



AMTEK INDIA LIMITED

22nd ANNUAL REPORT

2004 – 2005

BOARD OF DIRECTORS

Shri ARVIND DHAM	Chairman
Shri V. K. SHARMA	Managing Director
Shri K. T. JAMES	Director
Shri D. S. MALIK	Director
Shri R. S. KATIYAR	Director
Shri SHEKHAR GUPTA	Director

Company Secretary

Shri Jatinder Wadhwa

Regd. Office & Works (Unit-I)

Village Narsinghpur, Old Manesar Road,
District Gurgaon (Haryana)

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26373152, 26370769

Fax : (0124) 26373028

E-mail: amtek@bol.net.in

Unit-II (Foundry Division)

SPA 1195, Phase IV, RIICO Industrial Area,
District Bhiwadi, (Rajasthan)

Ph. : (01493) 22028, 22029

Fax : (01493) 22030

E-mail: amtekfdy@satyam.net.in

Corporate Office

4, Bhanot Apartments,
Local Shopping Centre,
Pushp Vihar,

New Delhi-110 062

Ph. : (011) 29052281/1783, 26061767/68

Fax : (011) 29054554

E-mail: amtek@satyam.net.in

web : <http://www.amtek-group.com>

Bankers

UCO Bank

New Delhi-110 001

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

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NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Company will be held at Plot No. 16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana on Monday, the 19th Day of September, 2005 at 9.30 A.M. to transact the following business:-

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2005 together with Profit and Loss Account for the year ended on that date, and the Reports of Directors' and the Auditor's thereon.
02. To appoint a Director in the place of Mr. Shekhar Gupta, who retires by rotation and being eligible offers himself for re-appointment.
03. To appoint a Director in the place of Mr. K. T. James, who retires by rotation and being eligible offers himself for re-appointment.
04. To declare Dividend.
05. To appoint Auditors of the Company to hold office from the conclusion of the forthcoming meeting until the conclusion of the Twenty Third Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provision of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, the Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of securities by a person resident outside India) Regulation, 2000 (including any statutory modification(s) or reenactment thereof for the time being in force), Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and also provisions of any other applicable law or laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the company and the Listing Agreement entered into by the company with the Stock Exchanges where the shares of the company are listed and subject to such approvals, consents, permissions and sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India (SEBI) and all other appropriate and/or concerned authorities and subject to such conditions and modifications as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions, which may be agreed by the Board of Directors of the Company ("Board") (which shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) which the Board be and is hereby authorized to accept, if it think fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to issue, offer and allot equity shares /warrants and/or any instruments convertible into Equity Shares whether optionally or otherwise / Global Depository Receipts (GDRs) /American Depository Receipts (ADRs)/Foreign Currency Convertible Bonds (FCCBs) and/or Fully/Partially convertible Bonds/ Debentures/ Loans and/or Depository shares/Receipts and/or any other instruments/securities in the nature of Shares/Debentures/Bonds and/or warrants convertible into shares or otherwise (hereinafter referred to as 'Securities') for an aggregate sum upto US\$ 75 millions or equivalent in Indian and /or any other currency(ies) (inclusive of such premium, as may be permitted by the Ministry of Finance/ such other authorities directly to Indian/Foreign/Resident/Non-resident investors (whether institutions, incorporated bodies, mutual funds, Trusts, Foreign Institutional Investors, Banks and/or individuals, or otherwise and whether or not such investors are members, promoters, directors or their relatives/associates of the Company) through Public Issue(s), Rights Issue(s), Private Placement(s), Preferential issue(s) or a combination thereof at such time or times in such tranche or tranches at such price or prices, at a discount or premium at market price or prices in such manner and on such terms and conditions as may be decided and deemed appropriate by the Board at the time of such issue or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the Lead Managers, Underwriters, Advisors or through the subsidiaries, in any markets as may be deemed fit by the Board including, but not limited to Initial Public Offer, Public Issue, Preferential Issuance in US or any other countries, so as to enable the Company to get listed at any stock exchanges in India and/or Luxemburg/London/Nasdaq/New York/ Singapore and/or any of the Overseas Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the company to do all such acts, deeds, matters and things and to execute such documents or writings as may be necessary for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 293(1) (d) and any other applicable provisions (if any) of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the consent of the Company be

and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money for and on behalf of the Company from time to time for the purpose of the Company notwithstanding that the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves, which have not been set apart for any specific purpose, but so that the total amount upto which the money may be borrowed shall not exceed Rs.2000 Crores (Rupee Two Thousand Crores Only) on account of the principal."

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

"RESOLVED THAT pursuant to the provisions of Section 94(1)(a) of the Companies Act, 1956 and other applicable provisions, if any, the Authorised Share Capital of the Company be and is hereby increased from Rs. 20,00,00,000 (Rupee Twenty Crores) divided into 7,50,00,000 (Seven Crore Fifty Lacs) Equity Shares of Rs. 2/- each and 5,00,000 (Five Lacs) Preference Shares of Rs. 100/- each to Rs. 30,00,00,000 (Rupees Thirty Crores Only) divided into 12,50,00,000 (Twelve Crores Fifty Lacs) Equity Shares of Rs.2/- each and 5,00,000 (Five Lacs) Preference Shares of Rs. 100/- each.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary for giving effect to above this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 16 of the Companies Act, 1956, the existing clause (Clause V) of the Memorandum of Association of the Company be and is hereby substituted and read as under :-

The Authorised Share Capital of the Company is Rs.30,00,00,000/- (Rupees Thirty Crores Only) divided into 12,50,00,000 (Twelve Crore Fifty Lacs) Equity Shares of Rs.2/- each and 5,00,000 (Five Lacs) Preference Shares of Rs. 100/- each.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary for giving effect to above this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Article 3 of the Articles of Association of the Company be and is hereby substituted and read as under :-

The Authorised Share Capital of the Company is Rs.30,00,00,000/- (Rupees Thirty Crores Only) divided into 12,50,00,000 (Twelve Crore Fifty Lacs) Equity Shares of Rs.2/- each and 5,00,000 (Five Lacs) Preference Shares of Rs. 100/- each with the power to increase or reduce the same in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters that may be necessary, desirable or expedient for giving effect to the aforesaid resolution."

By Order of the Board
For Amtek India Limited

Place : New Delhi
Date : 19th August, 2005

(V.K. Sharma)
Managing Director

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.**
- 2) The proxy form duly completed, stamped and signed should reach the Company's office at least 48 hours before the time of the meeting.
- 3) All documents referred to in the Notice and Explanatory statements 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.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2005 to 19th September, 2005 both days inclusive.
- 5) Members are requested to furnish bank details by 12th September, 2005 in order to enable the Company to print the same on the dividend warrants. In respect of members holding shares in electronic mode, bank details as furnished by the depositories to the Company will be printed on the dividend warrant.

- 6) 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.
- 7) 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 up to a day preceding the day of Annual General Meeting.
- 8) 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 meeting.
- 9) The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting shall be paid on or before October 18, 2005.
- 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 15th September, 2005.
 - 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 of 15th September, 2005. In respect of shares held in demat mode, the dividend will be paid on the basis of beneficial ownership as per details to be furnished by NSDL and CDSL for this purpose.
- 10) Pursuant to the provisions of section 205A (5) of the Companies Act, 1956, dividends for the financial year ended 31st March, 1995 and thereafter, 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 30th June 1998 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.
- 11) 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.
- 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 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.
- 13) Explanatory Statements as required under Section 173(2) of the Companies Act, 1956 are appended hereto.

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

Name	:	Mr. Shekhar Gupta
Date of Birth	:	14th April, 1964
Qualification	:	B. E. (Metallurgy)
Profession	:	Service
Expertise	:	Specialisation in Quality Engg., Industrial Engg. and Process Engg.
Other Directorships	:	Nil

Name	:	Mr. K. T. James
Date of Birth	:	1st December, 1956
Qualification	:	M. Com.
Profession	:	Service
Expertise	:	Accounting and Financial Matters
Other Directorship	:	Nil

EXPLANATORY STATEMENTS UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 6

The main object of the issue is to raise funds for meeting the funds requirements for Acquisitions domestic/overseas, Capital expenditure and for the purposes as deem fit by the Board of Directors of the company subject to relevant regulations.

For the above said purpose, the Company intends to raise up to US\$ 75 millions through placement of one or more kind of securities in one or more tranches in the form of IPO, GDRs, ADRs, FCCBs, Euro Issue, Private Placement or Preferential Allotment or by one or more of the above method/ methods with the Overseas Corporate Bodies, International Institutions, Foreign Institutional Investors, Financial Institutions, Banks, Mutual Funds, Individual Investors, NRIs or Body Corporates on such terms and conditions and in such manner and at such time as may be considered appropriate by the Board.

With the proposed issue of securities abroad, the company will expand its business in the International Financial Market which is an important milestone. The Overseas issue of securities will not only provide long term low cost funds to the company but will also considerably enhance its visibility and acceptability on the global scale.

Therefore, this enabling Resolution under Section 81(1A) is placed for approval of members.

None of the Directors of the Company are concerned or interested in this Resolution.

ITEM NO. 7

Pursuant to the provisions of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors of the Company can not, except with the consent of the Company in the General Meeting, borrow money in the aggregate (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) which may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose.

Presently, as per the resolution passed under Section 293(1) (d) of the Companies Act, 1956, at the Extra Ordinary General Meeting of the Company held on 31st October, 2002, the Board of Directors of the Company are authorized to borrow funds up to Rs.1000 Crores. Considering the increase in the level of operations, acquisition and expansion plans of the Company, the Board feels that this limit needs to be increased to Rs.2000 Crores over and above the paid up capital and free reserves of the Company for the time being.

Therefore, the Board of Directors recommends the proposed resolution for your approval.

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

ITEM NO. 8

In connection with the proposed issue of Equity Shares/Warrants and/or any instruments convertible into Equity Shares whether optionally or otherwise/Global Depository Receipts (GDRs) / American Depository Receipts (ADRs)/Foreign Currency Convertible Bonds (FCCBs), the company proposes to increase the authorized capital of the company. The existing authorized capital of the company is Rs.20 Crores and it is proposed to be increased to Rs.30 Crores.

The Board of Directors of the Company in its meeting held on 29th July, 2005 approved the sub division of the shares of the company from one equity share of Rs.10/- each into five equity shares of Rs.2/- subject to the approval of shareholders in their meeting scheduled to be held on 25th August, 2005.

Pursuant to the provisions of Section 94 of the Companies Act, 1956 increase in authorized capital requires approval of the shareholders in the General Meeting. Therefore, your Directors recommend the proposed resolution for your approval.

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

ITEM NO. 9 & 10

Consequent to increase in Authorized Share Capital, it is necessary to change the existing capital Clause V of the Memorandum and Association and Clause 3 of the Articles of Association of the company.

Pursuant to Section 16 and 31 of the Companies Act, 1956 read with Section 94 of the said Act, the above said amendment should be approved by the shareholders of the company by way of Special Resolution. Therefore, your Directors recommend the proposed resolution giving effect to the above amendments for your approval.

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

By Order of the Board
For Amtek India Limited

Place : New Delhi
Date : 19th August, 2005

(V.K. Sharma)
Managing Director



DIRECTORS' REPORT

TO
THE MEMBERS,
AMTEK INDIA LIMITED

Your Directors have pleasure in presenting the Twenty Second Annual Report and the Audited Accounts of the Company for the year ended 30th June, 2005.

FINANCIAL RESULTS

PARTICULARS	(Rs. in Lakhs)	
	Year ended 30th June, 2005	Year ended 30th June, 2004
Sales/Income from Operations	35857.25	28341.37
Expenditures	27579.69	22660.36
Gross Profit Before Depreciation	8277.56	5681.01
Depreciation	2458.45	2213.74
Profit Before Tax	5819.11	3467.27
Provision for Taxation	477.63	269.87
Profit after Tax	5341.48	3197.40
Provision for Deferred Tax	1259.22	936.67
Profit after Deferred Tax	4082.26	2260.73
Add: Accumulated Profit	354.04	69.98
Balance available for appropriation	4436.30	2330.71
APPROPRIATIONS:		
Transfer to General Reserve	530.00	530.00
Transfer to Debenture Redemption Reserve	950.00	950.00
Transfer to Preference Shares Redemption Reserve	166.66	166.67
Proposed Dividend on Equity Shares	236.80	236.80
Dividend on Preference Shares	54.85	55.15
Provision for Tax & CESS on dividend	40.51	38.05
Surplus carried to Balance Sheet	2457.48	354.04

PERFORMANCE

During the year under review, the company has recorded a turnover of Rs. 35857.25 lacs with a net profit after tax of Rs. 4082.26 lacs. The reserve position of the Company has reached at a level of Rs. 16279.18 lacs. The installed capacity of machined components has increased from 7.50 million pieces to 12.50 million pieces per annum. The Sales Volumes of machined components and castings grew by 24.39% and 12.21.% over the last year to 1926.06 million and 1546.67 million respectively.

ACQUISITIONS

During the year, the Company has decided to acquire, subject to the approval of Reserve Bank of India, 100% equity stake in U.K. based Sigmacast Group Limited, which is one of the largest suppliers of turbocharger housings in the world, through its proposed U.K. subsidiary Amtek Industries Limited. Sigmacast Group Limited has one subsidiary namely Sigmacast Iron Limited. The group is mainly engaged in the business of manufacturing of Grey & SG Iron castings for automotive and engineering industries. The Company has a large manufacturing facility at Tipton, near Birmingham in the U.K. The manufacturing facility of the Company is accredited with TS 16949:2002. The Sigmacast Group has a blue chip customer base including Holset-Cummins, 3K Borgwarner, IHI, Ford, etc.

DIVIDEND

Your Directors are pleased to recommend a Dividend of 20% on the paid-up Equity Share Capital of the Company. The dividend is free of tax in the hands of the shareholders.

DIRECTORS

Mr. Shekhar Gupta and Mr. K. T. James retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

M/s. Manoj Mohan & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed their eligibility to act as auditors of the Company under Section 224(1B) of the Companies Act, 1956, if appointed at the ensuing Annual General Meeting.

FIXED DEPOSITS

During the year under review, the Company continued to accept deposits under section 58 - A of the Companies Act, 1956.

DE-MATERIALISATION OF SHARES

The Company's equity shares are available for de-materialization on both the depositories viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your company's shares mandatory, in de-materialized form. As on 30th June, 2005, 89.50% of your Company's Equity shares capital has been de-materialised.

LISTING AT STOCK EXCHANGE

The shares of company are listed on The Stock Exchange, Mumbai and The National Stock Exchange of India Ltd.

The company has paid the annual listing fee to the Stock Exchanges for the year 2004 - 2005.

SUB-DIVISION OF EQUITY SHARES

The Board of Directors of the Company in its meeting held on 29th July, 2005 approved the sub-division of equity shares of the Company from one equity share of Rs. 10/- each into five equity shares of Rs. 2/- each subject to approval of the shareholders in the EGM scheduled to be held on 25th August, 2005.

STATUTORY INFORMATION

- Particular of Employees under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are Nil.
- Statutory details of Energy Conservation and Technology Absorption, R & D activities and Foreign Exchange Earning 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 (Please refer Annexure- I)
- Certificate received from the Auditors of the Company regarding Compliance of conditions of Corporate Governance, as required under clause 49 VII of the Listing Agreement, is Annexed and forms part of this report. (Please refer Annexure – II).
- As required under clause 49 of the Listing Agreement, Management Discussion and Analysis Report is Annexed and forms part of this report (Please refer Annexure – III).

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, the applicable accounting standards had 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 period under review;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; 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 redressal of investors' grievances. The shares of the company continue to be traded in Electronic Form and the De-materialisation arrangement exists with both the depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited. As on 30th June, 2005, 10596605 shares have been dematerialized, representing 89.50% of the subscribed capital.

EMPLOYEE WELFARE

Your Company demonstrated that it is a caring organization by constantly devising and implementing several welfare measures for the employees and their families. Employee welfare programmes and schemes were implemented with utmost zeal and they were constantly reviewed and improvements were made wherever necessary at the earliest.

ACKNOWLEDGEMENT

Your Directors wish to place on record the sincere and dedicated efforts of all the members of the company's team which has made it possible to achieve excellent growth. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, our valued customers and the investors for their continued support, co-operation and assistance.

Your Directors also wish to acknowledge the contribution made by the employees at all levels and above all the trust and confidence reposed by the shareholders.

BY ORDER OF THE BOARD
FOR AMTEK INDIA LIMITED

Place : New Delhi
Date : 19th August, 2005

(ARVIND DHAM)
CHAIRMAN



Annexure to the Directors' Report 2004-2005

A. INFORMATION REQUIRED UNDER SECTION 217(1) (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 Absorption :

- | | | |
|--|---|-----|
| a) Efforts in brief towards technology absorption | : | Nil |
| b) Benefits derived as a result of above efforts e.g. product | : | Nil |
| c) In case of imported technology (import) during the last 6 years reckoned from beginning of the financial years) | : | Nil |

III. Foreign Exchange Earnings & 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 UK and USA, to increase its share of business in the international market, which has access to all automobile majors in U.S. and European market and existing supplier, business relationship.

Foreign Exchange earned	:	Rs. 1.02mn
Foreign Exchange used	:	Rs. 10.22mn

IV. Conservation of Energy :

	Current Year	Previous Year
A. Power & Fuel consumption:		
1. Electricity Purchased		
Units	1,90,91,460	5,430,365
Total Amount Rs.	9,22,96,708	31,224,599
Rate/Unit	4.83	5.75
2. Own generation through Generator		
Units	1,24,29,576	17,338,301
Unit/Ltr.	4	4
Rate/Unit	6.54	6.30
B. Consumption Per Unit of Production		
Auto Components	84,24,103	6,924,937
Cost/Pc.	20.61	20.28