



**AMTEK**

DRIVEN BY EXCELLENCE

**AMTEK INDIA LIMITED**

**30th ANNUAL REPORT**  
***2012 - 2013***



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## AMTEK INDIA LIMITED

### 30th ANNUAL REPORT

2012 – 2013

#### Board Of Directors

Mr. SANJAY CHHABRA	<i>Chairman</i>
Mr. GAUTAM MALHOTRA	<i>Managing Director</i>
Mr. ARVIND DHAM	<i>Director</i>
Mr. KATTASSERRY THOMAS JAMES	<i>Director</i>
Mr. DESHPAL SINGH MALIK	<i>Director</i>
Mr. SHEKHAR GUPTA	<i>Director</i>
Mr. JOHN ERNEST FLINTHAM	<i>Director</i>

#### Company Secretary

Mr. VISHAL WASON

#### Registered Office

Village Narsinghpur, Mohammadpur,  
Old Manesar Road, Gurgaon, Haryana-122001  
Ph. : (0124) 26373406, 26373407, 26373151,  
26373152, 26370769  
Fax : (0124) 26373028

#### 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](mailto:info@amtek.com)  
web : <http://www.amtek.com>

#### Bankers

UCO Bank  
United Bank of India  
State Bank of Patiala  
State Bank of Bikaner & Jaipur  
IDBI Bank Limited

#### Auditors

M/s Manoj Mohan & Associates  
*Chartered Accountants*

#### Share Transfer Agent

M/s Beetal Financial &  
Computer Services (P) Ltd.  
Beetal House, 3rd Floor, 99,  
Madangir, Behind L.S.C.,  
Near Dada Harsukh Dass Mandir,  
New Delhi-110062  
Ph.: 011-29961281-83, Fax: 011-29961284

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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF AMTEK INDIA LIMITED WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT VILLAGE NARSINGHPUR, MOHAMMADPUR, OLD MANESAR ROAD, GURGAON, HARYANA-122001 ON MONDAY, THE 24<sup>TH</sup> DAY OF MARCH, 2014 AT 1.00 P.M. TO TRANSACT THE FOLLOWING BUSINESSES :-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 30<sup>th</sup> September, 2013, the Audited Statement of Profit & Loss Account for 15 months ended on that date, together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint a Director in the place of **Mr. Deshpal Singh Malik**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of **Mr. Shekhar Gupta**, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditor of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-  
**"RESOLVED THAT** M/s Manoj Mohan & Associates, Chartered Accountants (Registration No. 009195C) be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as fixed by the Board of Directors."

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution** :  
**"RESOLVED THAT** Mr. John Ernest Flintham, Director who was appointed as an Additional Director in the meeting of the Board of Directors of the Company and who holds office as such upto the date of Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. John Ernest Flintham, as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company."
7. To consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution** :  
**"RESOLVED THAT** Mr. Sanjay Chhabra, Director who was appointed as an Additional Director in the meeting of the Board of Directors of the Company and who holds office as such upto the date of Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Sanjay Chhabra, as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company."
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**  
**"RESOLVED THAT** pursuant to Section 198, 269, 309, 310 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 Mr. Gautam Malhotra be and is hereby reappointed as Managing Director of the Company with effect from 31<sup>st</sup> January, 2013 for a period of Five Years on the following terms and conditions:  
 (a) **Period**  
 Five Years (From 31<sup>st</sup> January 2013 to 30<sup>th</sup> January 2018)  
 (b) **Nature of Duties**  
 Mr. Gautam Malhotra, Managing Director, shall devote sufficient time and attention to the business of the Company. He shall have control of full executive responsibility for the general conduct and management of business and

affairs of the Company. He shall exercise all such powers as may be granted and entrusted to or required by him for the proper discharge of his duties.

**(c) Remuneration**

Mr. Gautam Malhotra, shall be entitled to following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limit laid down in Section 198, 309 and Schedule XIII of the Companies Act, 1956.

**(d) Salary**

Salary not exceeding Rs. 60,00,000 per annum, to be fixed by the Board of Directors from time to time.

**(e) Perquisites**

Mr. Gautam Malhotra, will be entitled to following perquisites and allowances:

Category – A

- Rent Free Furnished Accommodation or house rent allowance at 60% of salary in lieu thereof;
- Medical reimbursement and medical insurance for the said employee and his family;
- Club Fee (Subject to a Maximum of 3 Clubs and not including admission and life membership fee)
- Insurance and any other general allowances and perquisites in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the said employee.
- For the above purpose "family" means spouse and 2 dependent children of the said employee.

Category – B

- Contribution to Provident Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1956;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- Encashment of leave at the end of the tenure.

Category – C

- The Company shall provide and make available to the said employee a car of such horse power and make, as may from time to time be determined by the Company, along with Chauffeur, and shall bear and pay all garage rent, repairs, maintenance running and other costs and charges whatsoever, in connection with the use of such car by the said Employee.
- The Company shall provide the said employee with a telephone facility at his residence.
- Provision of a car for use on Company's business and telephone at residence will not be considered perquisites.
- Personal long distance calls on telephone and use of the car for private purpose shall be billed by the Company to the said employee.
- The amount of the aforesaid perquisites and allowances will be restricted to an amount equal to the annual salary of the said employee.

**(f)** Where in any financial year the Company has no profit or profits are inadequate, the remuneration payable will be in accordance with the provisions of Section II of Schedule XIII to Companies Act, 1956, as may be amended from time to time.

**(g)** In the event of any increase in the limits of the emoluments, benefits and perquisites payable in accordance with the laws, policies, rules, regulations or guidelines in force from time to time, the Company may, in its discretion, increase the remuneration payable to him, subject to obtaining such approvals as may be required.

**(h) Other Terms**

- He shall not become interested or otherwise concerned directly or through his wife and/or minor children in any sole selling agency of the Company without the prior approval of the Central Government.
- He shall be entitled to reimbursement of all actual expenses including on entertainment and travelling incurred in the course of the Company's business.
- The appointment may be terminated by Mr. Gautam Malhotra or the Company by giving not less than three months prior notice in writing.

**RESOLVED FURTHER THAT** notwithstanding anything herein above stated where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Gautam Malhotra, Managing Director, as per the provisions of Schedule XIII of Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

**RESOLVED FURTHER THAT** the consent of the Company, be and is hereby accorded to the Board to alter and vary the aforesaid terms as to remuneration (including perquisites) within the ceiling limits in that behalf laid down in schedule XIII of the Companies Act, 1956 as in force from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary or desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit."

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

**"RESOLVED THAT** subject to the provisions of Section 180 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 293 (1) (d) of the Companies Act, 1956), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof) for the borrowing by the Board from time to time, subject to any restriction imposed by the terms of the agreements as may have been entered into or may be entered into from time to time for grant of any assistance to the Company, of all moneys deemed by them to be requisite or proper for the purpose of carrying on the business of the Company so, however, that the total amount of such borrowing shall not exceed Rs. 15,000 Crores (Rupees Fifteen Thousand Crores Only) notwithstanding that the moneys to be borrowed together with the money's already borrowed by the Company (apart from temporary loans, if any, obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital and free reserves of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 293 (1) (a) of the Companies Act, 1956) (including any statutory modifications or re-enactment thereof, for the time being in force) and such other approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company ( hereinafter called " the Board" and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including powers conferred by this resolution and with the power to delegate such authority to any person or persons) to mortgage or lease and/or create charge in addition to charge created/ to be created by the Company, on all or any of the moveable and/or immoveable, tangible and/or intangible properties of the Company, wherever situate, both present and future, with such ranking as the Board may in its absolute discretion decide, on such terms and conditions and at such time or times or in such form and manner as it may deem fit, in favour of various Financial Institutions/ Banks /Trustees for the Bond and/or Debenture holders etc. (hereinafter referred as "the Lenders" to secure any Term Loans / Cash Credit Facilities / Debenture / Bonds or the like, obtained/ to be obtained from any of the aforesaid lenders not exceeding Rs. 15,000 Crores (Rupees Fifteen Thousand Crores Only) together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the Company to the aforesaid lenders in term of loan agreement(s) and/or any other document(s) entered

into/ to be entered into between the Company and the Lenders(s) / Agent(s) / Trustee (s) in respect of the aforesaid financial facilities including bank guarantee facility.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to negotiate and finalize with the lenders, terms and conditions, including the nature and ranking of charge and/or mortgage, documents for creation of mortgage and/or charge and to do all such acts, deeds, matters and things incidental thereto and to execute all such documents or writings as may be considered necessary for giving effect to this Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorized to settle any issue relating to security/ documentation etc., with the concerned lenders as may be considered appropriate by it."

By Order of the Board  
**For AMTEK INDIA LIMITED**

Place : New Delhi  
 Date : 13<sup>th</sup> February, 2014

Sd/-  
**(SANJAY CHHABRA)**  
 CHAIRMAN

**NOTES:**

1. **AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CORRESPONDING TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.**
2. **A MEMBER OF THE COMPANY 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.**
3. **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.**
4. **CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORISED REPRESENTATIVE 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.**
5. All documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M prior to the date of Annual General Meeting.
6. The Register of Members and Share Transfer Book of the Company will remain closed from **22<sup>nd</sup> March, 2014 to 24<sup>th</sup> March, 2014** (both days inclusive) to decide the entitlement of Members for payment of dividend that may be declared at the Annual General Meeting.
7. Members are requested to 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.
8. The members are requested to bring their copies of Annual Report to the Meeting, as the same will not be redistributed at the venue of Annual General Meeting.
9. The Members attending the Annual General Meeting are requested to bring the enclosed Attendance Slip and deliver the same after filling in their folio number 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.
10. Non-resident Indian Members are requested to inform Beetal Financial & Computer Services Pvt. Ltd. immediately on :
  - a. The change in the residential status on return to India for permanent settlement.
  - b. The particulars of the bank accounts maintained in India with complete name of bank, branch, account type, account number and address of the bank, if not furnished earlier.

11. Members who hold shares in de-materialised form are requested to bring their Client ID and DP-ID number for the purpose of identification and attendance at the Annual General Meeting.
12. The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting shall be paid on or before April 23, 2014.
  - a. 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 March 21, 2014.
  - b. In respect of shares held in electronic form, to beneficial owner as furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours of March 21, 2014.
13. Consequent upon the introduction of Section 205A of the Companies Act, 1956, and introduction of Section 205C 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, 2006 or any subsequent financial years are requested to make their claim to the R&T Agents of the Company. According to the provisions of the Act, no claims 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.
14. Consequent upon the introduction of Section 109A of the Companies Act, 1956, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No. 2B in duplicate (which will be made available on request) to the R&T Agents of the Company.
15. **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 Agents, with their ECS mandate in the prescribed form, which is available elsewhere in the Annual Report or can be obtained from the Registrar & Share Transfer Agents of the Company.
16. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011 respectively), has undertaken a '**Green Initiative in Corporate Governance**' and allowed Companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering/ updating their e-mail addresses for receiving electronic communications.
17. The Company published its Audited Financial Results for 15 months period commencing from 1<sup>st</sup> July, 2012 to 30<sup>th</sup> September, 2013

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

Name	<b>DESHPAL SINGH MALIK</b>
Date of Birth	28 <sup>th</sup> May, 1950
Qualification	B.E. (Mechanical)
Expertise	Specialisation in Project Engineering, Production of Scooters, tractors and auto ancillary products, Industrial Engineering, Process Engineering and Material Engineering.
Other Directorships*	WHF Precision Forgings Limited

	Amtek Auto Limited, Adhbhut Infrastructure Limited Ahmednagar Forgings Limited, Amtek Railcar Limited
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Name	<b>SHEKHAR GUPTA</b>
Date of Birth	14 <sup>th</sup> April, 1964
Qualification	B.E. ( Metallurgical)
Expertise	Specialisation in Quality Engineering, Industrial Engineering and Process Engineering
Other Directorships*	Oriental Iron Casting Limited

Name	<b>GAUTAM MALHOTRA</b>
Date of Birth	03 <sup>rd</sup> March, 1979
Qualification	B.E. (Computer Science), M.B.A
Expertise	Specialisation in Finance, Marketing, Acquisitions & Takeovers etc.
Other Directorships*	Ahmednagar Forgings Ltd. Amtek Laboratories Ltd. ACIL Ltd. Amtek Auto Ltd. Stesalit Ltd. JMT Auto Ltd.

Name	<b>JOHN ERNEST FLINTHAM</b>
Date of Birth	16 <sup>th</sup> September, 1952
Qualification	H.N.B in Mech. Engineering from Technical College, Lincoln.
Expertise	Manufacturing of Automotive Components & Commercial Sales
Other Directorships*	MPT Amtek Automotive (India) Ltd. Amtek Tekfor Automotive Ltd. Amtek Auto Ltd. Stesalit Limited JMT Auto Ltd.

Name	<b>SANJAY CHHABRA</b>
Date of Birth	18 <sup>th</sup> July, 1960
Qualification	B.Tech. (Mech.), MBA (Marketing)



Expertise	Vast experience in the field of technical, marketing and project implementation.
Other Directorships*	Amtek Auto Limited

\*This excludes Directorships of Private Limited Companies, Foreign Companies and Section 25 Companies.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CORRESPONDING TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### ITEM NO. 6

Mr. John Ernest Flintham was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 13<sup>th</sup> May, 2013, to hold the office upto the date of Annual General Meeting.

The Board of Directors of the Company is of the view that considering the qualifications, vast knowledge, ability, background and experience of Mr. John Ernest Flintham, it would be in the interest of the company to appoint him as Director of the Company.

Hence, the Board of Directors recommends this resolution for your approval.

None of the Directors of the Company except Mr. John Ernest Flintham is interested in the resolution.

#### ITEM NO. 7

Mr. Sanjay Chhabra was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 13<sup>th</sup> August, 2013, to hold the office upto the date of Annual General Meeting.

The Board of Directors of the Company is of the view that considering the qualifications, vast knowledge, ability, background and experience of Mr. Sanjay Chhabra, it would be in the interest of the company to appoint him as Director of the Company.

Hence, the Board of Directors recommends this resolution for your approval.

None of the Directors of the Company except Mr. Sanjay Chhabra is interested in the resolution.

#### ITEM NO. 8

Mr. Gautam Malhotra was appointed as Managing Director of the Company on January 31, 2008 for a period of five years. As per the terms and conditions, the tenure of Mr. Gautam Malhotra expires on January 30, 2013. However, the Board as a part of reconstitution of the Executive Management Structure, appointed him as Managing Director of the Company for a further period of 5 years w.e.f. January 31, 2013 on the terms and conditions set out in the notice. As the Managing Director of the Company, Mr. Gautam Malhotra takes care of Corporate strategy, brand equity, external contacts and other management matters in addition to the previous tasks of achieving annual business plans. The proposed resolution set out at Item No-8 and this explanatory statement may be treated as an abstract of the terms and conditions of appointment and remuneration payable to Mr. Gautam Malhotra in terms of Section 302 of the Companies Act, 1956.

Save and except Mr. Gautam Malhotra, no other Director is concerned or interested in the resolution. Your Directors, therefore, recommend the resolution for your approval.

#### ITEM NO. 9

The growing business operations and future growth plans require to enhance the present borrowing limit upto an amount of Rs.15,000 crores (Fifteen Thousand Crores), (apart from temporary loans, if any, obtained from the company's banker in the ordinary course of business). Such enhanced borrowing limit would also enable the Company to borrow for its routine business purposes.

As per Section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (corresponding to Section 293 (1) (d) of the Companies Act, 1956), your directors recommend this special resolution for your approval.

None of the director is concerned or interested in the proposed resolution.

**ITEM NO. 10**

The Company proposes to enhance the limit of mortgage of and/or creation of security on the moveable and/or immoveable properties of the Company, in order to commensurate the same with the borrowing limit as referred to in the resolution at Item No. 9.

As per the provisions of Section 180 (1) (a) of the Companies Act, 2013, (corresponding to Section 293 (1) (a) of the Companies Act, 1956), the Board of Directors of the Company cannot, except with the permission of the members, mortgage, lease and/or create charge in addition to charge created/ to be created by the Company, on all or any of the moveable and/or immoveable, tangible and/or intangible properties of the Company.

Your Directors recommend the resolution for your approval.

None of the Directors is concerned or interested in the said resolution.

By Order of the Board  
**For AMTEK INDIA LIMITED**

Place : New Delhi  
Date : 13<sup>th</sup> February, 2014

Sd/-  
**(SANJAY CHHABRA)**  
CHAIRMAN