

**27th
ANNUAL
REPORT
2009-2010**

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AMTEK INDIA LIMITED

27th ANNUAL REPORT

2009 - 2010

Board Of Directors

Mr. ARVIND DHAM	<i>Chairman</i>
Mr. GAUTAM MALHOTRA	<i>Managing Director</i>
Mr. K.T. JAMES	<i>Director</i>
Mr. D.S. MALIK	<i>Director</i>
Mr. SHEKHAR GUPTA	<i>Director</i>
Mr. CHETAN VIMAL KUMAR SHAH	<i>Director</i>

Company Secretary

Mrs. Monika Sachdeva

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Regd. Office & Works (Unit-I)

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

Ph. : (0124) 26373406, 26373407, 26373151,
26373152, 26370769

Fax : (0124) 26373028

Unit-II (Foundry Division)

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

Ph. : (01493) 222028, 222029

Fax : (01493) 222030

Unit-III

Nalagarh, Distt. Solan (Himachal Pradesh)

Unit-IV

SPA 502, Phase-I, RIICO Industrial Area,
District Bhiwadi, (Rajasthan)

Corporate Office

3, Local Shopping Centre,
Pamposh Enclave, G.K. - I,
New Delhi-110 048

Ph. : (011) 42344444

Fax : (011) 42344000

E-mail : info@amtek.com

web : http://www.amtek.com

Bankers

UCO Bank

United Bank of India

State Bank of Patiala

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.: 29961281-82, Fax: 29961284

AMTEK INDIA LIMITED**NOTICE**

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of Amtek India Limited will be held at Plot No. 16, Industrial Estate, Rozka Meo, Sohna, Mewat (Haryana) on Friday, 31st December, 2010 at 10.30 a.m. to transact the following business: -

ORDINARY BUSINESS

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

By Order of the Board
For AMTEK INDIA LIMITED

Sd/-

(ARVIND DHAM)

Chairman

Place : New Delhi
Date : 24th November 2010

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.**
3. 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.
4. The Register of Members and Share Transfer Book of the Company will remain closed from 28th December, 2010 to 31st December, 2010 (both days inclusive) to decide the entitlement of Members for payment of dividend that may be declared at the Annual General Meeting.
5. Members are requested to 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.
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 General Meeting are requested to bring the enclosed attendance slip and deliver the same after filling in their folio number & DP ID Client ID at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip, Duplicate Attendance Slip will be issued at the Registered Office of the Company upto a day preceeding the day of Annual General Meeting.
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 January 30, 2011.
 - 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 December 27, 2010.



AMTEK INDIA LIMITED

- b. In respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours of December 27, 2010. 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. Consequent upon amendment to Section 205(A) of the Companies Act, 1956 and introduction of Section 205(C) by the Companies (Amendment Act) 1999, the amount of dividend which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund established by the Central Government. Shareholders who have not en-cashed their dividend warrant(s) so far for the financial year ended 30th June, 2003 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 claim shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
11. 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 Agent, their ECS mandate in the prescribed form, which is available elsewhere in the Annual Report or can be obtained from the Registrar & Share Transfer Agent of the Company.

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

Name	Mr. Chetan Vimal Kumar Shah
Date of Birth	14 th August, 1961
Qualification	B.E. (Mech.). MBA (Finance)
Expertise	Setting up of Foundaries
Other Directorships	Nil

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

Place : New Delhi
Date : 24th November 2010

Sd/-
(ARVIND DHAM)
Chairman

AMTEK INDIA LIMITED



DIRECTORS' REPORT

TO
THE MEMBERS,

AMTEK INDIA LIMITED

Your Directors have pleasure in presenting the Twenty Seventh Annual Report and the Audited Accounts of the Company for the year ended 30th June 2010.

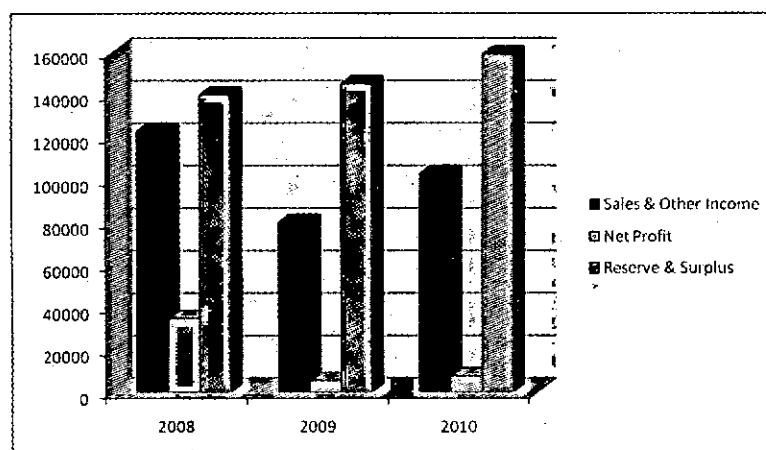
FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	Year ended 30 th June 2010	Year ended 30 th June 2009
Sales/Income from Operations	102945.21	79944.73
Expenditures	82,432.63	65046.66
Gross Profit Before Depreciation	20,512.58	14898.07
Depreciation	9622.34	7013.36
Profit Before Tax	10890.24	7884.71
Provisions for Taxation	3256.38	2478.37
Profit after Tax	7633.86	5406.34
Add: Accumulated Profit	1216.97	2143.07
Balance available for appropriation	8850.83	7549.41
APPROPRIATIONS:		
Transfer to General Reserve	1500.00	2000.00
Transfer to Debenture Redemption Reserve	1250.00	2000.00
Foreign Currency Convertible Bond Redemption Reserve	5418.08	2070.00
Proposed Dividend on Equity Shares	504.61	224.32
Provision for Tax & CESS on Dividend	83.81	38.12
Dividend and Tax for previous year (Not appropriated in previous year)	13.81	—
Surplus carried to Balance Sheet	80.52	1216.97

PERFORMANCE

On the Standalone basis, the revenue of the Company for the year under review was Rs. 102945.21 lacs as against the previous year revenue of Rs. 79944.73 lacs. The Profit after Tax for the year stands at Rs. 7633.86 lacs as against the corresponding year figure of Rs. 5406.34 lacs, thus registering increase of 41.2% on year to year basis. The Company has strong reserve position of Rs. 159108.23 lacs.



**AMTEK INDIA LIMITED****DIVIDEND**

Yours Directors are pleased to recommend a Dividend of Rs. 0.40 per equity share of Rs.2/- each for the Financial year 2009-10. The Proposed dividend, if approved, at the ensuing Annual General Meeting, would result in appropriation of Rs. 588.42 Lacs (including Corporate Dividend Tax of Rs. 83.81 Lacs) out of the profits. The Company has made transfer of Rs. 1500 Lacs to the General Reserve. The total appropriation of dividend of Rs. 588.42 Lacs gives 7.71% pay out on the net profit of the Company.

The Register of Members and Share Transfer Books shall remain closed from 28th December 2010 to 31st December 2010 (both days inclusive), for the purpose of Annual General Meeting and payment of Dividend.

SHARE CAPITAL

During the year under review, the Company issued 12110000 warrants of Rs. 2/- per share at a premium of Rs. 39/- aggregating to Rs. 49.65 Crores convertible into equivalent number of equity shares, on preferential basis, to the promoters of the Company in accordance with Section 81 (1A) of the Companies Act 1956 read with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and the Company has converted the aforesaid warrants into equivalent number of equity shares.

The Company has also allotted 14118548 equity shares of Rs. 2/- per share at a premium of Rs. 118.12 per share upon conversion of FCCB's of US\$ 38.62 million.

SUBSIDIARY COMPANY

As on 30th June 2010, the Company has one subsidiary i.e. Amtek Industries Limited. In terms of approval granted by the Central Government under Section 212 (8) of the Companies Act, 1956, copy of the Balance Sheet, Profit and Loss Account and other documents of the subsidiary company have not been attached with the balance sheet of the Company. These documents will be made available upon request by any member of the Company interested in obtaining the same. However, pursuant to Accounting Standard 21, consolidated financial statements presented by the Company includes financial informations of its subsidiary.

DIRECTORS

Mr. Chetan Vimal Kumar Shah retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Brief resume of the Director proposed to be reappointed, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges in India, are provided in the notice forming part of the Annual Report.

AUDITORS

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

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

SHARE CAPITAL AUDIT

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

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

CONSOLIDATED FINANCIAL STATEMENT

As per the requirements of the Listing Agreement and Accounting Standards and Guidelines issued by The Institute of Chartered Accountants of India, the consolidated financial statements have been prepared on the basis of financial statements of the Company and abovementioned subsidiary.

AMTEK INDIA LIMITED**FIXED DEPOSITS**

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

DE-MATERIALISATION OF SHARES

The Company's equity shares are available for 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 2010, 12,51,79,508 equity shares representing 99.23% of your Company's equity shares capital has been de-materialized.

LISTING AT STOCK EXCHANGES

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

STATUTORY INFORMATION

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- That in the preparation of the annual accounts for the financial year ended 30th June, 2010, the applicable Accounting Standards have been followed;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the 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

**AMTEK INDIA LIMITED**

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.

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, 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 all the stakeholders.

By Order of the Board
For AMTEK INDIA LIMITED

Place : New Delhi
Date : 24th November 2010

Sd/-
(ARVIND DHAM)
Chairman

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

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

II. Technology 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 the beginning of the financial year) | : | Nil |

III. Foreign Exchange Outgo:

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

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

(Rs in Lacs)

	Current Year	Previous year
Foreign Exchange Used :	2,420.32	1,760.05

IV. Conservation of Energy**A. Power & Fuel consumption****1. Electricity Purchased**

Units (in Lacs)	736.78	435.35
Total Amt. (Rs in Lacs)	3,488.98	2,193.23
Rate/Unit	4.74	5.04

2. Own generation through Generator

Units (in Lacs)	22.80	48.55
Unit/Ltr	3.25	3.25
Rate/Unit	11.28	9.23
Total Amt. (Rs in Lacs)	257.27	448.04

B. Consumption Per Unit of Production

Auto Components (In lacs)	201.23	155.62
Cost/Pc	18.62	16.97



AMTEK INDIA LIMITED

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Amtek's philosophy on Corporate Governance is aimed at safeguarding and adding value to the interest of various stakeholders of the Company including shareholders, lenders, employees and public at large. The Company took initiative in practicing good Corporate Governance procedures, even before they were mandated.

The Company envisages pursuing the highest standards of accountability, transparency and to endeavor to maximize the earnings of the shareholders. The Company is committed to follow the highest management standards in conformity with the stipulations of the various regulators.

II. BOARD OF DIRECTORS

The Business of the Company is managed by the Board of Directors. The functions of the Board include formulation of strategic business plans, budgets, setting up goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

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

A. Composition of Directorships

The constitution of the Board as on June 30, 2010:-

Non Executive Chairman
Mr. Arvind Dham

Promoter Director	Executive Director	Non-Executive and Independent Directors
Mr. Arvind Dham	Mr. Gautam Malhotra	Mr. D. S. Malik Mr. Shekhar Gupta Mr. K.T. James Mr. Chetan Vimal Kumar Shah

B. Pecuniary Relationship

There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company.

C. Attendance Record of Board Meetings

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

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

Director	No. of Board Meetings attended	Attendance at last AGM	Attendance at last EGM
Mr. Gautam Malhotra	6	NO	NO
Mr. Arvind Dham	4	NO	NO
Mr. D. S. Malik	6	YES	YES
Mr. K.T. James	4	YES	YES
Mr. Shekhar Gupta	3	NO	NO
Mr. Chetan Vimal Kumar Shah	6	NO	NO