



AMTEK AUTO LIMITED

22nd ANNUAL REPORT
2007 - 2008



AMTEK AUTO LIMITED

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Board Of Directors

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

Company Secretary

Mr. Rajeev Raj Kumar

Auditors

M/s Manoj Mohan & Associates
Chartered Accountants

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Regd. Office & Works (Unit-I)

Plot Not. 16, Industrial Estate,
Rozka-Meo (Sohna)
Distt. Gurgaon (Haryana).
Ph.: 0124-2362140
Tel/Fax: 0124-662454
e-mail: aall@amtek.com

Unit-II

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

Unit-III

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

Unit-IV

Village Malpura,
Dharuhera, Rewari, Haryana

Unit-V

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

Unit-VI

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

Unit-VII

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

Unit-VIII

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

Unit-IX

Nalagarh, Distt. Solan (H.P.)

Unit-X

Ranjangaon, Pune, Maharashtra

Unit-XI

Plot No. 20, Phase-I, Indl. Area,
Dharuhera, Rewari, Haryana

Corporate Office

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

Bankers

Corporation Bank
Andhra Bank
Indian Overseas Bank

Registrar & Share Transfer Agent

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

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the members of Amtek Auto Limited will be held at Plot No. 16, Industrial Estate, Rozka Meo, Sohna, Gurgaon (Haryana) on Wednesday, the 31st December, 2008 at 9.30 a.m. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2008, 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. Arvind Dham, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. John Ernest Flintham, who retires by rotation and being eligible, offers himself for re-appointment.
4. To declare dividend.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

By order of the Board
For AMTEK AUTO LIMITED

Place : New Delhi
Date : 01-12-2008

Sd/-
(D. S. MALIK)
Managing Director

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE 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 Saturday, 27th December 2008 to Wednesday, 31st December 2008 (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 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 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 January 30 2009:-
- 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, 2008.
 - In respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on December 27, 2008.
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 31 March 2001 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.

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

Name	Arvind Dham
Date of Birth	15th March 1961
Qualification	B. Arch.
Profession	Industrialist
Expertise	Setting up of new projects
Other Directorships	Amtek India Limited Ahmednagar Forgings Limited. Amtek Ring Gears Limited Amtek Crankshafts (India) Limited Amtek Casting India Limited WHF Precision Forgings Limited Alliance Hydro Power Ltd. Amtek Infrastructure Ltd. Amtek Railcar Ltd.

Name	John Ernest Flintham
Date of Birth	16th September 1952
Qualification	H.N.B. in Mech. Engineering from Technical College, Lincoln
Profession	Service
Expertise	Manufacturing of Automotive Components & Commercial Sales
Other Directorships	Amtek Tekfor Automotive Limited MPT Amtek Automotive Limited Amtek VCST Powertrains India Limited Amtek Ari Railcar Private Limited

DIRECTORS' REPORT

TO

THE MEMBERS,
AMTEK AUTO LIMITED

Your Directors have pleasure in presenting the 22nd Annual Report and the Audited Accounts of the Company for the financial year ended 30th June 2008.

FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	Year ended 30th June 2008	Year ended 30th June 2007
Total Income	1,42,465.26	1,19,570.57
Expenditures	97,814.50	81,031.37
Gross Profit Before Depreciation	44,650.76	38,539.20
Depreciation	9,457.09	6,333.92
Profit Before Tax	35,193.67	32,205.28
Tax Expenses	9,068.61	8,620.84
Profit after Tax	26,125.06	23,584.44
Add. Accumulated Profit	12,508.76	3,863.16
Balance available for appropriation	38,633.82	27,447.60
APPROPRIATIONS:		
Transfer to General Reserve	3,000	10,000
Transfer to Debenture Redemption Reserve	0.00	300.37
Transfer to F.C.C.B. Redemption Reserve	34,700.00	0.00
Proposed Dividend on Equity Shares	704.97	3,923.71
Equity Dividend & Tax for previous year (not appropriated in previous year)	94.14	41.27
Dividend on Preference Capital	0.00	5.62
Corporate dividend tax	119.81	667.87
Surplus carried to Balance Sheet	14.90	12,508.76

PERFORMANCE

The Consolidated turnover for the year under review was significantly higher at Rs.4,65,679.10 lacs as against Rs. 3,72,061.25 lacs in the previous year registering a substantial growth of 25.16%. The operating profit for the year of Rs.84428.31 lacs was higher by 16.85% over the previous year of Rs.72255.81 lacs.

On the Standalone basis, the turnover of the Company for the year under review was Rs. 142,465.26 lacs as against Rs. 119,570.57 lacs in the previous year, registering a growth of 19.15% for the year. The Profit Before Tax increased by 9.28% to Rs.35193.67 Lacs as against Rs. 32205.28 lacs in the previous year The Profit After Tax increased by 10.77% to Rs. 26,125.06 lacs as against Rs. 23,584.45 lacs for the previous year. The Company has strong reserve position of Rs. 230,164.45 lacs.

DIVIDEND

The Board of Directors are pleased to recommend a Dividend @ 25% for the financial year 2007-08 i.e. Rs. 0.50 Per equity share of Rs.2/- each for your approval. The Proposed dividend, if approved at the ensuing Annual General Meeting, would result in appropriation of Rs. 824.78 Lacs (including Corporate Dividend Tax of Rs. 119.81 Lacs) out of the profits. The Company has made transfer of Rs.3,000 Lacs to the General Reserve. The total appropriation of dividend of Rs.824.78 Lacs gives 3.16% pay out on net profit of the Company.

The Register of members and share transfer books shall remain closed from 27th December 2008 to 31st December 2008 (both days inclusive), for the purpose of Annual General Meeting and payment of Dividend.

JOINT VENTURE AGREEMENTS

Joint Venture Agreement with FormTech Industries

Subsequent to the year ended 30th June 2008 in the month of August 2008, the Company signed a JV agreement with Form Tech Industries LLC based in Royal Oak, Michigan; to set up a state of the art manufacturing facility for manufacturing Hatebur Hot Forgings for automotive applications in India and Europe. Amtek and FormTech will take 51% & 49% stake respectively.

FormTech is a leading manufacturer and supplier of precision hot, warm and cold forging components. It has the highest concentration of Hatebur Hot Forging machines in the world and is the largest independent automotive forgings suppliers in the USA. Its mission is to build upon product expertise, process technology and market leadership to deliver value-added components and assemblies to automotive customers around the world.

Being the world leader in Hatebur Hot Forgings manufacturing, FormTech will bring its state-of-the-art forging design and process technology to the JV. It will be another product diversification for us and also comes as a backward integration, as it is already one of the largest manufacturers of fully machined forgings for various applications.

This Joint Venture will complement your company's already significant forging division whilst also a step forward in direction of expanding its customer and product portfolio as well as attaining world class technological edge in automotive component manufacturing.

Joint Venture Agreement with American Railcar Industries

Your Company has signed a strategically important JV agreement with the leading American Railcar Manufacturer, American Railcar Industries, Inc. based in St. Charles, Missouri. The JV Company is expected to manufacture products from a new facility to be located in India. It is expected that the JV will begin railcar production in the 3rd Quarter of 2009. The JV would use the manufacturing methods that ARI has developed and would initially manufacture railcar types that are currently being sold in India. It is anticipated that this JV would introduce and build railcars new to the Indian Market within the next few years. It is also anticipated that the JV will produce railcars and component products for sale in other specific countries in South East Asia and the Middle East.

American Railcar industries is a leading North American manufacturer of hooper and tank rail cars. It also repairs and refurbishes rail cars, provides fleet management services and designs and manufactures certain rail cars and industrial components used in the production of its railcar as well as rail car and non rail products produced by others. ARI provides its railcar customers with integrated solutions through a comprehensive set of high quality products and related services.

This JV Agreement with American Railcar industries Inc will pave way to combine ARI's undoubted success in building high quality railcars. It will cover not only railways but also target huge potential in the aerospace industry.

MERGER

The Board of Directors of the Company in its meeting held on July 31, 2008 have approved the merger of Amtek India Limited, Ahmednagar Forgings Limited, Amtek Ring Gears Limited, Amtek Crankshaft India Limited, Amtek Castings India Limited with Amtek Auto Limited. The merger is subject to various approvals including approval of the shareholders and creditors of the respective companies, the High Courts of Delhi, Punjab & Haryana, Bombay High Court and Madras High Court, Stock Exchanges and other concerned authorities. The Appointed date of merger is proposed to be 1st July 2007 or such other date as the Board and/or Shareholders of the Company may approve or Hon'ble High Court may direct/fix.

The Scheme of Arrangement approved by the Board envisages a share exchange ratio as detailed below:-

- 44 Equity Shares of Amtek Auto Limited of Rs.2/- each fully paid up for every 100 Equity Shares of Amtek India Limited of Rs.2/- each fully paid up.
- 56 Equity Shares of Amtek Auto Limited of Rs.2/- each fully paid up for every 100 Equity Shares of Ahmednagar Forgings India Limited of Rs.10/- each fully paid up.
- 51 Equity Shares of Amtek Auto Limited of Rs.2/- each fully paid up for every 100 Equity Shares of Amtek Ring Gears Limited of Rs.10/- each fully paid up.



- 77 Equity Shares of Amtek Auto Limited of Rs.2/- each fully paid up for every 100 Equity Shares of Amtek Crankshafts India Limited of Rs.10/- each fully paid up.
- 5 Equity Shares of Amtek Auto Limited of Rs.2/- each fully paid up for every 100 Equity Shares of Amtek Casting India Limited of Rs.10/- each fully paid up.

The amalgamation of the Companies will result in increased business synergies with common production facilities, management personnel, financial, marketing and other resources. The merger will also enable pooling of resources of the aforesaid companies to their common advantage, resulting in more productive utilization of the said resources, operational efficiencies, greater economies of scale, reduction in overhead and other expenses, which would result in the businesses to be carried on more economically and efficiently and thus beneficial for all the stakeholders.

The amalgamation would result in the emergence of a strong and focused consolidated entity to manage the business more advantageously and thereby increase in the profitability and in your net worth.

SHARE CAPITAL

The Company has allotted 70,00,000 equity shares of Rs. 2/- per share at a premium of Rs. 458/- per share aggregating to Rs. 322 Crores to promoters of the Company pursuant to the resolution passed by the shareholder's of the Company in their Annual General Meeting held on 31st December 2007.

The Company also issued and allotted 1,50,00,000 warrants entitling the warrant holder(s) to apply for equivalent number of fully paid up equity shares of Rs.2/- per share at a premium of Rs.458/- per share of the Company to the promoter group companies on preferential basis.

In addition to above the Company also issued and allotted 32,02,775 equity shares of Rs.2/- each at a conversion price of Rs.209.83 per share upon conversion of FCCB's of 15.382 million.

CONVERSION OF FCCBs:

During the year 2004-05, the Company issued 1,50,000 Foreign Currency Convertible Bonds of US\$ 1000 each. As on date FCCBs of US\$ 132.50 millions have been converted into 2,75,88,613 equity shares of Rs.2/- each at a conversion price of Rs.209.83 per share.

ISSUE OF NON CONVERTIBLE DEBENTURES

The Board of Directors of the Company in their meeting held on October 25, 2008, has considered and approved the Issue of Secured Redeemable Non-convertible Debentures of Rs.500 Crores. The Company has appointed Axis Bank Ltd. as Debenture Trustee for the debenture issue.

Credit Rating

The Credit Analysis & Research Ltd. (CARE) has assigned a CARE AA+ (CARE Double A Plus) rating to the NCD issue of the Company for Rs. 500 Crore. The instruments carrying AA+ rating are considered to offer high safety for timely servicing of debt obligation. Such instruments carry very low credit risk.

EXTERNAL COMMERCIAL BORROWINGS

During the year under review, the Company has raised a foreign currency loan of US\$ 250 million through External Commercial Borrowings (ECBs) for capital expenditures for a period of 5 years.

EXPANSION

During the year under review, the Company has expanded its capacity of manufacturing of machined auto components from 280 lacs unit p.a. to 300 lacs unit p.a. and forging capacity from 115000 tpa to 135000 tpa.

SUBSIDIARY COMPANIES

As of 30th June 2008, Your Company has following subsidiaries:-

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

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

The Company has received an exemption from the Central Government under section 212 (8) of the Companies Act, 1956, from the attachment of copy of the Balance Sheet, Profit and Loss Account and other documents of subsidiaries for the year ended 30th June 2008 with annual account of the holding company. The annual report and accounts of the subsidiaries will be made available upon request by any member of the Company interested in obtaining the same. However, pursuant to Accounting Standard AS-21, Consolidated Financial Statements presented by the Company include Financial Results of its subsidiaries.

DIRECTORS

Mr Arvind Dham and Mr. John Ernest Flintham retire at the ensuing Annual General meeting and being eligible offer themselves for re-appointment.

Brief resume of the Directors proposed to be appointed/reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, as stipulated under clause 49 of the Listing Agreements with the Stock Exchanges in India, are provided in notice forming part of the Annual Report.

AUDITORS

The Auditors of the Company M/s Manoj Mohan & Associates, Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment. Certificate from Auditors has 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.

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 above mentioned subsidiaries.

FIXED DEPOSITS

During the year under review, the Company has not accepted public 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 2008, 14,02,87,149 equity shares representing 99.50% of your Company's Equity Shares capital have been de-materialised.

LISTING AT STOCK EXCHANGE

The Shares of Company are listed on Bombay Stock Exchange Limited and The National Stock Exchange of India Limited. The Company has paid annual listing fee to the Stock exchanges for the year 2008 - 2009.

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

STATUTORY INFORMATION

- Particular of Employees under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 – Details are given in the Annexure and form part of this Report.
- Statutory details of Energy Conservation and Technology Absorption R & D activities and Foreign Exchange 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.

- Certificate received from the Auditors of the Company regarding Compliance of conditions of Corporate Governance, as required under clause 49 VI of the Listing Agreement, is Annexed and forms part of this report.
- As required under clause 49 IV F of the listing Agreement, Management Discussion and Analysis Report is annexed and forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

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

- That in the preparation of the annual accounts for the year ended 30th June 2008, 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 year 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-materialization arrangement exists with both the depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited.

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, other Government Agencies, our valued customers and the investors for their continued support and assistance.

The Employees of your Company continued to display their unstinted devotion, co- operation and commitment in pursuit of excellence, Your directors take this opportunity to record their appreciation of the dedicated work and contribution made by every member of Amtek family enabling the company to realize its corporate objective.

Your directors also express their profound thanks to the shareholders for their faith and continued support to the endeavors of the company.

By order of the Board
FOR AMTEK AUTO LIMITED

Date : 01-12-2008
Place : New Delhi

Sd/-
(ARVIND DHAM)
CHAIRMAN

ANNEXURE TO THE DIRECTORS' REPORT 2007-2008

A. STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975.

EMPLOYED FOR YEAR:

S. No.	Name of Employee	Designation	Qualification	Experience (Yrs.)	Date of Joining	Remuneration (Rs. in Lacs)	Age (Yr.)	Last Employment held/ Year/Organisation
1.	Sh. D.S. Malik	Managing Director	B.E. (Mech.)	35	19.03.2001	35.10	57	Escorts Limited
EMPLOYED THROUGHOUT THE FINANCIAL YEAR				Nil				

B. 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) Benefit derived as a 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 | : | 1. The Company has indigenised and absorbed technological changes as advised by collaborators in the past. |
| b) Benefit derived as a Result of above efforts e.g. product | : | i) Cost reduction to savings in raw material dies & moulds & power & fuel |
| c) In case of Imported technology (import) during the last 6 years reckoned from beginning of the financial years). | : | ii) Increase in Productivity |

III. Foreign Exchange Earning & Outgo:

Activities relating to exports; initiative taken to increase exports; development of new export markets for product and services and export plans.

The Company has strategically acquired units in UK, USA and Germany to increase its share of business in the international market.

The Company has now access to all automobile majors in U.S. and Europe market through its front end subsidiaries who are their existing suppliers and have a past business relationship.

	Current Year	(Rs. in Lacs) Previous Year
Foreign Exchange used	4163.65	2522.47
IV. Conservation of energy :		
A. Power & Fuel Consumption :		
1. Electricity Purchased		
Units (in Lacs)	161.45	117.78
Total Amount	745.92	538.27
Rate / Unit	4.62	4.57
2. Own Generation through Generator :		
Units	172.48	126.72
Unit/Ltr.	3.20	3.01
Rate / Unit	10.83	10.19
Total Amt.	1870.99	1290.69
B. Consumption per unit of production Products		
Auto Components (in lacs)	437.56	404.08
Cost/Pc.	5.98	4.53

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Amtek considers Corporate Governance as an important tool for achieving all round excellence with ultimate objective of enhancing shareholders' value. The Company took initiative in practicing good Corporate Governance procedures, even before they were made mandatory.

Amtek firmly believes that Corporate Governance begins with Company's continuous review of its internal procedures and practices encompassing all its business areas in the most appropriate manner, which would spell fairness, transparency and accountability.

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 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, 2008 :

**Non-Executive Chairman
Mr. Arvind Dham, Chairman and Director**

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

* Mr. K. Vaidyalingam is nominee director of Life Insurance Corporation of India (LIC).

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, Five Board meetings were held on 31.07.2007, 31.10.2007, 01.12.2007, 31.01.2008 and 30.04.2008. The Board members are given appropriate documents and information in advance of each Board meeting.

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

Director	No. of Board Meetings attended	Attendance at last AGM	Attendance at last EGM
Mr. Arvind Dham	04	NO	NO
Mr. D. S. Malik	04	YES	YES
Mr. Sanjay Chhabra	04	NO	NO
Mr. Rajeev Thakur	04	NO	NO
Mr. B. Lugani	05	YES	YES
Mr. K. Vaidyalingam	05	NO	NO
Mr. John Flintham	01	NO	NO

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

Name of Director	Category of Directorship	No. of other directorships Held in Other Public Companies*	No. of Membership in other companies committees **	
			Member	Chairman
Mr. Arvind Dham	Promoter & Non Executive Chairman	9	3	-
Mr. D. S. Malik	Executive & Managing Director	8	2	1
Mr. Sanjay Chhabra	Independent & Non Executive	-	-	-
Mr. Rajeev Thakur	Independent & Non Executive	-	-	-
Mr. B. Lugani	Independent & Non Executive	1	4	1
Mr. K. Vaidyalingam (Nominee LIC)	Independent & Non Executive	-	-	-
Mr. John Ernest Flintham	Non Executive	4	-	-

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

** The Committee of Directors includes Audit Committee, Shareholders/Investors Grievance Committee and Remuneration Committee of Directors only. This does not include Memberships/Chairmanship in committees of Private Limited companies.

III. BOARD PROCEDURES

The members of the Board have been provided with the requisite information as per the listing agreement well before the Board Meeting and the same was dealt with appropriately.

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

IV. AUDIT COMMITTEE

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

During the year, the committee met 4 times and the attendance of members at the meetings was as follows:

Name of Member	Status	No. of Meetings attended
Mr. B. Lugani	Chairman	4
Mr. Rajeev Thakur	Director	4
Mr. Sanjay Chhabra	Director	4

V. REMUNERATION COMMITTEE

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

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

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

(A) The details of the remuneration to the Managing Director and Executive Director provided as per accounts for the year ended June 30, 2008 are given below:-

				(Rs. In Lacs)
Executive Director	Salary*	Commission	Total	Service Contract
Mr. D. S. Malik	35.10	–	35.10	5 Years

* Salary includes basic salary, perquisites and allowances, contribution to provident fund etc.

(B) The details of the remuneration to the Non Executive Director provided as per accounts for the year ended June 30, 2008 are given below:-

Non Executive Director	Sitting Fee (Rs.)	Commission	Total (Rs.)
Mr. B. Lugani	76000	–	76000
Mr. Sanjay Chhabra	74000	–	74000
Mr. Rajeev Thakur	66000	–	66000
Mr. K. Vaidyalingam	42000	–	42000

VI. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Board has constituted a Shareholders'/ Investors' Grievance Committee, comprising of three directors under the chairmanship of Mr. Rajiv Thakur. The other members in the committee being, Mr. Sanjay Chhabra and Mr. B. Lugani. The committee has been constituted to specifically look into redressal of shareholders' and investors grievances such as transfer, dividend, de-materialization related matters.

During the period, the committee met four times. All the members were present in all the meetings held during the year.

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review was 32. As on 30th June 2008, there are Nil complaints pending with the Company.

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

VII. SHARE TRANSFER COMMITTEE

The Board has delegated the powers to approve transfer of the Shares to Share Transfer Committee. The Committee held eleven meeting during the year and approved transfer of the Shares lodged with the company.

- The committee deals with the following matters:
- Transfer/transmission of shares;

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

VIII. GENERAL BODY MEETINGS

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

Year	Location	Date	Time	Special Resolutions passed
2006-2007	16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana.	31.12.2007	9.30 A.M.	<ol style="list-style-type: none"> 1. Amendment in Article of Association to reflect increase in A Uthorised share Capital. 2. Issue of Further Shares u/s 81 (1A) 3. Issuance of Warrants u/s 81 (1A).
2005-2006	16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana.	26.12.2006	9.30 A.M.	NA
2004-2005	16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana.	30.12.2005	9.30 A.M.	NA

During the last year no resolution was put through postal ballot.

IX DISCLOSURES

(A) Basis of Related Party Transaction

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of company at large — Nil

(B) Whistle Blower Policy

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

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

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

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

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

The Board has prescribed a Code of Conduct ("Code") for all Board members and senior management of the Company. The Code has been posted on the website of the Company (www.amtek.com). All Board members and senior management personnel have confirmed compliance with the Code for the year 2007-08. A declaration to this effect signed by the Managing Director & CEO of the Company, is provided elsewhere in the Annual Report.



(D) Disclosure of Accounting Treatment :

In the preparation of financial statements for the year ended on June 2008; there was no treatment different from that prescribed in an accounting standard that had been followed.

(E) Board Disclosures – Risk Management :

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

(F) Proceeds from public issues, right issues, preferential issues etc.

During the year, the Company raised an amount of Rs 322 Crores through preferential issues on private placement basis, the uses / application of funds of which were disclosed to the Audit Committee as a part of their quarterly declaration of financial results. The funds were utilized for their intended purposes as disclosed in the respective notices calling general meeting seeking shareholders for such issues. All such disclosures were duly certified by the statutory auditors.

X. SUBSIDIARY MONITORING FRAMEWORK

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

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

XI. MEANS OF COMMUNICATION

Results for quarter ended 30th September 2007, 31st December 2007, 31st March 2008 and 30th June 2008 have been published in English and Hindi newspapers (viz Pioneer and Vir Arjun).

The Company also uploads its financial results, shareholding pattern and other information on the website of the Company i.e. www.amtek.com

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

XII. GENERAL SHAREHOLDERS INFORMATION

1. ANNUAL GENERAL MEETING

Date	December 31, 2008
Day	Wednesday
Time and Venue	9.30 A.M, Plot No.16, Industrial Estate Rozka-Meo, Sohna, Distt. Gurgaon (Haryana)

**2. FINANCIAL CALENDER:
(Tentative & Subject to change)**

Financial year : 2008-2009	July 1, 2008 to June 30, 2009
First Quarter Results	End October, 2008
Second Quarter Results	End January, 2009
Third Quarter Results	End April, 2009
Fourth Quarter Results	End July, 2009

3. DATES OF BOOK CLOSURE:

Saturday, December 27, 2008 to
Wednesday, December 31, 2008
(Both days inclusive)

4. DIVIDEND PAYMENT DATE :

On or before January 30, 2009

5. LISTING ON STOCK EXCHANGES :

- a) The Shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fees for the year 2008-2009 has been paid to the Stock Exchanges within the stipulated time.
- b) The Global Depository Receipts are listed on London Stock Exchange and Foreign Currency Convertible Bonds are listed on Singapore Stock Exchange.
- c) **Debt Securities**
The wholesale Debt Market (WDM) Segment of BSE.
- d) **Debenture Trustee**
Axis Bank Limited
Maker Tower F, 13th Floor, Cuffe Parade, Colaba
Mumbai - 400005

6. STOCK CODES :

MUMBAI STOCK EXCHANGE	:	Security Code	520077
NATIONAL STOCK EXCHANGE	:	Trading Symbol	AMTEKAUTO
ISIN NO. for dematerialised shares	:	INE 130C01021	

6a. STOCK MARKET DATA

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

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
July 2007	425.00	360.00	421.05	377.5
August 2007	390.00	335.00	383.65	339.9
September 2007	410.00	335.05	375.2	340
October 2007	526.00	345.10	510.85	364.8
November 2007	514.00	415.00	479.95	418.4
December 2007	497.00	419.00	485.4	425.05
January 2008	459.00	290.00	445.75	328.45
February 2008	344.00	289.00	339.2	296.85
March 2008	309.00	228.00	297.5	241.25
April 2008	311.00	255.00	301.75	267.65
May 2008	306.00	278.00	301.35	285.05
June 2008	289.95	230.95	283.3	238.25

Bombay Stock Exchange



Graph 01-07-2007 to 30-06-2008



National Stock Exchange



Graph 01-07-2007 to 30-06-2008

7. REGISTRARS AND TRANSFER AGENTS:

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

8. SHARE TRANSFER SYSTEM

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

9. DISTRIBUTION OF SHAREHOLDING AS ON JUNE 30, 2008

No. of Shares held (Rs.2/- paid up)		Shareholders Number	% of Total	Total (in Rs.)	% of Total Shareholding
Up to	5000	9988	97.04	4147336	1.47
5001	10000	82	0.80	585928	0.21
10001	20000	53	0.51	777392	0.28
20001	30000	26	0.25	629168	0.22
30001	40000	14	0.14	470274	0.17
40001	50000	9	0.09	418098	0.15
50001	100000	24	0.23	1764486	0.62
100001	Above	97	0.94	273193604	96.88
TOTAL :		10293	100.00	281986286	100.00

10. THE SHAREHOLDING PATTERN ON JUNE 30, 2008

Category Code	Category of Shareholder of Shareholders	Total Number of Shares	Total Number	Percentage
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian			
(a)	Individual's/Hindu Undivided Family	6	2797240	1.984
(b)	Central Government/State Government(s)	0	0	0
(c)	Bodies Corporate	8	45493400	32.266
(d)	Financial Institutions / Banks	0	0	0
(e)	Any Other (specify)	0	0	0
	Sub - Total (A) (1)	14	48290640	34.250
(2)	Foreign			
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0
(b)	Bodies Corporate	0	0	0
(c)	Institutions	0	0	0
(d)	Any Other (Specify)	0	0	0
	Sub - Total (A) (2)	0	0	0
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	14	48290640	34.250
(B)	Public Shareholding			
(1)	Institutions			
(a)	Mutual Funds/UTI	23	13593116	9.641
(b)	Financial Institutions / Banks	11	913185	0.648
(c)	Central Government / State Government(s)	0	0	0
(d)	Venture Capital Funds	0	0	0
(e)	Insurance Companies	0	0	0
(f)	Foreign Institutional Investors	76	63608763	45.115
(g)	Foreign Venture Capital Investors	0	0	0
(h)	Any Other (Specify) (OCB/Foreign Bank)	0	0	0
	Sub Total (B) (1)	110	78115064	55.403
(2)	Non-Institutions			
(a)	Bodies Corporate	466	4838412	3.432
(b)	Individuals -			
i.	Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh.	9196	2432073	1.725
ii.	Individual Shareholders holding nominal Share Capital in excess of Rs. 1 lakh	9	2334710	1.656

(c) Any Other (specify)	0	0	0
(i) Trusts	3	1400	0.001
(ii) Clearing Members	69	1150336	0.816
(iii) NRI Individuals	236	174754	0.124
(iv) HUF	184	77933	0.055
(v) Foreign Corporate Bodies	5	3567821	2.530
Sub-Total (B)(2)	10168	14577439	10.339
Total Public Shareholding (B) = (B)(1) + (B)(2)	10278	92692503	65.743
TOTAL (A) + (B)	10292	140983143	99.993
(C) Shares held by Custodians and against which Depository Receipts have been issued	1	10000	0.007
GRAND TOTAL (A)+(B)+(C)	10293	140993143	100.00

11. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The dematting facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 30th June 2008 140287149 equity shares representing 99.50% of your Company's Equity shares capital have been de-materialised.

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

During the year 2004-2005, the Company had issued 94,15,000 Global Depository Receipts(GDRs) at an offer price of US\$ 7.328 each aggregating to US\$ 69 million representing 1,88,30,000 underlying Equity Shares of Rs.2/- each at a premium of Rs.163/- per share. As on 30th June 2008 the Company has 10,000 outstanding GDRs. On the conversion of GDRs into equity shares there will be no impact on the equity capital of the company, since the company has already issued shares to the trustee i.e. Bank of New York.

During the year 2004-05, the Company issued 1,50,000 Foreign Currency Convertible Bonds of US\$ 1000 each. As on date FCCBs of US\$ 132.50 millions have been converted into 2,75,88,613 equity shares of Rs.2/- each at a conversion price of Rs.209.83 per share.

A Total of 1,50,00,000 warrants were allotted on preferential basis on 15th January 2008 to the entities in the promoter group in accordance with SEBI (Disclosure and Investor Protection) Guidelines 2000 entitling the warrant holder(s) to apply for equivalent number of fully paid up equity share of Rs. 2/- per share at a premium of Rs. 458/- per share of the Company.

Assuming that all the outstanding FCCB and warrants are converted into equity shares during the year ended 30th June 2009, the paid up capital of the Company will increase from Rs. 28,19,86,286/- divided into 14,09,93,143 Equity Shares of Rs.2/- each to Rs.36,81,57,508/- divided into 18,40,78,754 Equity Shares of Rs.2/- each.

13. PLANT LOCATION

- Unit I – 16, Industrial Estate, Rozka Meo, Sohna, Distt. Gurgaon, Haryana.
- Unit II – Bagumpur Khataula, P.O. Khandsa, Distt. Gurgaon, Haryana.
- Unit III – Vill. Mohammadpur, Jharsa, Distt. Gurgaon (Haryana).
- Unit IV – Village Malpura, Daruhera, Rewari, Haryana.
- Unit V – Plot No. 1, Sector –II, New Industrial Area, Distt. Raisen, Mandideep – 462046.
- Unit VI – Plot No. 1, Industrial Area, Dharuhera, Rewari, Haryana.
- Unit VII – Plot No. 53, Sector – III, Industrial Area, IMT Manesar, Gurgaon (Haryana)
- Unit VIII – Gat No. 1074-1085, Sanaswadi Shikrapur Chakan Road, Taluka Shirpur, Pune, Maharashtra.
- Unit IX – Nalagarh , Distt. Solan (H.P.)
- Unit X – Ranjangaon, Pune, (Maharashtra)
- Unit XI – Plot No. 20, Phase-I, Industrial Area, Dharuhera, Rewari, Haryana.

14. INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO:-

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

By order of the Board
FOR AMTEK AUTO LIMITED

Place : New Delhi
Date : 01-12-2008

Sd/-
(ARVIND DHAM)
CHAIRMAN



AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Shareholders
Amtek Auto Limited

We have examined the compliance of conditions of corporate governance by Amtek Auto Limited for the Year ended on 30th June 2008 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the shareholders/ Investors Grievance Committee has maintained records to show the Investors Grievance and certify that as at 30.06.2008, there were no investors grievance remaining unattended/pending for more than 30 days.

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

For **Manoj Mohan & Associates**
Chartered Accountants

Place : New Delhi
Date : 01-12-2008

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

DECLARATION BY CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT

As required under clause 49 of the Listing Agreement with Stock Exchanges, it is hereby confirmed that for the year ended 30th June 2008, the Director's of Amtek Auto Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Employee Code of Conduct, as applicable to them.

New Delhi
01-12-2008

Sd/-
D.S. Malik
Managing Director

CEO AND CFO CERTIFICATION

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

- a) We have reviewed the financial statements and cash flow statement for the year ended 30th June 2008 and to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading ;
 - II. These statements together, present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 30th June 2008 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - I) There has not been any significant change in internal control over financial reporting during the year under reference;
 - II) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - III) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

New Delhi
01-12-2008

Sd/-
VINOD UPPAL
Vice President (Finance)

Sd/-
D. S. MALIK
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDIAN AUTO COMPONENT INDUSTRY

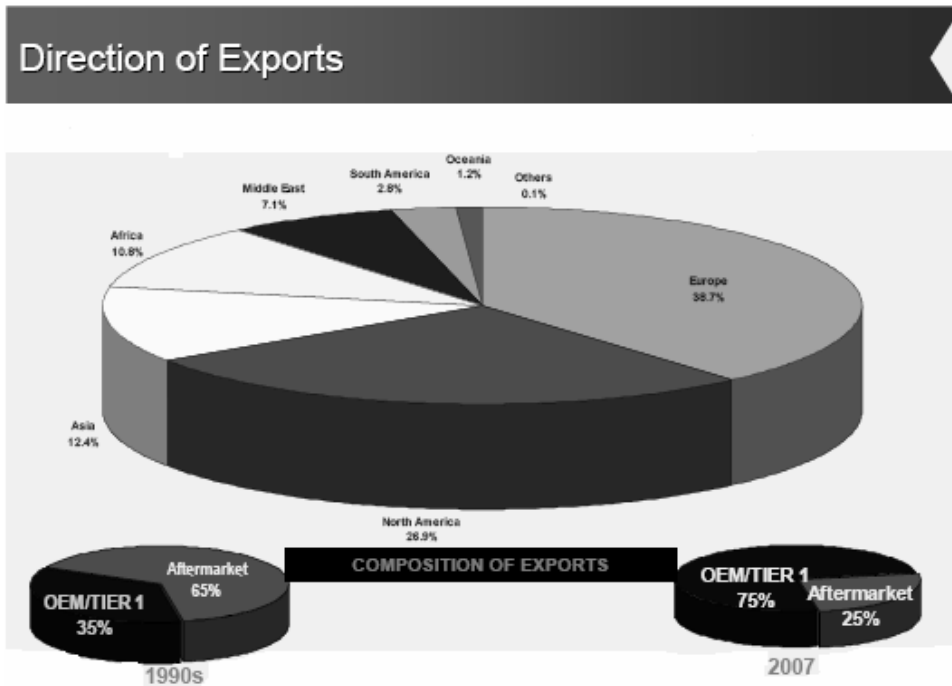
The Indian Automobile Component Industry is emerging as a world class outsourcing destination for global auto majors. The Indian automobile component industry is fully equipped to deliver compelling value to the world in design, engineering and component manufacture. The opportunity for India is to plug into all aspects of the global value chain. It has also the opportunity and the potential to dramatically increase its share of global automobile market.

Industry Turnover

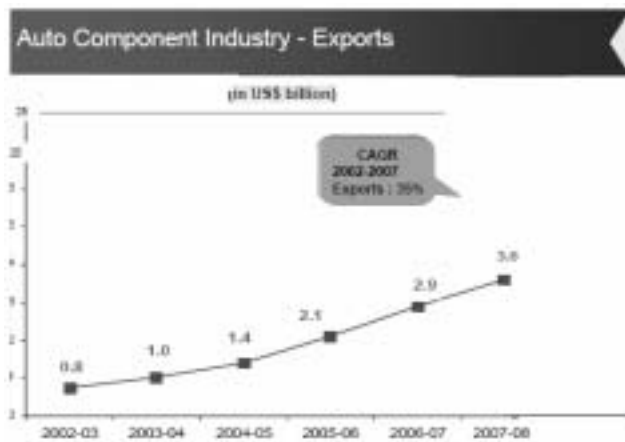


The Automotive Component Industry's output amounted for the financial year 2007-08 US\$ 18 billion with a growth rate of 20% against financial year 2006-07. It has been growing at CAGR 27.2% p.a. for last five years which is highest in the industrial sector.

Exports



The Industry has been exporting around 20% of its output and growing at the rate of 25%. In the year 2007-08, industry has exported US\$ 3.6 billion versus US\$ 2.9 billion in year 2006-07.



Quality

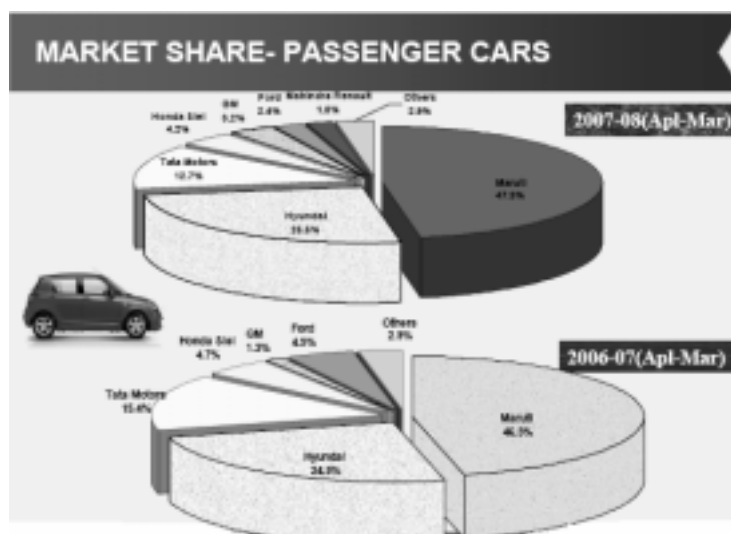
The Industry has been making rapid strides towards achievement of world-class Quality Systems by imbibing ISO 9000/ ISO 14001/QS 9000/TS 16949 Quality Systems. Till now 555 Companies have been certified ISO 9001/9002, 180 companies awarded ISO 14001, 386 companies have been certified with TS 16949, 59 companies have been certified with OHSAS 18001, 11 companies won the Deming prize, 1 company won Japan Quality Medal and 4 companies won the JIPM Excellence award.

2. OPPORTUNITIES & CONSTRAINTS

OPPORTUNITIES

According to the Investment Commission of India, global automobile manufacturers see India as a manufacturing hub for auto components and are rapidly increasing the value of components they source from India due to:

- India's cost competitiveness in terms of labour and raw material.
- Its established manufacturing base. 5 Indian companies in the automotive sector have received the coveted Deming Prize: the largest number outside Japan. Many international auto-component majors including Delphi, Visteon, Bosch and Meritor have set up operations in India.
- Auto manufacturers including GM, Ford, Toyota, etc. and auto components manufacturers have set up International Purchasing Offices (IPOs) in India to source for their global operations.





- Fine-quality components are manufactured in India (used as original components for vehicles made by General Motors, Mercedes, IVECO and Daewoo among others).
- India is also fast becoming a global hub for R&D: GM, Daimler Chrysler, Bosch, Suzuki, Johnson Controls etc. have set up development centres in India.

CONSTRAINTS

The year 2008 is shaping up to be a year marked by profound industrial shifts and strong headwinds for the automotive industry, as global players respond to a fast growing array of financial and regulatory pressures. Such constraints include increasing fuel economy and/or drastic CO2 emissions mandates, rising commodity prices, a weakened US dollar, changing consumer preferences, and liquidity concerns. Nonetheless, tremendous opportunities exist for automakers and suppliers who are prepared to deliver swift and viable solutions to the industry's current transformation.

Some of the main challenges facing automotive component Industry today, including:

- The effect of a fluctuating US Dollar on manufacturing strategy;
- Anticipating the adoption of International Financial Reporting Standards (IFRS)
- Trends in global automotive merger & acquisition activity
- Pressure of Counterfeit Components;
- Raising Input Cost;
- Higher Interest Rates
- Global sourcing of components from China which brings savings of nearly 17-20% as against the 15% to 17% in case of India.

3. SEGMENT WISE PERFORMANCE

The company deals in only one segment i.e. Automotive components. Therefore, it is not possible to give segment wise performance.

4. FUTURE OUTLOOK

Amidst the backdrop of Global volatility of stock markets and commodity prices, the GDP is projected to grow at a slower rate of 8.1% during 2008-09. The high food and energy prices prevailing in the global markets will lead to inflationary pressures in the economy. The RBI is also expected to maintain its tight monetary policy control which could result in rise of interest rates.

This subdued outlook of the economy will impact the domestic automotive sector, which is expected to see a slowdown during 2008-09. While the passenger car industry is likely to register a growth of 8%, supported by the launch of small cars and export of small cars, the two-wheeler segment is expected to grow only by 2%, in spite of the low base of last year. Sales of motorcycles are expected to remain flat, while ungeared scooters will see a growth of 11% and mopeds are expected to grow by 5%. The domestic MHCV segment is expected to have nil growth for 2008-09.

5. RISKS & CONCERNS

Economic Slowdown

India has witnessed a healthy economic growth of greater than 8.5% during the past few years. This growth was mainly driven by service sector performance as well as strong manufacturing output. The freight situation in the commodity markets, rising crude oil prices and the recessionary trend in the US is expected to take a toll on the performance of the Indian economy in 2008-09. Slowdown in both the US and Indian economy could affect the sales of the Company.

Industry Specific

The Company caters to the requirements of the automotive industry. The recent developments in the global economic conditions have led to inflation pressure on the Indian economy. High Interest Rates is a major constraint in Supply of money to Industry. In future, the rise in Crude oil prices will lead to impact the profitability of the fleet operators and hence the demand for commercial vehicles might be affected. These factors will affect the Company's domestic sales.

Forex

The Company follows a de-risked business model by widening the customer base and catering to the export market. After the unprecedented appreciation of the Indian rupee in 2007-08, the rupee has softened against the US dollar giving temporary relief to Indian exporters. It is expected that the rupee may continue at current levels for a short period of 2-3 months before appreciating against the dollar. However, the continued hardening of the Indian Rupee will affect the Company's competitiveness in the export market and profit performance.

Contractual

The stringent demand of the automobile industry places rigorous demands on the quality of products supplied. Quality is, therefore, monitored closely. Although every reasonable precaution is taken, unforeseen defects in parts can result in incurring considerable expense for rework or product recall. They can also lead to contractual risks. Appropriate liability and insurance in line with standard industry practice is taken out to cover the possibilities of damages and/or liability risks.

Capacity utilization

The Company manufactures components for its customers in accordance with unique order specifications. This can temporarily lead to either under utilization of capacity or to capacity bottlenecks. Further, delays in launch of new products at the customer-end might lead to short-term excess capacities, resulting in lower utilization levels.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of Internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorizedly recorded and reported correctly.

The Internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. There is an elaborate internal audit system which is done by Independent firm of Internal Auditors. Their reports on the internal controls and their adequacy are regularly discussed with the Management and corrective measures wherever required, are taken and continuously monitored.

The Audit Committee of the Board meets regularly to review the adequacy of internal controls, Internal audit findings and the corrective actions are taken, if necessary. The Management is reasonably satisfied about the adequacy of these internal control systems.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**A. Revenue**

The gross revenue of Rs. 142,465.26 lacs was recorded in the financial year ended 30th June, 2008 as compared to Rs. 119,570.57 lacs in the previous year. Gross revenue has shown a growth of 19.14% on year to year basis.

B. Profits

The Company has earned Profit before Interest, Depreciation and Tax of Rs. 44,650.76 lacs during the financial year ended 30th June, 2008 which represents an increase of 15.86% per cent over the previous year's profit of Rs. 38,539.20 lacs. PAT increased to Rs. 26,125.06 lacs in fiscal 2008 representing an increase of 10.77%, from Rs. 23,584.44 lacs in fiscal 2007.

C. Earning Per Share (EPS)

The Company recorded an EPS of Rs. 19.15 per equity share of Rs.2 each during 2007-08.

D. Dividend

The Board has recommend a dividend of Rs. 0.50 per equity share (being 25% on the par value per equity share of Rs.2/- each), to be appropriated from the profits of the Company for the financial year 2008.

E. Dividend Payout

The Proposed Dividend, if approved at the ensuing Annual General Meeting, would result in appropriation of Rs. 824.78 Lacs (including Corporate Dividend Tax of Rs. 119.81 Lacs) out of Profits. The total appropriation of Dividend of Rs.824.78 Lacs gives 3.16 per cent payout on net profit of the Company.



8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

A cordial industrial relations environment prevailed at all the manufacturing units of the Company during the year. There was constant focus on all round organizational development. A well defined Performance Management System has been introduced to monitor the progress made by all members. Regular promotions are granted and succession plans are effectively implemented. Our system of compensation is as per the market trends and job requirements. Other benefits to employees are provided for motivation.

9. CAUTION STATEMENT

The above mentioned statements are only "forward looking statements" based on certain assumptions/expectations. The Company's actual performance could differ materially from those expressed/projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in "forward looking statements", on the basis of subsequent development, information or events etc.

By order of the Board
FOR AMTEK AUTO LIMITED

Place : New Delhi
Date : 01-12-2008

Sd/-
(ARVIND DHAM)
CHAIRMAN

AUDITORS' REPORT

To,
The Members,
Amtek Auto Limited
New Delhi

We have audited the attached Balance Sheet of Amtek Auto Limited as at 30th June 2008, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account, as required by law, have been kept by the company so far as appears from our examination of those books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement of the company, dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 30th June 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June 2008;
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For & on behalf of
Manoj Mohan & Associates
Chartered Accountants

Place : New Delhi
Dated : 1st December, 2008

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



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE OF AMTEK AUTO LIMITED FOR THE YEAR ENDED 30TH JUNE 2008

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, have been physically verified by the management at reasonable intervals. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) During the year, the company has not disposed off substantial part of the fixed assets and the going concern status of the company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable.
- (b) The procedure for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (d) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company, during the year under report, has given loan to its five subsidiaries companies and joint ventures, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a) The maximum amount involved during the year was Rs.10302.65 lacs.
 - b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima-facie prejudicial to the interest of the company.
 - c) In respect of the loan granted to its subsidiaries companies and joint ventures, the loan is interest free and being repayable on demand are not overdue.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, consumable stores, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register required to be maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information & explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the company has complied with all the provisions of section 58A and 58AA and any other provision of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to deposits accepted from public. No order has been passed by the Company Law Board, Reserve Bank of India, National Company Law Tribunal or any other Court or any Tribunal.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central government has prescribed maintenance of cost accounting records under section 209 (1) (d) of the Companies Act, 1956 in respect of certain machining activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been properly maintained.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

- (b) The disputed statutory dues aggregating to Rs.15.00 Lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statute	Nature of Dues	Period to which it relates	Forum where dispute is pending	Amount (Rs. in lacs)
1.	Haryana Sales Tax Act & Central Sales Tax Act	Sales Tax	1991	Appellate Sales Tax Tribunal	10.62
2.	Labour Act	Labour Claim	2006	Labour Court, Gurgaon	4.38
Total					15.00

- (x) The company has no accumulated losses and has not incurred any cash loss during the year under report or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause of 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company. The company, however, is maintaining proper records of transactions and contracts in respect of long term investment made in its subsidiaries / others and timely entries have been made therein. Further, all the securities including shares, debentures and other investments have been held by the company in its own name.
- (xv) The company has given guarantees for loans taken by others from Banks or Financial Institutions. In our opinion, terms and conditions of such guarantees are not prima-facie pre-judicial to the interest of the company.
- (xvi) According to the information and explanation given to us, In our opinion, term loan availed by the company were, prima facie, applied by the company during the year under report for the purpose for which the term loans were obtained, other than temporary deployment pending applications.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment and no long term funds have been used to finance short term assets except permanent working capital.
- (xviii) a) According to the information & explanation given to us, the company, during the year under report, has made preferential allotment of shares/warrants to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. According to the information & explanation given to us, the prices at which shares have been issued, is not pre-judicial to the interest of the company.
- b) According to the information and explanations given to us, the company, during the year under report, has converted 32,02,775 Equity Shares of Rs. 2/- each at a premium of Rs. 207.83 per share to its Foreign Currency Convertible Bonds 2010 (FCCB) holders equivalent to USD 15.38 million.
- (xix) According to information and explanation given to us and the records of the company examined by us, the company has not issued any debentures.
- (xx) According to information and explanation given to us and the records of the company examined by us, the Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For & on behalf of
Manoj Mohan & Associates
Chartered Accountants

Sd/-

M. K. Aggarwal
(Partner)

Membership No. - 76980

Place : New Delhi
Dated : 1st December, 2008

BALANCE SHEET AS AT 30TH JUNE 2008

(Rs. In Lacs)

PARTICULARS	SCHEDULE	As at 30th June 2008	As at 30th June 2007
I. SOURCES OF FUNDS			
1. SHAREHOLDER'S FUNDS			
(a) Share Capital	1	2,819.86	2,615.81
(b) Warrants against Share Capital	1A	6,900.00	-
(c) Reserves & Surplus	2	230,164.45	166,295.46
2. LOAN FUNDS			
(a) Secured	3	8,323.29	10,202.70
(b) Unsecured		224,224.26	117,151.16
TOTAL		472,431.86	296,265.13
II. APPLICATION OF FUNDS			
1. FIXED ASSETS			
Gross Block	4	292,198.71	203,469.29
Less : Accumulated Depreciation		29,713.27	27,292.63
Net Block		262,485.44	176,176.66
2. INVESTMENTS	5	41,838.27	31,010.35
3. CURRENT ASSETS, LOANS & ADVANCES			
(a) Current Assets			
i) Interest Receivables		377.91	8.87
ii) Inventories		25,022.73	15,771.39
iii) Sundry Debtors		26,344.41	15,165.52
iv) Cash & Bank Balances		92,384.12	39,322.89
(b) Loans & Advances			
Total Current Assets And Loans & Advances		198,286.52	114,539.46
Less: Current Liabilities & Provisions			
Current Liabilities	7	25,572.62	17,669.60
Provisions		4,818.76	8,217.45
Total Current Liabilities & Provisions		30,391.38	25,887.05
Net Current Assets		167,895.14	88,652.41
4. MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)	8	213.01	425.71
TOTAL		472,431.86	296,265.13
Notes to the Accounts & Significant Accounting Policies	12		
The accompanying schedules 1 to 12 form an integral part of the accounts.			

For and on behalf of the Board

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

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

 Sd/-
ARVIND DHAM
 Director

 Sd/-
D.S. MALIK
 Managing Director

 Place : New Delhi
 Dated : 1st December, 2008

 Sd/-
RAJEEV RAJ KUMAR
 Company Secretary

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

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2008

(Rs. In Lacs)

PARTICULARS	SCHEDULE	For the year ended 30th June 2008	For the year ended 30th June 2007
INCOME			
Sales & Other Income		142,465.26	119,570.57
EXPENDITURE			
Materials & Manufacturing Expenses	9	85,252.52	70,958.34
Personnel Expenses	10	5,971.44	5,205.15
Administrative, Selling & Other Expenses	11	3,451.74	2,389.08
Financial Expenses		3,138.80	2,478.80
TOTAL		97,814.50	81,031.37
Profit before Depreciation		44,650.76	38,539.20
Depreciation		9,457.09	6,333.92
Profit Before Tax		35,193.67	32,205.28
Tax Expenses		9,068.61	8,620.84
Profit After Tax for the year		26,125.06	23,584.44
Add: Surplus brought forward from earlier years		12,508.76	3,863.16
Balance available for Appropriation		38,633.82	27,447.60
APPROPRIATIONS :			
Transferred to General Reserves		3,000.00	10,000.00
Transferred to Debenture Redemption Reserves Account		-	300.37
Transferred to Foreign Currency Convertible Bond Redemption Reserve		34,700.00	-
Proposed Dividend on Equity Shares		704.97	3,923.71
Dividend & Tax for Previous year (not appropriated in the previous year)		94.14	41.27
Dividend on Preference Shares		-	5.62
Corporate Dividend Tax		119.81	667.87
Surplus carried to Balance Sheet		14.90	12508.76
Earning Per Share (Before considering exceptional/Extra ordinary items-net of tax)	Basic (Rs.) Diluted (Rs.)	18.10 13.76	18.86 15.08
Earning Per Share (After considering exceptional/Extra ordinary items-net of tax)	Basic (Rs.) Diluted (Rs.)	19.15 14.55	18.86 15.08
Notes to the Accounts & Significant Accounting Policies	12		
The accompanying schedules 1 to 12 form an integral part of the accounts.			

For and on behalf of the Board

In terms of our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants

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

Sd/-
ARVIND DHAM
Director

Sd/-
D.S. MALIK
Managing Director

Place : New Delhi
Dated : 1st December, 2008

Sd/-
RAJEEV RAJ KUMAR
Company Secretary

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

CASH FLOWS STATEMENT FOR THE YEAR ENDED 30TH JUNE 2008
(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2008	For the year ended 30th June 2007
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit as per Profit & Loss Account	35,193.67	32,205.28
Add: Depreciation	9,457.09	6,333.92
Add : Financial Charges	3,138.80	2,478.80
Loss/(Gain) on sale of fixed assets, net	(830.67)	(170.04)
Dividend Income	(695.56)	(566.78)
Interest Received & Other Income	(10,141.77)	(7,144.39)
Less Reversal Due to Transitional Liability as per AS-15 (Revised)	(53.48)	-
Deferred & Preliminary exp. written off	212.70	214.11
	36,280.78	33,350.90
(Increase)/Decrease in Inventories	(9,251.34)	(1,761.51)
(Increase)/Decrease in Other Receivables	(369.04)	250.73
(Increase)/Decrease in Sundry debtors	(11,178.89)	(3,214.89)
(Increase)/Decrease in Loans & advances	(13,513.48)	(5,691.75)
Increase/(Decrease) in Current Liabilities	972.07	(167.77)
Cash Generation by operations	2,940.10	22,765.71
Interest Received & Other income	10,141.77	7,144.39
Dividend Received	695.56	566.78
Net cash from operating activities	13,777.43	30,476.88
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets (including capital work in progress)	(96,449.92)	(110,953.63)
Proceeds from sale of fixed assets	1,514.73	897.38
Purchase of investments (Net)	(10,827.92)	1,467.50
Net Cash from Investing Activities	(105,763.11)	(108,588.75)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital/FCCB Conversion /		
	38,920.38	17,514.74
Proceeds from warrant against share capital	6,900.00	-
Proceeds from new borrowings (including Fluctuation)	115,147.20	-
Repayment of borrowings (Including FCCB Conversion)	(9,953.51)	(36,902.48)
Financial Charges Paid		
Interest Paid	(2,546.81)	(2,523.93)
Interest Capitalised	1,264.33	-
Payment of Dividend & Tax thereon	(4,684.68)	(2,840.69)
Net Cash from financing activities	145,046.91	(24,752.36)
Net cash flows during the year (A+B+C)	53,061.23	(102,864.23)
Cash & cash equivalents (opening balance)	39,322.89	142,187.12
Cash & cash equivalents (closing balance)	92,384.12	39,322.89

NOTES TO CASH FLOW STATEMENT

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

This is the cash flow statement referred to in our report of even date.

For Manoj Mohan & Associates

Chartered Accountants

Sd/-

(M.K. AGGARWAL)

Partner

Membership No. - 76980

Sd/-

ARVIND DHAM

Director

Sd/-

D.S. MALIK

Managing Director

Sd/-

RAJEEV RAJ KUMAR

Company Secretary

Sd/-

VINOD UPPAL

V.P (Fin.& Acctt.)

Place : New Delhi

Dated : 1st December, 2008

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 30TH JUNE 2008

Schedule 1 : SHARE CAPITAL (Rs. in Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
AUTHORISED		
25,00,00,000 Equity Shares of Rs.2/- each (Previous year 22,50,00,000 Equity share of Rs.2/- each)	5,000.00	4,500.00
35,00,000 Preference Shares of Rs.100/- each (Previous year 35,00,000 Preference shares of Rs.100/- each)	3,500.00	3,500.00
	8,500.00	8,000.00
ISSUED, SUBSCRIBED AND PAID UP.		
14,09,93,143 Equity shares of Rs.2/-each fully paid up (Previous Year 13,07,90,368 Equity shares of Rs.2/- each fully paid up)	2,819.86	2,615.81
TOTAL	2,819.86	2,615.81

Schedule 1A : WARRANTS AGAINST SHARE CAPITAL (Rs. in Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
WARRANTS AGAINST SHARE CAPITAL		
1,50,00,000 Warrant (Each Warrant carry option / entitlement to subscribe to 1 number of Equity share of Rs. 2/- each on or before 14th July, 2009 at a price not less than Rs. 460/- per Share)	6,900.00	0.00
	6,900.00	0.00

Schedule 2 : RESERVES & SURPLUS (Rs. in Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
Share Premium		
Opening Balance	113,998.92	
Addition During the Year	38,716.33	
	152,715.25	113,998.92
Debenture Redemption Reserve		
Opening Balance	2,366.98	
Less : Transferred to General Reserve	2,366.98	
	-	2,366.98
Investment Allowance Reserve	54.68	54.68
Capital Subsidy	25.50	25.50
Foreign Currency Convertible Bond Redemption Reserve	39,600.00	0.00
General Reserve		
Opening Balance	37,340.62	
Addition During the year	3,000.00	
Add: Tfr. from Debenture Redemption Reserve	2,366.98	
Less Reversal Due to Transitional Liability as per As-15 (Revised) (53.48)	(53.48)	
Less : Tfr. to Foreign Currency convertible bond redemption Reserve	(4,900.00)	
	37,754.12	37,340.62
Surplus in Profit & Loss Account	14.90	12,508.76
TOTAL	230,164.45	166,295.46

Schedule 3 : LOAN FUNDS
(Rs. in Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
Secured Loans:		
(I) Bank Borrowings	6,133.14	4,185.94
(II) Rupee Term Loans	2,190.15	3,649.82
(III) 13% Non-Convertible Debentures	–	2,366.94
TOTAL	8,323.29	10,202.70
Unsecured Loans:		
i) 0.5% Foreign Currency Convertible Bonds 2010	7,512.75	13,343.51
ii) 0.0% Foreign Currency Convertible Bonds 2011	107,325.00	101,450.00
iii) External Commercial Borrowing	107,325.00	–
iv) Others	2,061.51	2,357.65
TOTAL	224,224.26	117,151.16

Notes:

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

Schedule 4 : FIXED ASSETS
(Rs. In Lacs)

Particulars	GROSS BLOCK				DEPRECIATION			WRITTEN DOWN VALUE		
	Opening Block	Additions	Sales/Transfers	Closing Block	Opening Dep.	During the Year	Written Back/Adj.	Cumm. Dep.	Current Year	Previous Year
Land & Site Development (Including Leasehold)	4,958.00	48.56	210.00	4,796.56	–	–	–	–	4,796.56	4,958.00
Building	7,950.44	1,493.78	520.10	8,924.12	511.65	297.01	114.13	694.53	8,229.59	7,438.79
Plant & Machinery	142,201.96	58,074.61	6,982.20	193,294.37	26,089.48	8,867.10	6,920.49	28,036.09	165,258.28	116,112.48
Electrical Installation	1,126.05	275.92	–	1,401.97	168.94	81.16	–	250.10	1,151.87	957.11
Furniture & Fixture	631.87	58.38	–	690.25	44.47	42.08	–	86.55	603.70	587.40
Office Equipment	1,563.39	121.68	–	1,685.07	369.33	112.26	–	481.59	1,203.48	1,194.06
Vehicle	596.33	12.22	8.21	600.34	108.76	57.48	1.83	164.41	435.93	487.57
Total	159,028.04	60,085.15	7,720.51	211,392.68	27,292.63	9,457.09	7,036.45	29,713.27	181,679.41	131,735.41
Capital Work-in-progress	44,441.25	80,806.03	44,441.25	80,806.03	–	–	–	–	80,806.03	44,441.25
Total Gross Block	203,469.29	140,891.18	52,161.76	292,198.71	27,292.63	9,457.09	7,036.45	29,713.27	262,485.44	176,176.66
Total Gross Block Pre Yr.	93,278.59	178,139.33	67,948.63	203,469.29	20,994.30	6,333.92	35.59	27,292.63	176,176.66	–

Schedule 5 : INVESTMENTS

(Rs. in Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
(Quoted - Long Term Trade) at cost		
Nil Equity Shares of Rs.2/- each of M/s Amtek India Ltd. (Previous year 68,12,500 Equity Shares of Rs.10/- each)	-	875.00
18,366,665 Equity Shares of Rs.10/- each of Ahmednagar Forgings Ltd. (Previous year 16,666,665 Equity Shares of Rs.10/- each)	8,463.42	4,383.42
38,00,000 warrants (each warrant carry option/entitlement to subscribe to 1 number of Equity Share of Rs. 10/- each on or before 14th July, 2009 at a price not less than Rs. 240/- Per Share)	912.00	-
7014 Equity Shares of Rs.10/- each of Dena Bank (Previous year 7014 Equity Shares of Rs. 10/- each)	1.89	1.89
(Unquoted - Long Term Non Trade) at cost		
11,333,610 Equity Shares of Rs.10/- each of Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.) (Previous year 11,333,610 Equity Shares of Rs.10/- each)	6,589.96	6,589.96
99,22,400 Equity Shares of Rs. 10.- each of Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.) (Previous year 99,22,400 Equity Shares of Rs.10/- each)	8,731.71	8,731.71
1,05,070 Equity Shares of US \$ 0.01 each of Smith Jones, Inc. (Previous year 1,05,070 Equity Shares of US \$ 0.01 each)	1,209.40	1,209.40
100 Equity Shares of US \$ 1 each of Amtek Investments US(1) Incorporation (Previous year 100 Equity Shares of US \$ 1 each)	766.28	766.28
85,00,000 Equity Shares of UK £ 1 each of Amtek Investments (UK) Ltd. (Previous year 50,00,000 Equity Shares of 1 UK Pound each)	6,924.73	4,493.69
45,500 Equity Shares of Rs.50/- each of Alliance Integrated Metallics Ltd. (Previous year 45,500 Equity Shares of Rs. 50/- each)	22.75	22.75
25,000 Equity Shares of €1/- each each of Amtek Duetschland Gmbh (Previous year 25000 Equity Shares of Euro 1/- each)	1,883.30	1,883.30
1,31,69,370 Equity Shares of Rs.10/- each of Amtek Tekfor Automotive Ltd. (Previous year 39,93,295 Equity Share of Rs. 10/- each)	1,316.94	399.33
1,15,00,000 Equity Shares of Rs.10/- each of MPT Amtek Automotive Ltd. (Previous year Nil Share)	1,145.00	-
Investments in Mutual Funds	3,870.89	1,653.62
TOTAL	41,838.27	31,010.35

Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
a) Current Assets		
i) Interest Receivable	377.91	8.87
ii) Inventory: (As Taken, Valued and Certified by the Management)		
- Raw Material	5,463.87	2,433.38
- Semi Finished Goods	12,478.28	11,984.68
- Finished Goods	4,713.74	93.95
- Consumables Stores	2,048.80	988.59
- Other Stocks	318.04	270.79
TOTAL	25,022.73	15,771.39
iii) Sundry Debtors: (Unsecured considered good)		
Outstanding for over six month	1,343.38	1,095.71
Other Debtors	25,001.03	14,069.81
TOTAL	26,344.41	15,165.52

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

PARTICULARS	As at 30th June 2008	As at 30th June 2007
IV) Cash and Bank Balances		
Cash in Hand	29.14	20.72
Balances with Scheduled banks :		
In Current Accounts	4,309.79	1,445.22
In Fixed Deposits/ Margin Money	88,045.19	37,856.95
TOTAL	92,384.12	39,322.89
b) Loans and Advances		
a) Advances Recoverable in Cash or in kind or for value to be received (considered good)	53,906.30	43,956.22
b) Security Deposits	251.05	314.57
TOTAL	54,157.35	44,270.79

Schedule 7 : CURRENT LIABILITIES
(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
Sundry Creditors	4,902.67	3,882.15
Unpaid Dividend	14.01	15.81
Interest accrued but not due	1,938.67	82.35
Other Liabilities	17,956.05	13,126.30
Expenses Payable	761.22	562.99
TOTAL -A-	25,572.62	17,669.60
PROVISIONS		
Provision for Taxation	3,993.98	3,626.91
Proposed Dividend	704.97	3,923.71
Corporate Dividend Tax	119.81	666.83
TOTAL -B-	4,818.76	8,217.45
GRAND TOTAL (A+B)	30,391.38	25,887.05

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

PARTICULARS	As at 30th June 2008	As at 30th June 2007
1. Deferred Revenue Expenses		
a. Share/GDR Issue Expenses	212.27	424.54
b. Deferred Expenditure	0.74	1.17
TOTAL	213.01	425.71

Schedule 9 : MATERIAL & MANUFACTURING EXPENSES

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2008	For the year ended 30th June 2007
Material Consumed	84,669.53	68,187.86
Add: Decrease / (Increase) in Stock	(5,113.39)	(1,706.84)
	79,556.14	66,481.02
Consumables	1,957.19	1,792.50
Power & Fuel	2,616.91	1,828.96
Other manufacturing Expenses	616.05	500.55
Freight Inwards	241.69	147.08
Repairs of Plant & Machinery	264.54	208.23
TOTAL	85,252.52	70,958.34

Schedule 10 : PERSONNEL EXPENSES

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2008	For the year ended 30th June 2007
Salaries and Wages	5,016.70	4,417.35
Contribution to P.F., ESI, Gratuity, Leave Encashment, staff welfare etc.	954.74	787.80
TOTAL	5,971.44	5,205.15

Schedule 11 : ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year Ended 30th June 2008	For the year Ended 30th June 2007
Advertisement & Publicity	4.96	5.62
Auditor's Remuneration	15.00	5.00
Books & Periodicals	6.22	3.11
Charity & Donation	6.52	6.40
Director's Remuneration & Perquisites	35.10	82.94
Business promotion & Development Expenses	168.75	182.26
Insurance	104.45	61.61
ISO/QS Expenses	6.57	8.38
Legal & Professional	238.45	90.17
Office and Factory Expenses	113.17	98.77
Printing & Stationery	69.32	47.83
Rate, Fee & Taxes	644.59	71.26
Rent	164.19	149.63
Repairs & Maintenance others	87.91	94.19
Running & Maintenance Vehicle	144.02	101.00
Security Expenses	81.37	47.11
Subscription & Membership Fees	22.26	4.29
Telephone, Telex & Postage Expenses	152.23	122.93
Travelling & Conveyance	416.13	315.46
SELLING & DISTRIBUTION EXP:		
Cash Discount	130.27	114.70
Freight Outwards	627.56	562.31
EXPENSES WRITTEN OFF:		
Share / GDR Issue Expenses	212.27	212.27
Deferred Expenditure	0.43	1.84
TOTAL	3,451.74	2,389.08

**SCHEDULE : 12 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2008)****I. SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF ACCOUNTING**

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

B. REVENUE RECOGNITION

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

C. FIXED ASSETS

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

D. DEPRECIATION

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

E. INVENTORIES

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

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

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

Provision for obsolescence in inventories is made, whenever required.

F. INVESTMENT

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

G. FOREIGN CURRENCY TRANSACTIONS

a) The working capital loans are revalued at exchange rates prevailing at the year end. Exchange difference arising on such revaluation are duly recognized in the Profit & Loss Account.

b) In case of forward exchange contracts to repay working capital loans, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expenses over the life of the contract.

c) Debtors and working capital loans in foreign currency are revalued at the year end exchange rates. Exchange differences arising on such revaluation are recognized in Profit & Loss Account.

d) Exchange differences arising on revaluation of foreign currency loans relating to acquisition of fixed assets from outside India are adjusted against relevant fixed assets.

H. EXCISE DUTY

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

I. EMPLOYEES' RETIREMENT BENEFITS

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

J. RESEARCH AND DEVELOPMENT

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

K. BORROWING COST

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

L. TAXATION

- A) Provision for Taxation is made on the basis of the taxable profits computed for the current accounting year (reporting year) in accordance with Income Tax Act,1961.
- B) Deferred Tax resulting from timing difference are expected to crystallize in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against which such deferred tax assets, can be realized.

M. DEFERRED REVENUE EXPENSES

Expenditure on product development which was earlier classified as deferred revenue expenditure, is now accounted in accordance with the said standard, accordingly,

- i) Product development expenditure relating to product up-gradation has been charged off during the year to the Profit and Loss Account.
- ii) Deferred Revenue Expenses incurred prior to 01.07.2003 are amortized over a period of 5 years

N. IMPAIRMENT OF ASSETS

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

II. NOTES ON ACCOUNTS

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

2. Contingent Liabilities :

	Current Year	(Rs. in Lacs) Previous Year
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	1,628.79	1,125.28
b) Guarantees	489.39	54.89
c) Unexpired Letters of Credit	85.91	66.53
d) Disputed Liabilities:		
Sales Tax	10.62	10.62
Labour	4.38	3.94

*Contingent Assets are neither recognized, nor disclosed

3. Earning Per share:
Calculation of EPS (Basic and Diluted)

	Year Ended 30th June, 2008	Year Ended 30th June, 2007
Basic		
Opening Number of Shares	13,07,90,368	12,23,80,943
Total Shares outstanding	14,09,93,143	13,07,90,368
Profit after Tax, before extraordinary item (Rs. Lacs)	24,693.28	23,577.79
Profit after Tax, after extraordinary item (Rs. Lacs)	26,125.06	23,577.79
EPS before extraordinary items (Rs. Per Share)	18.10	18.86
EPS after extraordinary items (Rs. Per Share)	19.15	18.86
Diluted		
Stock option outstanding	Nil	Nil
Total shares outstanding including dilution	18,40,78,754	16,20,78,770
EPS before extraordinary items (Rs. Per Share)	13.76	15.08
EPS after extraordinary items (Rs. Per Share)	14.55	15.08
Reconciliation of basic and diluted shares used in computing EPS		
Number of shares considered as basic weighted average shares outstanding	13,64,09,764	12,50,12,701
Add: Effect of dilutive FCCB conversion & Warrants	4,30,85,611	3,12,88,402
Number of shares considered as diluted weighted average shares outstanding	17,94,95,375	15,63,51,393

4. In the opinion of the Board of Directors, all current assets, loans and advances, if realized in the ordinary course of business, would be realized at least equal to the amounts at which they have been stated in the Balance Sheet. Provision for the known liabilities have been made in the books of accounts.
5. Travelling expenses, Telephone expenses., Business Promotion and Running & maintenance of vehicle expenses includes Rs.80.21 lacs, Rs 5.25 lacs, Rs.79.49 lacs, & Rs.10.28 lacs (Previous Year Rs.78.97 lacs, Rs 8.99 lacs, Rs.95.74 lacs, and Rs 9.25 lacs). respectively incurred on directors.
6. Maximum amount outstanding at any time during the year due from/due to directors is Rs.Nil (Previous year Rs.Nil).
7. Other liabilities under current liabilities include deferred income tax.
8. Confirmation of Balances in some of the Debtors Account as at 30th June 2008 are yet to be received as at the date of Auditors' report.
9. (a) Sundry Creditors include a Sum of Rs 28.25 Lacs (Previous Year Rs 10.67) due to Small Scale Industries.
- (b) The List of SMEs units to whom company owes a sum exceeding Rs.1,00,000 and which is outstanding for more than 30 days is as under:-
- Super Sharp Industries, prolific Technologies, Gaugeman Industries, Rajesh Plastic Industries, R.C Industries, M. D Engg , Ambica Machinery Works, Superceram, Gaurav Industries, Tirupati Engg Works, Bhagwati Packers.
- (c) The Payments to SMEs Undertakings have been made as per stipulated terms.
- (d) The above information has been compiled in respect of parties to the extent to which they could be identified as SMEs on the basis of information available with the company.

10. The balances with Schedule Banks include:

	Current Year	(Rs. In Lacs) Previous Year
Fixed Deposits which stand pledged against letter of credit for purchase of raw material & bank guarantee issued on behalf of the company.	433.12	267.36

11. Miscellaneous income include:

a) Interest including TDS of Rs. 48.76 Lacs (Previous year TDS of Rs. 30.80 Lacs)	2,171.66	3,209.25
b) Dividend Income	695.56	566.78
c) Other Income	312.79	196.86
d) Profit on sales of quoted long term trade investment	6,186.09	169.76
e) Foreign Exchange Fluctuation/ Derivative	1,438.73	3,568.52
f) Profit on sale of fixed assets	830.67	170.04
g) Rent Income	32.50	-
Total	11,668.00	7,881.21

12. **Auditors Remuneration** 15.00 5.00

13. Market Value of the Quoted investments as on 30.06.2008:

Ahmednagar Forgings Limited	Rs.90.20 per share
Dena Bank	Rs 40.40 per share

14. Unsecured loans include loans from Promoters, Associates, on account of investments, short term loans, public deposits, Foreign Currency Convertible Bonds (FCCB).

15. The company has issued the following Foreign Currency Convertible Bonds:

Date of Issue	Amount Raised	Maturity Date	Conversion Price per share	Coupon	Y.T.M. in the event of redemption
June, 2005	\$150,000,000	June, 2010	209.83	0.5%	5.75%
June, 2006	\$250,000,000	June, 2011	458.64	0.0%	6.00%

The Company has provided / charged interest only at Coupon rate i.e 0.5%.

16. The company during the year has availed unsecured External Commercial Borrowing (ECB) of \$ 250 Mn @ 1.35% + LIBOR & Which is repayable in 3 equal installments in Feb 2013, Feb 2014 and Feb 2015.

17. During the year, the company has allotted 32,02,775 equity shares of Rs 2/- each at a premium of Rs 207.83/- per share to the 0.5% FCCB holders of US \$ 15.38 million.

18. The company, during the year has made preferential allotment of 70,00,000 equity shares of Rs.2/- each at a premium of Rs.458/- per share and 1,50,00,000 warrants (carrying option/ entitlement to subscribe to one no of equity share of Rs.2/- each at a premium of Rs.458/- per share on or before 14th July 2009) to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 at prices not prejudicial to the interest of the company.

19. The Board of Directors in their meeting held on 31st July 2008 had approved merger of Amtek India Ltd. (AIL), Ahmednagar Forging Ltd (AFL), Amtek Ring Gear Ltd. (ARGL), Amtek Crankshafts India Ltd., (ACSIL) and Amtek Castings India Ltd. (ACIL) With Amtek Auto Ltd. The merger is subject to various approvals including approval from Honable High Court of concerned state(s). As per scheme of arrangement, the appointed date of merger is 1st July 2007. As per scheme of merger, approved by the board, the shareholders of the merging companies will get shares of Amtek Auto Ltd. in the following ratio:-

Particulars	AIL	AFL	ARGL	ACSIL	ACIL
Swap ratio against 100 equity shares of each company	44	56	51	77	5

20. RETIREMENT BENEFITS:

Effective from financial year 2007-08, the company implemented accounting Standard (AS)-15 (Revised-2005) dealing with Employees Benefits, issued by the Institute of Chartered Accountants of India. AS-15 (Revised 2005) deals with recognition, measurement and disclosure of short term, post employment, termination and other long term employee benefits provided by the company. Adoption of AS-15 (Revised-2005) has resulted in certain changes in accounting policies followed by the company in respect of post employment and other long term employee benefits. However, the changes are not expected to have a material impact on the financial statement for the current year.

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

Post Employment Benefit Plans:

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

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

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

Defined Benefit plan:
Gratuity Plan & Leave Encashment Plan

The Company has, hitherto, been making provision for Gratuity and Leave Encashment on Group method. The company, however, pursuant to adoption of Accounting Standard -15 (Revised) has made the provision on projected unit cost method.

As a result of adopting AS-15 (Revised), the transitional liability amounting to Rs. 53.48 Lacs accruing as on 01.04.2007 has been charged by debiting the opening balance in Reserve Account.

Disclosure in respect of "Employees Benefit plans"
i. Change in Present Value of obligations: (Rs. in Lacs)

Particulars		Gratuity Plan Unfunded	Leave Encashment Plan Unfunded
A	Present Value of Obligation as on 01.07.2007	225.36	131.76
B	Present Service Cost	34.59	37.48
C	Interest Cost	18.03	10.54
D	Actuarial (Gain) / Loss	10.36	25.62
E	Benefits Paid	(6.63)	(8.52)
F	Present Value of Obligations as on 30th June, 2008 (A+B+C+D+E)	281.71	196.88

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

Particulars		Gratuity Plan Unfunded	Leave Encashment Plan Unfunded
A	Fair Value of plan assets as on 01.07.2007	-	-
B	Expected Return on plan assets	-	-
C	Employer's Contributions	-	-
D	Benefits Paid	-	-
E	Actuarial Gain	-	-
F	Fair Value of Plan assets as on 30th June, 2008 (A+B+C+D+E)	-	-

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

Particulars	Gratuity Plan Unfunded	Leave Encashment Plan Unfunded
A Actuarial (Gain) / Loss for the year - Obligation	(10.36)	(25.62)
B Actuarial (Gain) / Loss for the year – Plan Assets	–	–
C Total (Gain) / Loss for the year	10.36	25.62
D Actuarial (Gain) / Loss recognised in the year	10.36	25.62
E Unrecognised Actuarial (Gains)/ Losses at the end of the year	–	–

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

Particulars	Gratuity Plan Unfunded	Leave Encashment Plan Unfunded
A Current Service Cost	34.59	37.48
B Interest Cost	18.03	10.54
C Expected Return on plan assets	–	–
D Net Actuarial (Gain)/ Loss recognized in the year	10.36	25.62
E Expenses recognised in the Statement of Profit & Loss as on 30th June, 2008 (A+B+C+D)	62.98	73.64

v. Amount Recognised in Balance Sheet (Rs. In Lacs)

Particulars	Gratuity Plan Unfunded	Leave Encashment Plan Unfunded
A Present Value of Obligation as at the end of the year i.e. 30.06.2008	281.71	196.88
B Fair Value of Plan Assets as at the end of the year i.e. 30.06.2008	–	–
C Funded Status	(281.71)	(196.88)
D Unrecognised Actuarial (Gain) / Losses	–	–
E Net Assets/ (Liability) Recognised in the Balance Sheet	(281.71)	(196.88)

vi. Principle Actual Assumptions

Particulars	Gratuity Plan Unfunded	Leave Encashment Plan Unfunded
A Discount Rate	8.00%	8.00%
B Salary Escalation Rate	5.50%	5.50%
C Expected Rate of return on plan assets	0.00%	0.00%
D Expected Average Remaining Working Lives of Employees	24.56	24.57

21. Related party Disclosures & transactions:

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

A. Names of related parties and description of relationship"

1) Subsidiaries	1) Ahmednagar Forgings Ltd.
	2) Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.)
	3) Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.)
	4) Smith Jones Inc. USA
	5) Amtek Investment (UK) Ltd.
	6) Amtek Investment US (I) Inc.
	7) Amtek Duetskland Gmbh
2) Joint Ventures	1) Amtek Tekfor Automotive Ltd.
	2) MPT Amtek Automotive Ltd.
3) Key Management Personnel	1) Shri Arvind Dham
	2) Shri D.S. Malik
4) Relative of Key Management Personnel	1) Mrs. Anita Dham wife of Shri Arvind Dham

B. Transactions
(Rs. in Lacs)

Particulars	Subsidiaries /Associates	Key Management Personnel	Relative of Key Management Personnel	Total
Purchases of Goods	5,005.43 (2,278.32)	- (-)	- (-)	5,005.43 (2,278.32)
Sales of Goods	35,594.06 (24,710.86)	- (-)	- (-)	35,594.06 (24,710.86)
Loan Given	1,621.10 (2,145.13)	- (-)	- (-)	1,621.10 (2,145.13)
Purchase of Fixed Assets	3,740.29 (206.30)	- (-)	- (-)	3,740.29 (206.30)
Sale of Fixed Assets	13.95 (-)	- (-)	- (-)	13.95 (-)
Services Rendered	45.09 (28.05)	- (-)	- (-)	45.09 (28.05)
Net Dividend Received/ (Paid)	455.05 (464.57)	- (-)	- (-)	455.05 (464.57)
Directors Remuneration	- (-)	35.10 (82.94)	- (-)	35.10 (82.94)
Payable at the year end	4,362.63 (1,031.56)	- (-)	- (-)	4,362.63 (1,031.56)
Receivable at the year end	17,004.08 (12,924.57)	- (-)	- (-)	17,004.08 (12,924.57)

23A. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C & 4D OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

(a) PARTICULARS IN RESPECT OF UNITS MANUFACTURED

Class of Goods	Unit	Insalled Capacity		Production	
		Current Year	Previous Year	Current Year	Previous Year
1. Machined Auto Components	Nos. (in lacs)	300.00	280.00	158.77	166.42
2. Forgings	T.P.A.	1,35,000.00	1,15,000.00	61,857.56	59,440.00
3. Aluminium Castings	T.P.A.	20,000.00	20,000.00	2482.00	2.25

(b) PARTICULARS IN RESPECT OF MATERIAL CONSUMED

Class of Goods	Unit	Current Year	Previous Year
1. Forgings/Castings	Nos. (in lacs)	162.09	171.69
2. Steel/Aluminium	T.P.A.	70,716.00	60,562.00

(c) PARTICULARS IN RESPECT OF SALES

(Rs. in lacs)

Class of Goods	Unit	Current Year		Previous Year	
		Qty.	Value	Qty.	Value
1. Machined Auto Components	Nos. (In Lacs)	153.96	72,667.26	166.30	64,405.27
2. Forgings	Tons	57,718.00	50,713.00	59,209.00	47,277.12
3. Aluminium Castings	Tons	2,482.00	7,417.00	2.25	6.97
Total			1,30,797.26		1,11,689.36

(d) PARTICULARS IN RESPECT OF FINISHED GOODS

(Rs. in Lacs)

Class of Goods	Unit	Opening Balance				Closing Balance			
		Current Yr. Qty.	Current Yr. Amount	Previous Yr. Qty.	Previous Yr. Amount	Current Yr. Qty.	Current Yr. Amount	Previous Yr. Qty.	Previous Yr. Amount
1. Machined Auto Components	Nos. (In Lacs)	0.22	72.17	0.09	29.95	5.03	1696.52	0.22	72.17
2. Forgings	Tons	32.86	21.78	39.90	23.65	4,172.42	3,017.22	32.86	21.78
3. Castings	Tons	-	-	-	-	-	-	-	-
Total			93.95		53.60		4,713.74		93.95

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

Class of Goods	Unit	Opening Balance				Closing Balance			
		Current Yr. Qty.	Current Yr. Amount	Previous Yr. Qty.	Previous Yr. Amount	Current Yr. Qty.	Current Yr. Amount	Previous Yr. Qty.	Previous Yr. Amount
1. Machined Auto Components	Nos. (In Lacs)	18.19	5,628.34	15.42	4,642.88	17.91	6,044.91	18.19	5,628.34
2. Forgings	Tons	8,966.26	6,356.34	8,744.37	5,675.30	8,847.59	6,398.28	8,966.26	6,356.34
3. Casting	Tons	-	-	-	-	14.12	35.09	-	-
Total			11,984.68		10,318.18		12,478.28		11,984.68

	Current Year	(Rs. in Lacs) Previous Year
B. CIF value of Imports Raw Material, Components Spares Parts & Capital Goods	3,863.78	2,223.64
C. Expenditure In Foreign Currency		
i) Travelling	148.98	77.12
ii) Legal Expenses	66.88	150.05
iii) Interest	37.38	71.66
iv) Training/Technical	46.63	-
D. Earning in Foreign Currency		
i) Export Income	44 147	35 410
ii) Interest Income	1966	3792
23. The Company has entered into hedge derivative transactions for cost reduction and risk diversification strategy to manage its loan portfolio. The Company is accounting for profit and/or loss on such transactions on actual receipt/payment. Recognition of effect on these transactions in the accounts as per Accounting Standard AS-30 issued by the Institute of Chartered Accountants of India shall be adhered to when the said Accounting Standard becomes mandatory i.e. w.e.f. 01.04.2011.		
24. Export sales include sale in transit to its overseas customers/subsidiary acknowledged in subsequent year, indirect export and deemed export.		
25. Details of unit manufactured, material consumed and sales include components bought and sold.		
26. Previous year's figures have been regrouped and rearranged wherever necessary.		

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

I. Registration Details:

Registration No.	H	-	3	0	3	3	3
Balance Sheet date	30	06	2008				
Status Code	0	5					

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

64.05

Right Issue

Nil

Share Warrants

6,900.00

Private Placement/Promoters/
Financial Institutions

140.00

Premium

38,716.33

CRPS

Nil

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

Total Liabilities

4,72,431.86

Total Assets

4,72,431.86

Sources of Funds :

Paid-up Capital

2,819.86

Reserves & Surplus

2,30,164.45

Warrants

6,900.00

Secured Loans

8,323.29

Unsecured Loans

2,24,224.26

Application of Funds :

Net Fixed Assets

2,62,485.44

Investments

41,838.27

Net Current Assets

1,67,895.14

Misc. Expenditure

213.01

IV. Performance of Company (Rs. in Lacs)

Turnover

1,42,465.26

Total Expenditure

1,07,271.59

Profit before Tax

35,193.67

Profit after Tax

26,125.06

Earning per share (Basic)

19.15

Dividend Rate %

25

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

Code

8409

CONNECTING RODS ASSLY / PISTON ASSLY.

8483

CASE COMPONENT ASSEMBLIES

7326

FORGING

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

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

Place : New Delhi
Date : 1st December, 2008

Sd/-
ARVIND DHAM
Director

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

For and on behalf of the Board

Sd/-
D.S. MALIK
Managing Director

Sd/-
RAJEEV RAJ KUMAR
Company Secretary

CONSOLIDATED FINANCIAL STATEMENT
of
AMTEK AUTO LIMITED
and
ITS SUBSIDIARIES

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

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

- | | |
|---|--|
| 1. Name of Subsidiary: | a) Smith Jones Inc. USA
b) Ahmednagar Forgings Ltd., Pune
c) Amtek Investments (UK) Ltd.
d) Amtek Investments US(1) Inc.
e) Amtek Duetshland GmbH.
f) Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.)
g) Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.) |
| 2. Date from which it Became subsidiary | a) 23rd December 2002
b) 31st January 2003
c) 24th June 2004
d) 7th January 2005
e) 4th July 2005
f) 10th June 2006
g) 10th June 2006 |
| 3. Financial year of the Subsidiary ended on | a) 30th June 2008
b) 30th June 2008
c) 31st December 2007
d) 30th June 2008
e) 31st December 2007
f) 30th June 2008
g) 30th June 2008 |
| 4. Shares of the subsidiary Held by Amtek Auto Ltd. On the above date | a) 1,05,070 shares @ \$ 0.01 each fully paid-up.
b) 1,83,66,665 shares @ Rs.10/-each fully paid-up.
c) 8,50,00,000 shares @ £ 1/-each fully paid-up.
d) 100 shares @ \$ 1/-each fully paid-up.
e) 25000 shares @ Euro 1/-each fully paid-up.
f) 99,22,400 shares @ Rs.10/-each fully paid-up.
g) 1,13,33,610 shares @ Rs.10/-each fully paid-up. |
| 4A. Extent of holding | a) 100%
b) 52.60%
c) 100%
d) 100%
e) 100%
f) 100%
g) 96.63% |
| 5. Net aggregate Profit/(loss) For the current year Year | a) Rs. 301.38 lacs
b) Rs. 6,517.66 lacs
c) Rs. 4,281.88 lacs
d) Rs. Nil
e) Rs. 2387.23 lacs |

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

	f)	Rs. 5,073.66 lacs
	g)	Rs. 2,256.34 lacs
6.	a)	Nil
Net aggregate profit or	b)	Nil
Losses for the previous	c)	Nil
Financial years since	d)	Nil
Becoming subsidiary so	e)	Nil
Far as it concerns the	f)	Nil
Members of the holding	g)	Nil
Company dealt with or		
Provided for the		
Accounts of the holding		
company		
7.	a)	Nil
Net aggregate amount	b)	Nil
Received as dividends	c)	Nil
For previous financial	d)	Nil
years since becoming	e)	Nil
subsidiary dealt with	f)	Nil
in the accounts of the	g)	Nil
holding company in the		
financial year.		

For and on behalf of the Board

In terms of our report of even date annexed

For Manoj Mohan & Associates

Chartered Accountants

Sd/-

(M.K. AGGARWAL)

Partner

Membership No. - 76980

Place : New Delhi

Dated : 1st December 2008

Sd/-
ARVIND DHAM
Director

Sd/-
D.S. MALIK
Managing Director

Sd/-
RAJEEV RAJ KUMAR
Company Secretary

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

Financial Summary Relating to Subsidiaries Companies As at 30th June 2008

(Rs.in lacs)													
S. No.	Name of Subsidiary Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend
1	Ahmednagar Forgings Ltd.	INR	Na	4,404.00	38,231.97	55,182.67	55,182.67	92.35	66,105.85	9,204.54	2,686.88	6,517.66	10%
2	Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.)	INR	NA	1,172.87	13,268.85	21,816.73	21,816.73	667.12	23,364.43	3,526.26	1,269.92	2,256.34	12%
3	Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.)	INR	NA	992.25	18,880.94	27,873.93	27,873.93	915.82	32,140.76	6,688.24	1,614.58	5,073.66	Nil
4	Amtek Investments UK Ltd.	GBP	85.46	6,586.04	18,259.80	55,117.49	55,117.49	-	147,896.68	5,144.41	862.53	4,281.88	Nil
5	Smith Jones Inc.	US\$	42.93	0.50	9,182.82	12,516.84	12,516.84	-	8,365.56	300.17	(1.21)	301.38	Nil
6	Amtek Investments US(1) Inc.	US\$	42.93	0.04	-	0.04	0.04	-	-	-	-	-	Nil
7	Amtek Duetschland Gmbh	Euro	67.61	13.00	6,849.28	17,036.16	17,036.16	581.45	83,483.52	3,791.46	1,404.23	2,387.23	Nil

Note: The Balance Sheet, Profit and Loss Account, Director's Reports and Auditors of the subsidiaries are not being attached in view of exemption granted by Ministry of Corporate Affairs Govt. of India, New Delhi vide its Approval letter No.47/192/2008-CL-III Dated 22.04.2008. The said Annual Accounts of the subsidiaries companies and the related detailed information will be made available to the holding & subsidiary company's investors seeking such information at any point of time (during the business hours). The annual accounts of the subsidiary companies will also be kept for inspection by any investor at the corporate office of the company/subsidiary company.

For and on behalf of the Board

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

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

Sd/-
ARVIND DHAM
Director

Sd/-
D.S. MALIK
Managing Director

Place : New Delhi
Dated : 1st December 2008

Sd/-
RAJEEV RAJ KUMAR
Company Secretary

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

AUDITORS' REPORT

TO
The Board of Directors,
AMTEK AUTO LTD.,

We have audited the attached Consolidated Balance Sheet of **Amtek Auto Ltd. & its subsidiaries** and Joint venture as on 30th June 2008, the Consolidated Profit & Loss Account and also consolidated Cash-Flow Statement for the year ended 30th June 2008.

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

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

We did not audit the Consolidated financial statements of Smith Jones Inc. & Amtek Investment US(1) Inc, USA, Amtek Investment (UK) Ltd., Amtek Duetschland GmbH, Germany, Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.), Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.), Amtek Tekfor Automotives Ltd. & MPT Amtek Automotive Limited Subsidiaries/joint venture of Amtek Auto Ltd., whose financial statements reflect Gross block of Rs. 17,492.01 Lacs, Rs. 74,217.43 Lacs, Rs. 28,265.81 Lacs, Rs. 17,503.34 Lacs, Rs. 17,792.30 Lacs, Rs. 1,154.96 Lacs & Rs. 657.36 Lacs respectively as at the 30th June 2008 and total revenue of Rs. 8,365.36 Lacs, Rs. 1,47,896.68 Lacs, Rs. 83,483.52 Lacs, Rs. 32,140.76 Lacs, Rs. 23,364.43 Lacs Rs. 1,648.34 lacs & Rs. Nil respectively for the period then ended and also reflect the goodwill in Amtek Investment (UK) Ltd, Amtek Duetschland GmbH, Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.), Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.), of Rs. 10,110.75 Lacs, Rs. 1,392.51 lacs, Rs. 549.20 Lacs & Rs. 2,409.36 lacs respectively. The financial statements of Smith Jones Inc, Amtek Investments (UK) Ltd, Amtek Investments US (1) Inc., Amtek Duetschland GmbH, Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.), Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.), Amtek Tekfor Automotives Ltd. & MPT Amtek Automotive Limited have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries and joint venture, is based solely on the report of the other Auditors.

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

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

- a) In the case of the consolidated Balance Sheet, of the state of affairs of the Amtek Auto Ltd. and its subsidiaries as at 30th June 2008; and
- b) In the case of the consolidated Profit & Loss Account, of the profit for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Manoj Mohan & Associates
Chartered Accountants

Sd/-
(M.K. Aggarwal)

Place : New Delhi.
Dated : 1st December 2008

Partner
Membership No. - 76980

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE 2008

(Rs. In Lacs)

PARTICULARS	SCHEDULE	As at 30th June 2008	As at 30th June 2007
I. SOURCES OF FUNDS			
1. SHAREHOLDERS' FUNDS			
(a) Share Capital	1	2,819.86	2,606.29
(b) Warrants against Share Capital		6,900.00	0.00
(c) Reserves & Surplus	2	292,406.69	213,435.79
2. LOAN FUNDS			
(a) Secured	3	64,431.49	61,159.37
(b) Unsecured		227,486.59	120,190.47
3. Minority Interest		21,945.91	17,792.23
TOTAL		615,990.54	415,184.15
II. APPLICATION OF FUNDS			
1. GOODWILL		14,461.82	15,562.11
2. FIXED ASSETS			
Gross Block	4	510,276.73	352,511.77
Less : Accumulated Depreciation		106,766.55	72,475.47
Net Block		403,510.18	280,036.30
3. INVESTMENTS	5	6,152.27	5,012.74
4. CURRENT ASSETS, LOANS & ADVANCES	6		
(a) Current Assets			
i) Interest Receivables		412.20	9.10
ii) Inventories		72,084.07	52,261.85
iii) Sundry Debtors		82,284.47	49,307.99
iv) Cash & Banks Balances		103,727.08	45,712.86
(b) Loans & Advances		54,357.54	42,261.72
Total Current Assets And Loans & Advances		312,856.36	189,553.52
Less: Current Liabilities & Provisions	7		
Current Liabilities		110,176.97	63,511.74
Provisions		11,048.34	11,958.71
Total Current Liabilities & Provisions		121,225.31	75,470.45
Net Current Assets		191,640.05	114,083.07
5. MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	8	226.22	489.93
TOTAL		615,990.54	415,184.15
Notes to the Accounts & Significant Accounting Policies The accompanying schedules 1 to 12 form an integral part of the accounts.	12		

For and on behalf of the Board

In terms of our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants

Sd/-

(M.K. AGGARWAL)

Partner

Membership No. - 76980

Sd/-

ARVIND DHAM

Director

Sd/-

D.S. MALIK

Managing Director

Sd/-

RAJEEV RAJ KUMAR

Company Secretary

Sd/-

VINOD UPPAL

V.P (Fin.& Acctt.)

Place : New Delhi

Dated : 1st December, 2008

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2008

(Rs. In Lacs)

PARTICULARS	SCHEDULE	For the Year ended 30th June 2008	For the Year ended 30th June 2007
INCOME			
Sales & Other Income		465,679.10	372,061.25
EXPENDITURE			
Material & Manufacturing Expenses	9	296,587.68	241,105.47
Personnel Expenses	10	47,697.74	35,120.00
Administrative, Selling & Other Expenses	11	25,399.27	15,241.56
Financial Expenses		11,566.10	8,338.41
TOTAL		381,250.79	299,805.44
Profit before Depreciation		84,428.31	72,255.81
Depreciation		21,045.85	14,677.54
Profit Before Tax		63,382.46	57,578.27
Tax Expense for the year		16,906.62	14,774.14
Profit after Tax		46,475.84	42,804.13
Less: Minority Interest		3,733.80	1,951.05
Profit after Tax & Minority Interest		42,742.04	40,853.08
Add: Accumulated Profit		42,342.38	16,886.50
Balance available for Appropriation		85,084.42	57,739.58
APPROPRIATIONS			
Trfd. to General Reserves		3,000.00	10,000.00
Trfd. to Debenture Redemption Reserve Account		0.00	300.37
Trfd. to Preference Share Redemption Reserve Account		34,700.00	0.00
Proposed Dividend on Equity Capital		875.24	4,245.24
Dividend & Tax for Previous year (not appropriated in the previous year)		94.14	41.27
Dividend on Preference Capital		0.00	5.62
Corporate Dividend Tax		203.08	804.70
Surplus carried to Balance Sheet		46,211.96	42,342.38
Earning Per Share (Before considering exceptional/Extra ordinary items-net of tax)	– Basic (Rs.)	28.26	32.67
	– Diluted (Rs.)	21.48	26.13
Earning Per Share (After considering exceptional/Extra ordinary items-net of tax)	– Basic (Rs.)	31.33	32.67
	– Diluted (Rs.)	23.81	26.13
Notes to the Accounts & Significant Accounting Policies	12		
The accompanying schedules 1 to 12 form an integral part of the accounts.			

For and on behalf of the Board

In terms of our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants

Sd/-

(M.K. AGGARWAL)

Partner

Membership No. - 76980

Place : New Delhi

Dated : 1st December, 2008

Sd/-

ARVIND DHAM

Director

Sd/-

RAJEEV RAJ KUMAR

Company Secretary

Sd/-

D.S. MALIK

Managing Director

Sd/-

VINOD UPPAL

V.P (Fin. & Acctt.)

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED 30TH JUNE 2008

(Rs. In Lacs)

PARTICULARS	For the year ended 30th June 2008	For the year ended 30th June 2007
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit as per Profit & Loss Account	63,382.46	57,578.27
Add: Depreciation	21,045.85	14,677.54
Add : Financial Charges	11,566.10	-
Loss/(Gain) on sale of fixed assets, net	(822.40)	(210.11)
Loss/(Gain) on sale of Investments	(9,380.24)	(340.13)
Interest Received & Other Income	(4361.58)	(7,931.35)
Less Reversal Due to Transitional Liability as per AS-15 (Revised)	(53.48)	-
Deferred & Preliminary exp. written off	683.81	917.48
	82,060.52	64,691.70
(Increase)/Decrease in Inventories	(19,822.22)	(9,109.28)
(Increase)/Decrease in Other Receivables	(403.10)	250.73
(Increase)/Decrease in Sundry debtors	(32,976.48)	(1,107.00)
(Increase)/Decrease in Loans & advances	(15,009.03)	(1,017.03)
Increase/(Decrease) in Current Liabilities	36,418.64	(1,008.44)
Cash Generation by operations	50,268.33	52,700.68
Interest Received & Other income	4,361.58	7,931.35
Net cash from operating activities	54,629.91	60,632.03
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets (including capital work in progress)	(146,554.22)	(140,526.75)
Proceeds from sale of fixed assets	2,856.89	2,865.39
Sales/Purchase of investments, net	8,240.71	1,922.30
Increase in Deferred/intangible asset/Goodwill & Misc. Expenditure	(680.19)	410.78
Net Cash from Investing Activities	(136,136.81)	(135,328.28)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital/FCCB Conversion/	38,929.90	17,514.74
Proceeds from warrant against share capital	6,900.00	-
Proceeds from new borrowings (including Fluctuation)	123,099.03	-
Repayment of borrowings (Including FCCB Conversion)	(12,530.79)	(34,928.92)
Increase/(Decrease) in Reserves through Acquisition/Minority Interest	(2,014.10)	479.82
Financial Charges Paid		
Interest Paid	(10,984.21)	(8,373.44)
Interest Capitalised	1,264.33	-
Payment of Dividend & Tax thereon	(5,143.04)	(3,289.42)
Net Cash from financing activities	139,521.12	(28,597.22)
Net cash flows during the year (A+B+C)	58,014.22	(103,293.47)
Cash & cash equivalents (opening balance)	45,712.86	149,006.33
Cash & cash equivalents (closing balance)	103,727.08	45,712.86

NOTES TO CASH FLOW STATEMENT

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

This is the cash flow statement referred to in our report of even date.

For Manoj Mohan & Associates

Chartered Accountants

Sd/-

(M.K. AGGARWAL)

Partner

Membership No. - 76980

Place : New Delhi

Dated : 1st December, 2008

Sd/-

ARVIND DHAM

Director

Sd/-

RAJEEV RAJ KUMAR

Company Secretary

Sd/-

D.S. MALIK

Managing Director

Sd/-

VINOD UPPAL

V.P (Fin.& Acctt.)

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Schedule 1 : SHARE CAPITAL

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
AUTHORISED		
25,00,00,000 Equity Shares of Rs.2/- each (Previous year 22,50,00,000 Equity shares of Rs.2/- each)	5,000.00	4,500.00
35,00,000 Preference Shares of Rs.100/- each (Previous year 35,00,000 Preference shares of Rs.100/- each)	3,500.00	3,500.00
	8,500.00	8,000.00
ISSUED, SUBSCRIBED AND PAID UP.		
14,09,93,143 Equity shares of Rs.2/-each fully paid up (Previous year 13,03,14,368 Equity shares (Net of 4,76,000 Equity Shares held by subsidiaries) of Rs.2/- each fully paid up)	2,819.86	2,606.29
TOTAL	2,819.86	2,606.29

Schedule 1A : WARRANTS AGAINST SHARE CAPITAL

(Rs. in Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
WARRANTS AGAINST SHARE CAPITAL		
1,50,00,000 Warrant (Each Warrant carry option / entitlement to subscribe to 1 number of Equity share of Rs. 2/- each on or before 14th July, 2009 at a price not less than Rs. 460/- per Share)	6,900.00	-
	6,900.00	-

Schedule 2: RESERVES & SURPLUS

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
Share Premium		
Opening Balance	113,998.92	
Add: During the year	38,716.33	
Closing Balance	152,715.25	113,998.92
Debenture Redemption Reserve		
Opening Balance	2,366.98	
Add: During the year	2,366.98	
Closing Balance	-	2,366.98
Reserve for Investment Allowance	54.68	54.68
Capital Subsidy	25.50	25.50
Capital Reserves through Acquisition	16,045.18	17,306.71
Foreign Currency Convertible Bond Redemption Reserve	39,600.00	
General Reserve		
Opening Balance	37,340.62	
Addition during the year	3,000.00	
Add: Trf. from Debenture Redemption Reserve	2,366.98	
Less Reversal Due to Transitional Liability as per AS-15 (R)	53.48	
Trf. to Foreign Currency Convertible Bond Redemption	(4,900.00)	
Profit B/F from Profit & Loss Account	46,211.96	42,342.38
TOTAL	292,406.69	213,435.79

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

Schedule 3 : LOAN FUNDS

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
Secured Loans:		
(I) Bank Borrowings	34,251.38	31,906.67
(II) Loans from Banks / Financial Institutions	30,180.11	26,885.76
(III) 13% Non-Convertible Debentures	–	2,366.94
TOTAL	64,431.49	61,159.37
Unsecured Loans:		
i) 0.5% Foreign Currency Convertible Bonds 2010	7,512.75	13,343.51
ii) 0.0% Foreign Currency Convertible Bonds 2011	107,325.00	101,450.00
iii) External Commercial Borrowings	107,325.00	–
iv) Others	5,323.84	5,396.96
TOTAL	227,486.59	120,190.47

Notes:

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

Schedule 4 : FIXED ASSETS

(Rs. In Lacs)

Particulars	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
	Opening Block	Additions	Sales/ Transfers	Closing Block	Opening Dep.	During the Year	Written Back/Adj.	Cumm. Dep.	Current Year	Previous Year
Land & Site Development (Including Leasehold)	6,142.94	48.56	210.00	5,981.50	–	–	–	–	5,981.50	6,142.94
Building	14,723.14	3,042.86	520.10	17,245.90	2,829.68	541.52	114.13	3,257.07	13,988.83	11,893.46
Plant & Machinery	293,489.50	84,621.82	9,637.31	368,474.01	89,071.41	19,931.98	8,225.43	100,777.96	267,696.05	204,418.09
Electrical Installation	1,129.47	401.99	–	1,531.46	169.62	84.29	–	253.91	1,277.55	959.85
Furniture & Fixture	1,943.80	293.21	–	2,237.01	1,057.80	229.01	–	1,286.81	950.20	886.00
Office Equipment	2,056.28	187.74	–	2,244.02	685.09	162.05	–	847.14	1,396.88	1,371.19
Data Processing Unit	165.31	25.70	–	191.01	80.77	27.88	–	108.65	82.36	84.54
Vehicle	723.67	31.56	9.41	745.82	168.66	69.12	2.77	235.01	510.81	555.01
Total	320,374.11	88,653.44	10,376.82	398,650.73	94,063.03	21,045.85	8,342.33	106,766.55	291,884.18	226,311.08
Capital Work-in-progress	57,025.74	105,415.76	50,815.50	111,626.00	–	–	–	–	111,626.00	57,025.74
Total Gross Block Curr Yr.	377,399.85	194,069.20	61,192.32	510,276.73	94,063.03	21,045.85	8,342.33	106,766.55	403,510.18	283,336.82
Total Gross Block Pre Yr.	215,369.86	237,676.19	100,534.28	352,511.77	58,527.49	14,677.54	729.56	72,475.47	280,036.30	

Note: The Opening Gross Block & Opening Depreciation includes Opening of new subsidiary Companies.

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

Schedule 5 : INVESTMENTS

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
(Quoted - Long Term Trade) at cost		
Nil Equity Shares of Rs.2/- each of M/s Amtek India Ltd. (Previous year 93,87,500 Equity Shares of Rs.10/- each)	-	1,297.50
1,00,000 Equity Shares of Rs.10/- each of Grapco Mining & Co.Ltd. (Previous year 1,00,000 Equity Shares of Rs.10/- each)	13.00	13.00
1,03,100 Equity Shares of Rs.10/- each of Global Infrastructure & Technologies Ltd. (Previous year 1,03,100 Equity Shares of Rs.10/- each)	54.86	54.86
3500 Equity Shares of Rs.2/- each of Sanghvi Movers Ltd. (Previous year 700 Equity Shares of Rs.10/- each)	0.60	0.60
Nil Equity Shares of Rs.10/- each of Patheja Forging & Auto Parts Ltd. (Previous year 50,000 Equity Shares of Rs.10/- each)	-	50.00
5,000 Equity Shares of Rs.10/- each of Good Value Marketing Ltd. (Previous year 5,000 Equity Shares of Rs.10/- each)	2.00	2.00
29810 Equity Shares of Rs.10/- each of Dena Bank. (Previous year 14028 Equity Shares of Rs.10/-each)	8.04	8.04
(Unquoted - Long Term Non Trade) at cost		
50,000 Equity Shares of Rs.10/- each of Photon Biotech Ltd. (Previous year 50,000 Equity Shares of Rs.10/- each)	12.00	12.00
10,000 Equity Shares of Rs.10/- each of SICOM Ltd. (Previous year 10,000 Equity Shares of Rs.10/- each)	8.00	8.00
1 Equity Share of Pound 1/- of KTH (Previous year 1 Equity share of Pound 1)	-	-
60500 Equity Shares of Rs.50/- each of Alliance Integrated Metallics Ltd. (Previous year 60,500 Equity Shares of Rs.50/-each)	30.25	30.25
23,16,500 Equity Shares of Rs. 10/- each WHF Precision Forging Ltd. (Previous year 23,16,500 Equity Shares of Rs.10/-each)	231.66	231.66
Life Insurance for funding of pensions	581.45	401.58
Investments in Mutual Funds	5,210.41	2,953.25
	6,152.27	5,062.74
Less: Provision for Diminution in value of Investment	-	50.00
TOTAL	6,152.27	5,012.74

Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
a) Current Assets		
i) Interest Receivables	412.20	9.10
ii) Inventory: (As Certified by the Management)		
- Raw Material	21,162.05	11,848.70
- Semi Finished Goods	33,059.61	25,517.92
- Finished Goods	14,211.49	12,211.87
- Consumables Stores	3,262.92	2,078.82
- Other Stocks	388.00	604.54
TOTAL	72,084.07	52,261.85

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES (Contd...)

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
III) Sundry Debtors: (Unsecured considered good)		
Outstanding for over six months	5,974.81	6,521.13
Other Debts	76,309.66	42,786.86
TOTAL	82,284.47	49,307.99
IV) Cash and Bank Balances		
Cash in Hand	92.81	160.53
Balances with Scheduled banks :		
Current Accounts	7,706.84	6,339.27
Fixed Deposits/ Margin Money	95,927.43	39,213.06
TOTAL	103,727.08	45,712.86
b) Loans and Advances		
a) Advances Recoverable in Cash or in kind or for value to be received (considered good)	53,900.10	41,925.71
b) Security Deposits	457.44	336.01
TOTAL	54,357.54	42,261.72

Schedule 7 : CURRENT LIABILITIES & PROVISIONS

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
CURRENT LIABILITIES:		
Sundry Creditors	56,254.73	31,540.87
Unpaid Dividend	22.07	16.75
Interest accrued but not due	1,938.67	92.45
Other Liabilities	49,463.84	27,486.43
Provision for Expenses	2,497.66	4,375.24
TOTAL A	110,176.97	63,511.74
PROVISIONS		
Provision for Taxation	9,970.02	6,909.81
Proposed Equity Dividend	875.24	4,245.24
Corporate Dividend Tax	203.08	803.66
TOTAL B	11,048.34	11,958.71
GRAND TOTAL (A+B)	121,225.31	75,470.45

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

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

(Rs. In Lacs)

PARTICULARS	As at 30th June 2008	As at 30th June 2007
1 Deferred Revenue Expenses		
a. Share/ GDR Issue Exp	212.27	424.54
b. Component Development Expenses	0.00	0.93
c. Deferred Expenditure	13.95	64.46
TOTAL	226.22	489.93

Schedule 9 : MATERIAL & MANUFACTURING EXPENSES

(Rs. In Lacs)

PARTICULARS	For the Year ended 30th June 2008	For the Year ended 30th June 2007
Material Consumed	282,439.80	224,793.54
Add: Decrease / (Increase) in Stock	(9,366.12)	(4,250.60)
	273,073.68	220,542.94
Consumables	6,109.53	5,388.14
Power & Fuel	9,036.17	7,469.52
Other manufacturing Expenses	3,930.75	3,677.97
Freight Inwards	2,835.62	2,431.89
Repairs of Plant & Machinery	1,601.93	1,595.01
TOTAL	296,587.68	241,105.47

Schedule 10 : PERSONNEL EXPENSES

(Rs. In Lacs)

PARTICULARS	For the Year ended 30th June 2008	For the Year ended 30th June 2007
Salary and Wages	42,972.41	30,753.40
Contribution to P.F.,E.S.I, Gratuity, Leave Encashment, Staff Welfare etc.	4,725.33	4,366.60
TOTAL	47,697.74	35,120.00

Schedule 11 : ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. In Lacs)

PARTICULARS	For the Year ended 30th June 2008	For the Year ended 30th June 2007
Advertisement & Publicity	6.91	6.65
Auditor's Remuneration	148.39	82.53
Books & Periodicals	8.29	4.95
Charity & Donation	7.73	9.75
Director's Remuneration & Perquisites	131.31	179.43
Business Promotion & Development Expenses	352.65	332.93
Insurance Charges	1,381.89	822.69

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

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

(Rs. In Lacs)

PARTICULARS	For the Year ended 30th June 2008	For the Year ended 30th June 2007
ISO Expenses	16.25	14.60
Legal & Professional	1,224.86	1,087.73
Loss on Sale of Assets	13.67	6.63
Office and Factory Expenses	3,927.33	1,758.81
Printing & Stationery	255.17	172.23
Rate, Fee & Taxes	1704.56	618.35
Rent	3,185.28	2,518.94
Repairs & Maintenance - others	7,750.24	3,326.22
Running & Maintenance - Vehicles	812.98	312.98
Security Expenses	269.37	198.05
Subscription & Membership Fees	26.23	11.56
Telephone, Telex & Postage Expenses	487.59	389.75
Travelling & Conveyance	1,344.83	830.06
Provision for Diminution in Value of Investment	–	50.00
Provision for Doubtful debts	4.94	–
SELLING & DISTRIBUTION EXP		
Cash Discount	341.76	148.05
Freight Outwards	1,273.09	1,022.95
Packing & Forwarding	40.14	418.24
EXPENSES WRITTEN OFF		
Share/ GDR Issue Expenses	212.27	212.27
Component Development Expenses	–	0.31
Deferred Expenditure	51.44	50.66
Goodwill	420.10	654.24
TOTAL	25,399.27	15,241.56

SCHEDULE : 12 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2007)

1. ACCOUNTING POLICIES –

A. Principles of Consolidation :

- i. The consolidated Financial Statement relates to Amtek Auto Ltd (the Parent Company), Ahmednagar Forgings Ltd, Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.), Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.) (subsidiary companies incorporated in India) , Smith Jones Inc. (wholly owned foreign subsidiary company incorporated in USA), Amtek Investments UK Limited (wholly owned foreign subsidiary company incorporated in UK), Amtek Investments US (1), Inc. (wholly owned foreign subsidiary company incorporated in U.S.A), Amtek Duetshland GmbH (wholly owned foreign subsidiary company incorporated in Germany), Amtek Tekfor Automotive Ltd. (50:50 Joint Venture incorporated in India) and MPT Amtek Automotive Limited (50:50 Joint Venture incorporated in India).
- ii. The Consolidated Financial statements have been prepared on the basis of AS-21 issued by ICAI read along with the following assumptions :
 - (a) The Financial Statement of the parent company and its subsidiary companies/Joint Venture have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions, resulting in unrealized profit or losses.
 - (b) Investment of the parent company in the subsidiaries are eliminated against respective stake of the parent company.
 - (c) In respect of foreign subsidiary, the financials have been converted from US GAAP/UK GAAP/German GAAP to Indian GAAP. Current Assets and Liabilities of overseas subsidiary have been translated in reporting currency, at the exchange rate prevailing at the close of the year.
 - (d) All transactions in foreign currency transaction are recorded by applying the exchange rate prevailing at the time of transaction. Gain or loss upon settlement of the transaction during the year is recognized in Profit and Loss Account.
 - (e) Impact of exchange fluctuation, whether revenue or capital in nature appearing in the accounts of the foreign subsidiary are directly charged to revenue in consolidated financial statement.

B. Notes to the Consolidated Financial Statements

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

2. NOTES TO ACCOUNT -

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

A. Contingent Liabilities:

	Current Year	(Rs.in Lacs) Previous year
a) Capital commitment & contingency	6,199.40	5,344.65
b) Guarantees	489.39	54.89
c) Unexpired Letters of Credit /EEPC/Bond Obligation	254.37	239.57
d) Disputed Liability	84.24	41.80
e) Future Lease rental payments	2,189.81	1,187.37

AMTEK AUTO LIMITED & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENT

B. Earning Per share:

Calculation of EPS (Basic and Diluted)	Year Ended 30th June, 2008	Year Ended 30th June, 2007
Basic		
Opening Number of Shares	13,07,90,368	12,23,80,943
Total Shares outstanding	14,09,93,143	13,07,90,368
Profit after Tax, before extraordinary item (Rs. Lacs)	38,547.00	40,846.42
Profit after Tax, after extraordinary item (Rs. Lacs)	42,742.04	40,846.42
EPS before extraordinary items (Rs. Per Share)	28.26	32.67
EPS after extraordinary items (Rs. Per Share)	31.33	32.67
Diluted		
Stock option outstanding	Nil	Nil
Total shares outstanding including dilution	18,40,78,754	16,20,78,770
EPS before extraordinary items (Rs. Per Share)	21.48	26.13
EPS after extraordinary items (Rs. Per Share)	23.81	26.13
Reconciliation of basic and diluted shares used in computing EPS		
Number of shares considered as basic weighted average shares outstanding	13,64,09,764	12,50,12,701
Add: Effect of dilutive FCCB conversion & Warrants	4,30,85,611	3,12,88,402
Number of shares considered as diluted weighted average shares outstanding	17,94,95,375	15,63,51,393

C. Related party Disclosure

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

(i) Subsidiaries companies /Associates

Ahmednagar Forgings limited (Kuruli, Pune)
 Amtek Crankshafts India Ltd. (Formerly Amtek Siccardi India Ltd.), (Manesar, Gurgaon)
 Amtek Ring Gears Ltd. (Formerly Benda Amtek Ltd.) (Gurgaon)
 Smith Jones Inc. (IOWA, USA)
 Amtek Investments UK Limited (Letchworth, UK)
 Amtek Investments US (1) Inc. (Michigan, U.S.A)
 Amtek Duetshland GmbH (Hennef, Germany)
 Amtek Tekfor Automotive Ltd (Joint Venture) (Dharuhera)
 MPT Amtek Automotive Ltd. (Joint Venture) (Dharuhera)

(ii) Key Management Personnel

Mr. Arvind Dham
 Mr. D. S. Malik

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

D. Interest in Joint Venture Companies

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

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

The company's share in the aggregate amount to each of the assets, liabilities, income, expenses, capital commitment and contingent liabilities as at 30th June, 2008 are as under:

Proportion of company's Interest in Join Venture	(Rs. in Lacs)	
	Amtek Tekfor Automotive Ltd.	MPT Amtek Automotive Ltd.
Assets	1479.00	1,145.00
Liability	1479.00	1,145.00
Income	1,648.34	-
Expenses	1,632.10	-
Capital Commitments	-	-
Contingent Liabilities	-	-

- E.** Export sales include sale in transit to its overseas customers/subsidiary acknowledged in subsequent year, indirect export and deemed export.
- F.** Grouping have been rearranged in terms of presentation of those of subsidiary companies wherever necessary.
- G.** Current year figures are not comparable with that of previous year figures due to acquisition of Triplex Ketlon group of U.K.

For and on behalf of the Board

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

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

Sd/-
ARVIND DHAM
Director

Sd/-
D.S. MALIK
Managing Director

Place : New Delhi
Dated : 1st December, 2008

Sd/-
RAJEEV RAJ KUMAR
Company Secretary

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

NOMINATION FORM - 2B
(Only for shares held in physical form)
(To be filled in by individual(s) applying singly or jointly)

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

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

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

Kindly take the aforesaid details on record.

*To be filled in case nominee is a minor

Thanking you,
Yours faithfully,

Date.....

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

INSTRUCTIONS:

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

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

To,
 Beetal Financial & Computer Services Pvt. Ltd.
 Beetal House, 3rd Floor, 99, Madangir, Behind L.S.C., New Delhi-110062

Dear Sirs,

FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

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

For shares held in physical form

Master Folio No.

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

For shares held in electronic form

DP. ID

Client ID

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

<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
--

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

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

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

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

(Signature of First holder)

Dated: _____

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



ATTENDANCE SLIP

AMTEK AUTO LIMITED

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

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

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

DP. ID#	
Client ID#	

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

Applicable for members holding shares in dematerialised form.

NAME AND ADDRESS OF THE MEMBER: _____

I hereby record presence at the 22nd Annual General Meeting held at Plot No. 16, Industrial Estate, Rozka-Meo (Sohna) Distt. Gurgaon (Haryana) on 31st December, 2008.

SIGNATURE OF THE MEMBER* OR PROXY*

*Strike out whichever is not applicable.



PROXY FORM

AMTEK AUTO LIMITED

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

DP. ID#	
Client ID#	

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

Applicable for members holding shares in dematerialised form.

I/We _____
of _____
being a member/members of Amtek Auto Limited hereby appoint _____
of _____
or failing him _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at the 22nd Annual General Meeting to be held at Plot No. 16, Industrial Estate, Rozka-Meo (Sohna) Distt. Gurgaon (Haryana) on 31st December, 2008

Signed this _____ day of _____ 2008.

Re. 1/- Revenue Stamp

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

BOOK-POST

If undelivered please return to :

AMTEK AUTO LIMITED

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

ablegraphics@gmail.com