Amount (Rs. in Lacs)               | ----       | 5.48       |
|     | Rate (Rs./Kg.)                     | ----       | 48.88      |
| 4   | Other / Internal Generation        | N.A.       | N.A.       |
| B   | CONSUMPTION PER UNIT OF PRODUCTION |            |            |
| 1   | Electricity (Kwh/Kg. of Prod.)     | 0.93       | 0.82       |
| 2   | Briquets (Kg/Kg. of Prod.)         | 0.21       | 0.18       |

II. TECHNOLOGY ABSORPTION

A. RESEARCH AND DEVELOPMENT

No Research and Development work have been carried out by the Company during the year under review and therefore there is neither expenditure on this head nor any other benefit derived from it.

B. TECHNOLOGY ABSORPTION

The company has neither entered into any technical collaboration with any foreign country nor imported any technology from any foreign country or organisation.

| III. | FOREIGN EXCHANGE EARNING AND OUTGO     | 2012-13 | 2011-12 |
|------|--|---------|---------|
|      | Foreign Exchange Earning (Rs. in lacs) | 101.66  | 344.72  |
|      | Foreign Exchange Outgo (Rs. in Lacs)   | 429.46  | 912.02  |

DECLARATION ON ANNUAL COMPLIANCE REPORT FOR CODE OF CONDUCT

Pursuant to clause 49 of the Listing Agreement with the stock Exchanges, I Shri Surender Kumar Gupta, Chairman cum Managing Director of Amco India Limited do hereby make a declaration that all the board members and senior management including general managers and territorial general managers have complied with the provision of the code of conduct during the Financial Year 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013.

Place: - New Delhi  
Date: - 31.07.2013

SD/-  
(Surender Kumar Gupta)  
CMD



## AUDITORS' CERTIFICATE ANNEXURE TO DIRECTOR'S REPORT

To  
The Members of Amco India Limited

We have examined the compliance of conditions of corporate governance by Amco India Limited for the year ended on 31<sup>st</sup> March, 2013, 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 the 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 with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the period April 1<sup>st</sup>, 2012 to March 31<sup>st</sup>, 2013, no investor grievances are pending against the Company as per the records maintained by the Company.

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

**For V. V. KALE & CO.**  
**Chartered Accountants**

**SD/-**  
**VIJAY V. KALE**  
**Partner**

Place: New Delhi  
Date: 30.05.2013

## CORPORATE GOVERNANCE REPORT

### **COMPANY'S PHILOSOPHY**

The Company is fully committed to promoting and strengthening the principles of sound corporate governance norms through the adherence of highest standards of transparency, trust and integrity, performance orientation, responsibility and accountability, professionalism, social responsiveness, ethical business practices and commitment to the organization as a self discipline code for sustainable enrichment of value for stakeholders which include investors, directors, employees, suppliers, customers or the community in general. The Directors and employees have accepted a Code of Conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

### **COMPLIANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT**

The shares of AMCO INDIA LIMITED are listed in two Stock Exchanges in India. Clause 49 of the Listing Agreement entered into with the stock exchanges sets out the conditions of corporate governance that the listed companies are required to comply with. The Company is in compliance with the conditions and details of such compliance are furnished hereunder:-

### **1. BOARD OF DIRECTORS**

#### **Composition**

The Board of Directors of the Company has a mix of Executive Directors and Non-Executive Directors where Non-Executive Directors constitute more than 50% of the Board. The Non-Executive Directors are accomplished professional and experienced people in their respective corporate fields.

The Present Board as on the date of this report includes Chairman Cum Managing Director, one Whole Time Director and three Independent Non Executive Directors.

The Board met Ten times during the year under report on the following dates:

30.05.2012, 31.07.2012, 31.10.2012, 08.12.2012, 31.01.2013, 01.02.2013, 08.02.2013, 15.02.2013, 01.03.2013 and 15.03.2013

The following table gives details of composition, category of Directors, number of Board Meetings attended, last AGM attended and number of membership / chairmanship held in other boards / boards committees.



| Name of Directors        | Category of Directors              | Number of Board Meetings attended | Attendance at last AGM held on | No. of other directorship held | No. of Committee Memberships (other companies) |          |
|--------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------|--|----------|
|                          |                                    |                                   | 26 <sup>th</sup> Sept. 2012    |                                | Member   | Chairman |
| Sh. Surender Kumar Gupta | Promoter Managing Director         | 10                                | Yes                            | 2                              | .....  | .....    |
| Sh. Rajeev Gupta         | Promoter Executive Director        | 10                                | Yes                            | 2                              | .....  | .....    |
| Sh. S. C. Goyal          | Non-Promoter Executive Director    | 4                                 | Yes                            | 2                              | .....  | .....    |
| Sh. Anil Bhargava        | Non-Promoter Executive Director    | 7                                 | Yes                            | .....                          | .....  | .....    |
| Sh. S. R. Pahwa          | Non-Promoter Executive Director    | 8                                 | Yes                            | 2                              | .....  | .....    |
| Sh. D. K. Gupta          | Independent Non-Executive Director | 8                                 | Yes                            | 3                              | .....  | .....    |
| Sh. Subhash Bansal       | Independent Non-Executive Director | 9                                 | Yes                            | 2                              | .....  | .....    |
| Sh. Dharam Pal Aggarwal  | Independent Non-Executive Director | 10                                | Yes                            | 2                              | .....  | .....    |
| Sh. Neeraj Gupta         | Independent Non-Executive Director | 9                                 | Yes                            | 7                              | .....  | .....    |
| Sh. Rakesh Gupta         | Independent Non-Executive Director | 8                                 | Yes                            | .....                          | .....  | .....    |

**Disclosure regarding Directors seeking appointment or re-appointment at the ensuing Annual General Meeting:-**

1. Sh. Neeraj Gupta S/o Sh. Bal Kishan Gupta R/o M - 27, Main Market, Greater Kailash II, New Delhi-110065, Non-Exec.Director (Ind.) of the company, aged 47 years is a MBA in Finance and holding industry experience of more than 20 years in fields of stainless steel and real estate. He is also a Director in many other Companies namely, Rangi Lalls Estates Pvt. Ltd., Eco Ventures Pvt. Ltd., Shreemata Services Pvt. Ltd., JMB Infrastructures Pvt. Ltd., Hare Krishna Homes Pvt. Ltd., D G Homes Pvt. Ltd., SAI Samrath Enterprises Pvt. Ltd. He is also the Chairman of Audit Committee and acting as a member of Remuneration Committee of the Company.

**Code of Conduct**

The Board of Directors has adopted a Code of Conduct for the Board Members and Senior Management including General Managers and territorial General Managers of the Company and they have affirmed compliance with the code as on 31<sup>st</sup> March, 2013. The Annual Report of the company contains a declaration to this effect signed by the Chairman & Managing Director of the Company.

**The above said Code of Conduct is posted on the website of the Company ([www.amcoindialimited.com](http://www.amcoindialimited.com))**

**1. AUDIT COMMITTEE:-**Composition of Audit Committee

The Audit Committee comprises of the following members as on till date :

1. Sh. Neeraj Gupta, Independent Non-Executive Director is Chairman who possesses requisite accounting and financial knowledge.
2. Sh. Dharam Pal Aggarwal, Independent Non-Executive Director &
3. Sh. Rajeev Gupta, Executive Director.
4. Ms. Aayushi Gupta, Company Secretary is the Compliance Officer to the Committee.

The members of the Committee have adequate knowledge in the field of finance, accounting and law

Note:- Sh. D.K. Gupta, Sh. Subash Bansal & Sh. S. C. Goyal, past members of the Audit Committee have resigned from the Board of Directors of the Company.

Meetings of the committee during the year

The Audit committee met five times during the year under report on the following dates:-

30.05.2012, 31.07.2012, 31.10.2012, 31.01.2013 and 30.03.2013

Attendance of the members during the year

| Name               | Position Held | Number of meetings held | Number of meetings attended |
|--------------------|---------------|-------------------------|-----------------------------|
| Sh. D. K. Gupta    | Chairman      | 5                       | 5                           |
| Sh. S. C. Goyal    | Member        | 5                       | 3                           |
| Sh. Subhash Bansal | Member        | 5                       | 5                           |



## Terms of Reference

The terms of reference of the Audit Committee include the matters specified in Clause 49 of the Listing Agreement and also as required under Section 292A of the Companies Act, 1956. The Committee acts as a link between the Auditors and the Board of Directors of the Company.

The Audit Committee specifically reviews:

- Quarterly, half-yearly and yearly Financial Statements
- Statutory Audit Reports and Internal control Systems
- Management Discussion and Analysis Report
- Recommendation for appointment of Statutory Auditors
- Whistle Blower Mechanism
- Summary of Related Party Transactions and code of conduct for Managers

## 2. SHAREHOLDERS COMMITTEE:-

In compliance with the requirements of the Corporate Governance under the Listing Agreement with the Stock Exchanges, the company has constituted a 'Transfer and Shareholders / Investors Grievance Committee' to look into issues relating to shareholders including dematerialisation, dividends and share transfers. The transfers are regularly approved by the committee at its meetings held on middle and end of the month and the investor grievances, if any, are redressed.

During the year the company received no investor's complaints. No investor's complaints were pending as on 31<sup>st</sup> March 2013.

**A separate e-mail id has been created for better investor communications and redressal of grievances, which is [investorcommamco@gmail.com](mailto:investorcommamco@gmail.com) for prompt services by the company to the esteemed shareholders.**

Composition of the committee is as under:-

The Committee comprises of the following members as on till date:

1. Sh. Dharam Pal Aggarwal, Independent Non-Executive Director, is the Chairman of the Committee.
2. Sh. Rajeev Gupta, Executive Director
3. Sh. S. K. Gupta, Executive Director
4. Ms. Aayushi Gupta, Company Secretary is the Compliance Officer to the Committee.

Note : Sh. S. C. Goyal & Sh. S. R. Pahwa, past members of shareholders committee has resigned from the Board of Directors of the Company.

Meetings of the committee during the year

The shareholder's Committee met twice during the year under report on Monday, the 11th Day of June, 2012 and Wednesday, the 28th Day of November, 2012.

Attendance of the members during the year

| Name                    | Position Held | Number of meetings held | Number of meetings attended |
|-------------------------|---------------|-------------------------|-----------------------------|
| Sh. Dharam Pal Aggarwal | Chairman      | 2                       | 2                           |
| Sh. S. C. Goyal         | Member        | 2                       | 2                           |
| Sh. S. R. Pahwa         | Member        | 2                       | 2                           |

## 3. REMUNERATION COMMITTEE:-

Composition of Remuneration Committee

The Committee comprises of the following members as on till date:

1. Sh. Rakesh Gupta, Independent Director is the Chairman of the Remuneration Committee.
2. Sh. Rajeev Gupta, Executive Director
3. Sh. Neeraj Gupta, Independent Non-Executive Director
4. Sh. Dharam Pal Aggarwal, Independent Non-Executive Director
5. Ms. Aayushi Gupta, Company Secretary is the Compliance Officer to the Committee.

Note : Sh. D. K. Gupta, past member of remuneration committee has resigned from the Board of Directors of the Company.

Meetings of the committee during the year

The Remuneration Committee met once during the year under report on Tuesday, 24<sup>th</sup> July, 2012.

Attendance of the members during the year

| Name             | Position Held | Number of meetings held | Number of meetings attended |
|------------------|---------------|-------------------------|-----------------------------|
| Sh. S. K. Gupta  | Chairman      | 1                       | 1                           |
| Sh. Rajeev Gupta | Member        | 1                       | 1                           |
| Sh. D. K. Gupta  | Member        | 1                       | 1                           |
| Sh. Neeraj Gupta | Member        | 1                       | 1                           |
| Sh. Rakesh Gupta | Member        | 1                       | 1                           |



**Terms of Reference**

The Committee was formed to review and approve, inter-alia, the pay package, annual increments, incentives, additional perquisites, etc. of Managing Director, Whole-time Directors and other Directors of the Company. The Committee takes into consideration the best remuneration practices being followed in the industry while fixing appropriate remuneration packages.

**Remuneration Policy**

The Company's remuneration policy aims at attracting and retaining high talent by taking into account the talent market, national and international remuneration trends and the competitive requirements of each of its businesses. Remuneration largely consists of base remuneration perquisites and performance incentives. The components of the total remuneration vary for different cadres and are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him, individual performance, etc.

However, in case of payment of remuneration to Managing Director / Whole-time Directors of the Company, where in any financial year the company has no profits or have inadequate profits, they shall be paid as per Section II of Part II of Schedule XIII of the Companies Act, 1956.

**Remuneration of Directors:**

(In Rs.)

Remuneration paid to Managing / Whole-time Directors for the year ended March 31<sup>st</sup>, 2013.

| Name                     | Salary              | Perquisite       | Total               |
|--------------------------|---------------------|------------------|---------------------|
| Mr. Surender Kumar Gupta | 18,00,000.00        | -----            | 18,00,000.00        |
| Mr. Rajeev Gupta         | 18,00,000.00        | -----            | 18,00,000.00        |
| Mr. S.C. Goyal           | 16,90,000.00        | 15,989.00        | 17,05,989.00        |
| Mr. Anil Bhargava        | 18,00,000.00        | 16,758.00        | 18,16,758.00        |
| Mr. S.R. Pahwa           | 5,60,000.00         | 8,750.00         | 5,68,750.00         |
| <b>Total</b>             | <b>76,50,000.00</b> | <b>41,497.00</b> | <b>76,91,497.00</b> |

- The company at present does not have a scheme for grant of stock options either to the Directors or Employees.
- The Company is not paying any remuneration to the Non-Executive Directors.
- This year Company has not paid any commission to any Director.

**5. GENERAL BODY MEETINGS**

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

| Financial Year | Date       | Time       | Location   |
|----------------|------------|------------|--|
| 2011-2012      | 26.09.2012 | 11.00 a.m. | Hindi Bhawan, 11 Vishnu Digamber Marg, Rauz Avenue New Delhi-110002. |
| 2010-2011      | 24.09.2011 | 11.00 a.m. | Hindi Bhawan, 11 Vishnu Digamber Marg, Rauz Avenue New Delhi-110002. |
| 2009-2010      | 24.09.2010 | 11.00 a.m. | Hindi Bhawan, 11 Vishnu Digamber Marg, Rauz Avenue New Delhi-110002. |

**RESOLUTIONS PASSED THROUGH POSTAL BALLOT**

Pursuant to Section 149 (2A) of Companies Act, 1956 special resolution was unanimously passed through postal ballot for the commencement of sub Clause 12 & 22 of Object clause of III C of the Memorandum of Association of the Company.

Pursuant to Section 293 (1) (a) of Companies Act, 1956 ordinary resolution was unanimously passed through postal ballot for closure of unit at Bhiwadi and to sale / lease same undertaking for construction or development of housing society.

Mr. Anil Singh, Practising Company Secretary, acted as Scrutinizer for conducting Postal Ballot process and results were declared by Mr. Surender Kumar Gupta, Chairman of the Company on 28.01.2013

**6. DISCLOSURE**

There were no materially significant related party transactions i.e., transactions of material nature of the company with its promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large. The related party transactions are duly disclosed in the Notes on Accounts to the Balance Sheet.

There were no capital market related matters during the last three years concerning non-compliance of regulations of SEBI, Stock Exchanges and Statutory Authorities.