



**AHMEDNAGAR
FORGINGS
LIMITED**

**37th ANNUAL REPORT
*2013 - 2014***



AHMEDNAGAR FORGINGS LIMITED

37th ANNUAL REPORT

2013 - 2014

Board of Directors

Mr. Sanjiv Bhasin	<i>Chairman & Director</i>
Mr. S. Rajagopalan	<i>Whole Time Director</i>
Mr. Arvind Dham	<i>Director</i>
Mr. Gautam Malhotra	<i>Director</i>
Mr. D. S. Malik	<i>Director</i>
Mr. S. E. Krishnan	<i>Director</i>
Mr. B. Lugani	<i>Director</i>
Mr. Vivek Kumar Agarwal	<i>Director</i>

Company Secretary

Ms. Swati Ahuja

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Registered Office

Gat No. 614
Village Kuruli
Tal. Khed,
Dist. Pune - 410 501
(Maharashtra)

Works

- MIDC Area, Ahmednagar
- Chakan, Dist. Pune
- Kuruli, Dist. Pune
- Nalagarh, Distt. Solan, (H.P.)

Auditors

M/s Manoj Mohan & Associates
Chartered Accountants

Bankers

Andhra Bank
Karur Vysya Bank Ltd.
IDBI Bank Ltd.
Allahabad Bank

Registrar & Transfer Agents

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 37th ANNUAL GENERAL MEETING OF AHMEDNAGAR FORGINGS LIMITED OF MEMBERS WILL BE HELD AT REGISTERED OFFICE OF THE COMPANY, AT GAT NO. 614, VILLAGE KURULI, TAL. KHED, PUNE – 410 501 (MAHARASHTRA) ON MONDAY, 29th DECEMBER 2014 AT 09.30 A.M. TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and the Audited Statement of Profit & Loss for the financial year ended 30th September, 2014 as together with the reports of the Board of Directors and Auditor's thereon.
2. To declare Dividend for the year ended 30th September, 2014.
3. To appoint a Director in place of **Mr. Arvind Dham (DIN 00047217)** who retires by rotation and being eligible has offered himself for re-appointment.
4. To appoint a Director in place of **Mr. Vivek Kumar Agarwal (DIN 01479902)** who retires by rotation and being eligible has offered himself for re-appointment.
5. ***To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-***

“RESOLVED THAT pursuant to the provisions of Section 139 (1) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under, as amended from time to time, M/s Manoj Mohan & Associates, Chartered Accountants, (Firm Registration No.009195C) be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company and on such remuneration as will be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

6. ***To appoint Mr. Bahushrut Lugani (DIN- 00052387) as an Independent director and in this regard to consider, and if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:***

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mr. Bahushrut Lugani (DIN- 00052387)** be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term ending in 2019.”

7. ***To appoint Mr. Sanjiv Bhasin (DIN- 01119788) as an Independent director and in this regard to consider, and if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:***

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mr. Sanjiv Bhasin (DIN- 01119788)** be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term ending in 2019.”

8. ***To appoint Mr. Sitaraman Easwara Krishnan (DIN- 01674237) as an Independent director and in this regard to consider, and if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:***

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mr. Sitaraman Easwara Krishnan (DIN- 01674237)** be and is hereby appointed as an



Independent Director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term ending in 2019.”

9. To Adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To consider and approve Related Party Transactions and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any, read with Companies (Meetings of Board and its Powers) Rules, 2014 consent of the Company be and is hereby accorded for entering into related party transactions by the Company for the financial year 2014-15 up to the maximum per annum amounts given below.

MAXIMUM VALUE OF CONTRACT/TRANSACTION FOR THE FINANCIAL YEAR 2014-15					
(in crores)					
	Transactions defined u/s 188(1) of Companies Act, 2013				
	Sale or Supply of any goods materials	Purchase or otherwise buying materials/ property of any kind	Loan (With Interest)	Technical Consultancy Fees	Leasing of Property
NAME OF RELATED PARTY					
Holding					
Amtek Auto Ltd.	200	100	–	–	–
Subsidiaries of Holding Company					
Amtek India Ltd.	50	50	–	–	–
JMT Auto Limited	50	–	–	–	–
Overseas Subsidiaries of Holding Company					
Amtek Investment UK Ltd.	50	–	–	–	–
Amtek Global Technologies Pte. Ltd.	100	–	–	–	–
Associates of Holding Company					
ACIL Ltd. (Formerly known as Amtek Crankshafts India Ltd.)	100	100	–	–	–
AGRL Ltd. (Formerly known as Amtek Ring Gears Ltd)	100	100	–	–	–



RESOLVED FURTHER THAT to give effect to this Resolution the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be necessary to settle any question, difficulty, or doubt that may arise with regard to giving effect to above Resolution and to do all such acts, deeds, things as it may be necessary in its absolute discretion deem necessary proper desirable and to finalize any documents and writing related thereto.”

11. To approve issue of Redeemable Preference Shares and to this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions of Section 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Rules framed there under, as may be amended from time to time and as permitted by SEBI (ICDR) Regulations and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot Redeemable Preference shares (RPS), aggregating to about Rs. 300 crores (Rupees Three Hundred crores only), in one or more tranches, on a preferential basis, on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.”

“**RESOLVED FURTHER THAT** in accordance with provisions of Section 43 of the Act, the RPS shall be non participating, carry a preferential right, vis-à-vis Equity Shares of the Company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Act.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary or incidental, and pay such fees and incur such expenses in relation thereto as it may deem appropriate.”

12. To approve the remuneration of the Cost Auditors for the financial year ending September 30, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Mr. Yash Pal Sardana, Practising Cost Auditor (Membership No. 17996), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending September 30, 2015, on remuneration not exceeding Rs. 5 Lacs per annum.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special businesses under Item No. 6 to 12 above, is annexed hereto. The relevant details of Directors seeking appointment or re-appointment under Item Nos. 3, 4, 6 to 8 as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing the Proxy, in order to be effective, must be deposited at the Company’s Registered Office not less than **48 hours** before the meeting. Proxies submitted on behalf of limited companies,



societies, etc., must be supported by appropriate resolutions/authority, as applicable. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. Pursuant to 205A(5) and 205C of the Companies Act, 1956, Unclaimed final dividend for the year 2006-07 is due for transfer to Investors' Education and Protection Fund (IEPF) established by Govt. of India. All Shareholders, whose dividend is unpaid for the year 2006-07, are requested to lodge their claim by submitting an application at the earliest date, with either of the following:
 - i. **M/s Beetal Financial & Computer Services Private Limited (RTA)**
Beetal House, 3rd Floor, 99
Madangir, Behind LSC New Delhi-110062
 - ii. The Company Secretary,
AHMEDNAGAR FORGINGS LIMITED,
4, Bhanot Apartment,
Local Shopping Center, Pusph Vihar
New Delhi-110062

Kindly note that no claims will lie against the Company or the IEPF once the dividend amount is deposited in IEPF.

5. The Notice of the Annual General Meeting is also uploaded on the website of the Company (www.amtek.com). The Annual General Meeting Notice is being sent to all the members whose names appear in the Register of Members as on 28th November 2014.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, M/s. Beetal Financial & Computer Services Private Limited. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and M/s. Beetal Financial & Computer Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Beetal Financial & Computer Services Private Limited
7. The Register of Members and Share Transfer Books of the Company shall remain closed from **27th December 2014 to 29th December 2014 (both days inclusive)** for the purpose of compliance with the annual closure of Books as per Companies Act, 2013.
8. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched on or before 28th January, 2015 to those members whose names shall appear on the Company's Register of Members on December 26, 2014; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
9. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
10. In accordance with the Companies Act, 2013 read with the Rules and in support of the 'Green Initiative in Corporate Governance' the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with M/s. Beetal Financial & Computer Services Private Limited., the Company's Registrars and Share Transfer Agents.



11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Beetal Financial & Computer Services Private Limited for consolidation into a single folio.
12. Members are requested to : -
 - a. 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, if applicable.
 - b. bring the enclosed attendance slip and deliver the same after filling in their folio number/Client ID and DP ID at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip, Duplicate Attendance Slip will be issued at the Registered Office of the Company up to a day preceding the day of Annual General Meeting.
 - c. bring their copies of Annual Report to the Meeting as the same will not be redistributed at the venue of Annual General Meeting.
 - d. quote their Folios/Client ID & DP Id Nos. in all correspondence.
 - e. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
13. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
14. Members desirous of asking any questions at the General Meeting are requested to send in their questions so as to reach the Company registered office at least 7 days before the General Meeting so that the same can be suitably replied to.
15. The Company has appointed M/s Iqneet Kaur & Co., Practising Company Secretary (Membership No. F7669) to act as Scrutinizer for conducting the electronic voting process in fair & transparent manner.

Process for Members opting for e-Voting is as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and as per Listing Agreement the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The e-voting period commences on December 22, 2014 (10:00 A.M. IST) and ends on December 24, 2014 (6:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a Member, he shall not be allowed to change it subsequently.

The instructions for members for voting electronically are as under:-

The voting period begins on December 22, 2014 (10:00 A.M. IST) and ends on December 24, 2014 (6:00 P.M. IST). During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 28th November, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,



- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none">● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.



(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on December 22, 2014 at 10:00 A.M. and ends on December 24, 2014 at 06:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 28th November, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

**By Order of the Board
For Ahmednagar Forgings Limited**

**Date : 24-11-2014
Place : New Delhi**

**Sd/-
Sanjiv Bhasin
DIN No. 01119788
Chairman**



Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 6 to 12 of the Notice.

ITEM NO. 6 to 8

Mr. Bahushrut Lugani, Mr. Sitaraman Easwara Krishnan and Mr. Sanjiv Bhasin are Independent Directors of the Company.

The Security & Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating conditions for the appointment of Independent directors by a listed Company.

Pursuant to the provisions of Section 149 & 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules framed there under as read with Schedule IV to the Act and Clause 49 of the Listing Agreement, it is proposed to appoint Mr. Bahushrut Lugani, Mr. Sitaraman Easwara Krishnan and Mr. Sanjiv Bhasin as independent directors for a period of five years ending in 2019 and whose period of office will not be liable to retire by rotation.

Mr. Bahushrut Lugani, Mr. Sitaraman Easwara Krishnan and Mr. Sanjiv Bhasin are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

Copy of the draft letters for respective appointments of Mr. Saniv Bhasin, Mr. Sitaraman Easwara Krishnan and Mr. Bahushrut Lugani as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

In the opinion of the Board, the above Directors fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

The Company has also received declarations from Mr. Bahushrut Lugani, Mr. Sitaraman Easwara Krishnan and Mr. Sanjiv Bhasin that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In compliance with the provisions of Section 149 of the Act read with Schedule IV to the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members for their approval.

Save and except the above, none of the other Directors / Key Managerial Personnels of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 6 and 8 of the Notice for approval by the shareholders.

ITEM NO.9

The existing Article of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contains references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

The new AOA to be substituted in place of the existing AOA is based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares.

The proposed new draft AOA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnels of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

ITEM NO. 10

The provisions of Section 188 of the Companies Act 2013, governs the related party transactions, requiring a Company to obtain prior approval of the Board of Directors and the prior approval of shareholders by way of a Special Resolution.



All the prescribed disclosures required to be given under the provisions of Companies 2013 and the Company's (meetings of the board and its power) rules, 2014 are given at item No. 10 for the kind perusal of members.

Members are informed that pursuant to second proviso of section 188(1) of the Companies Act 2013, no member of the Company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party. Further, by its recent General Circular No. 30/2014 dated 17.07.2014, the Ministry of Corporate Affairs has clarified that the term 'Related Party' in the second proviso to Section 188(1) refers only to such Related Party as may be a Related Party in the context of the contract or arrangement for which the Special Resolution is being passed.

The Board of Directors of your Company has approved this item in the Board Meeting held on 24th November 2014 and recommends the resolution as set out accompanying notice for the approval of members of the Company as Special Resolution.

None of the Directors and Key Managerial Personnel (other than as mentioned above) and their relatives are deemed to be concerned or interested, financial or otherwise in the proposed Special Resolution.

ITEM NO. 11

As per Section 42 of the Act, with the Rules framed there under, a company offering or making an invitation to subscribe to securities, including Redeemable Preference Shares on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, for each of the offers and invitations. The approval of the Members is accordingly being sought by way of a Special Resolution under Section 42, 55 and 62 of the Act read with the Rules made there under, for the issue of Redeemable Preference Shares ("RPS") aggregating an amount not exceeding Rs. 300 crore and to offer and allot the RPS on a private placement basis on the terms and conditions set out hereunder.

Given below is a statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of the RPS:

1. The RPS shall be non participating and non-convertible.
2. The objective of the issue is to raise funds to strengthen the long term capital base of the Company.
3. The RPS will be issued and offered on a private placement basis in accordance with the provisions of Section 42 of the Act and the Rules made there under.
4. Other terms:

Issue size	Amount Aggregating to Rs. 300 Crores
Issue Price	RPS will be issued at premium
Rate of Dividend	0.10%
Credit Rating	To be rated by ICRA / CARE /CRISIL
Terms of Redemption	Redemption at par in accordance with Section 55 of the Act, out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption.
Tenure of RPS	Any time after 10 years or as may be mutually decided by Company & Preference Shareholders.
Expected dilution in equity capital upon conversion of preference shares	Nil, since the RPS are non convertible.



The current equity shareholding pattern of the Company is as under:

Particulars	% of Shareholding
Promoter and Promoter Group	64.77
Mutual Funds/UTI	10.20
Financial Institutions/ Banks	0.65
Foreign Institutional Investors	1.99
Bodies Corporate	7.06
Individuals	13.45
Others	1.88
TOTAL	100%

The issue of RPS is in accordance with the provisions of the Articles of Association of the Company. There is no subsisting default in the redemption of preference shares issued by the Company or in payment of dividend due on any preference shares issued by the Company.

The Directors recommend the Resolution at Item No. 11 of the accompanying Notice, for the approval of the Members of the Company.

The Directors or Key Managerial Personnel of the Company or their respective relatives may be deemed to be concerned or interested in the Resolution at Item No. 11 to the extent of the RPS that may be subscribed to by them or by the companies / firms in which they are interested.

ITEM NO. 12

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending September 30, 2015 at the remuneration as decided.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 12 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending September 30, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 12 of the Notice for approval by the shareholders



Information required to be furnished under Clause 49 of the Listing Agreement in respect of Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting.

Name	Mr. Arvind Dham
Date of Birth	15 th March, 1961
Qualification	B.Arch. from Chandigarh College of Architecture, Punjab University
Profession	Industrialist
Expertise Other Directorships*	Setting up New Projects 1. Amtek Auto Limited 2. Amtek India Limited 3. ACIL Limited 4. Symbois Personnel Advices and Services Limited 5. Amtek Laboratories Ltd
Shareholding in the Company	NIL

Name	Mr. Vivek Kumar Agarwal
Date of Birth	15 th June, 1970
Qualification	Master of Finance and Control
Profession	Service
Expertise	Finance and Accounts
Other Directorships*	1. Suyaan Transmissions Limited 2. First Forge Limited 3. Rollatainers Limited
Shareholding in the Company	NIL

Name	Mr. Sanjiv Bhasin
Date of Birth	31 st August, 1957
Qualification	M.Com. Chartered Accountant
Profession	Service
Expertise	Accounts and Finance Matters
Other Directorships*	1. IDMA Laboratories Limited 2. Rollatainers Limited 3. Barista Coffee Company Limited 4. Amtek Auto Limited
Shareholding in the Company	NIL



Name	Mr. S.E. Krishnan
Date of Birth	6 th June, 1940
Qualification	B.E. (Mechanical Engineering)
Profession	Service
Expertise	Development of Auto Components
Other Directorships*	1. ARGL Limited 2. ACIL Limited
Shareholding in the Company	NIL

Name	Mr. B. Lugani
Date of Birth	22 nd July, 1955
Qualification	Chartered Accountant
Profession	Financial & Management Consultant
Expertise	Vast experience in the field of Project Identification, Management Consultancy Auditing process, Income Tax and setting up of new projects etc.
Other Directorships*	1. Amtek Auto Limited 2. IFFCO-TOKIO General Insurance Company Limited 3. Marg Limited
Shareholding in the Company	NIL

* These directorships exclude, Private Companies, Foreign Companies and Section 25 Companies Act 1956 corresponding to Section 8 of Companies Act 2013.

Directors' Report

AHMEDNAGAR FORGINGS LIMITED



Dear Members,

It gives me great pleasure to present, on behalf of the Board of Directors of your Company, the 37th Annual Report on the business and operations of Ahmednagar Forgings Limited and its Audited Statements of Accounts for the year ended 30th September, 2014, together with the Auditors' Report. Your Company has witnessed yet another year of sustained performance, success and growth in the automotive component sector where we have engaged ourselves significantly.

FINANCIAL RESULTS

The Company's financial performance, for the year ended September 30, 2014 is summarized below:

PARTICULARS	Year ended on 30th September 2014	Fifteen Months ended on 30th September 2013
Revenue	2,41,690.35	1,76,149.81
Expenditures (Excluding Depreciation)	1,99,793.32	1,40,658.95
Gross Profit Before Depreciation	41897.03	35,490.86
Depreciation	13,658.34	9,794.87
Profit Before Tax	28,238.69	25,695.99
Exceptional Item	-	-
Tax Expenses	8,930.18	8,367.34
Profit after Tax	19,308.51	17,328.65
Add. Accumulated Profit	8,357.28	3,955.75
Balance available for appropriation	27,665.79	21,284.40
APPROPRIATIONS:		
Transfer to General Reserve	(10,802.86)	(12,500.00)
Transfer to Debenture Redemption Reserve	—	—
Proposed Dividend on Equity Shares	(367.50)	(367.50)
Equity Dividend & Tax for previous year (not appropriated in previous year)	(2.84)	—
Corporate Dividend Tax	(73.48)	(59.62)
Surplus carried to Balance Sheet	16,419.11	8,357.28

FINANCIAL PERFORMANCE

Operating in a volatile and uncertain environment, the Company demonstrated the resilience of its business model. The Company's best in class automotive component business enabled it to deliver robust profits during the financial year under review. The revenue of the Company is Rs. 2,41,690.35 Lacs compared to Rs. 1,76,149.81 Lacs during the previous year. The Profit after tax Rs. 19,308.51 Lacs as compared to the previous year of Rs. 17,328.65 Lacs. The Company has a strong Reserve & Surplus position of Rs. 1,05,922.08 Lacs.

DIVIDEND

Your Directors have recommended a dividend of Re. 1 per equity share (last year Re. 1 per equity share) for the financial year ended September 30, 2014 amounting to Rs. 440.98 Lacs (inclusive of tax of Rs. 73.48 Lacs). The dividend payout is subject to approval of members at the ensuing Annual General Meeting.



The dividend will be paid to members whose names appear in the Register of Members as on 26th December, 2014 in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date. The dividend payout for the year under review has been formulated in accordance with shareholders' aspirations and the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is presented in a separate section forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Company's vision and categories focus on having right balance between Value Creation and Corporate Citizenship. The Companies Act, 2013 mandates that every Company, who meets certain eligibility criteria needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility activities. However, Corporate Social Responsibility is an integral part of Company's management process since inception.

Therefore, during the year, your directors have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Mr. B. Lugani as the Chairman, Mr. S.E. Krishnan and Mr. Vivek Kumar Agarwal as members. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

SUBSIDIARIES

The Company has no Subsidiary Company.

DIRECTORS

In accordance with Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Arvind Dham and Mr. Vivek Kumar Agarwal retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment. The Company has received requisite notice in writing from member proposing his re-appointment.

Pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors at its meeting held on 24th November, 2014 appointed the existing independent directors Mr. Bahushrut Lugani, Mr. S.E. Krishnan and Mr. Sanjiv Bhasin as an Independent Directors for the term of five consecutive years ending in 2019 w.e.f. the date of ensuing Annual General Meeting subject to the approval of shareholders.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Brief resumes of the Directors proposed to be appointed or re-appointed, highlighting their industry expertise in specific functional areas, names of companies in which they hold directorships is provided in the notice forming part of Annual Report. Further, the name of the Companies in which they hold the memberships/chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreement is provided in the Corporate Governance Section of this Annual Report

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the year ended September 30, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;



- the Directors have 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 as at September 30, 2014. and of the Profit of the Company on that date.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Annual Accounts have been Prepared on going concern basis.

AUDITORS AND AUDITORS' REPORT

Pursuant to provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, it is proposed to appoint M/s Manoj Mahon & Associates, Chartered Accountants as Statutory Auditors of the Company from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company and on such remuneration as will be fixed by the Board of Directors of the Company.

The Company has received letters from the auditor to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

COST AUDITORS

The Company has appointed Mr. Yash Pal Sardana (Membership No. 17996), practicing Cost Accountant, as Cost Auditor for conducting the audit of the cost records of the Company.

RECONCILIATION OF SHARE CAPITAL AUDIT

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

The Share Capital Audit Reports as submitted by M/s Iqneet Kaur & Company, Company Secretaries, New Delhi, on a quarterly basis were forwarded to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.

FIXED DEPOSITS

The Company has not accepted any public deposits during FY 2013-14.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such particulars may write to the Company Secretary of the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are provided in Annexure to this Report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.



Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of last Annual General Meeting on the Company's website (www.amtek.com), as also on the Ministry of Corporate Affairs website.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent globally. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to the Report on Corporate Governance.

INDUSTRIAL RELATIONS

During the year under review, the relations between the Management and the Workmen were highly cordial. Industrial relations generally remained cordial and satisfactory.

Human resources initiatives such as skill level up gradation, training, appropriate reward & recognition systems and productivity improvement are the key focus areas for development of the employees of the Company.

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 Stakeholders Relationship 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.

EMPLOYEE WELFARE

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

ACKNOWLEDGEMENT

Your Directors are highly grateful for all the help, guidance and support received from state government authorities, business associates, banks and financial institutions. Your Directors acknowledge the constructive suggestions received from Statutory Auditors are grateful for their continued support and cooperation. Your Directors thank all share-owners, business partners and members of the Company's Family for their faith, trust and confidence reposed in Ahmednagar Forgings Limited. Your Directors wish to place on record their sincere appreciation for the unstinting efforts and dedicated contributions put in by the employees at all levels, to ensure that the Company continues to grow and excel.

**By Order of the Board
For AHMEDNAGAR FORGINGS LIMITED**

**Place : New Delhi
Date : 24-11-2014**

**Sd/-
SANJIV BHASIN
DIN No. 01119788
CHAIRMAN**



ANNEXURE- I TO THE DIRECTORS' REPORT 2013-2014

A. INFORMATION REQUIRED UNDER SECTION 217(I) (e) OF THE COMPANIES ACT, 1956

I. Research & Development (R&D)

- | | | |
|--|---|--|
| a) Specific area in which (R&D) carried out by the Company | : | i) Product design & development
ii) Process design & improvement for various products |
| b) Benefits derived as result | : | i) Reduction in process time
ii) Higher productivity
iii) 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 Absorbition:

- | | | |
|--|---|--|
| a) Efforts in brief towards technology absorbition | : | The Company has indigenised and absorbed technological changes as advised by collaborators in the past. |
| b) Benefits derived as a result of above efforts e.g product | : | i) Cost reduction to savings in raw material dies & moulds & power & fuel
ii) Increase in productivity & better quality |
| c) In case of imported technology (import) during the last 6 years reckoned from the beginning of the financial year | : | N.A |

III. Foreign Exchange Outgo:

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

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

(Rs in Lacs)

	Current Year	Previous Year
Foreign Exchange Used :	3,531.40	2,624.48
Foreign Exchange Earned	945.41	902.40
IV. Conservation of Energy	Current Year	Previous year
A. Power & Fuel consumption		
1. Electricity Purchased		
Purchased Units (in Lacs)	456.26	396.83
Total Amt. (Rs in Lacs)	3,035.59	2,914.66
Average Rate Per Unit (Rs.)	6.65	7.34
2. Own generation through Generator Diesel		
Units (in Lacs)	79.80	37.76
Unit/Litres	2.75	2.75
Rate/Unit	20.42	16.21
Total Amt. (Rs. in Lacs)	1629.66	612.14



Furnance Oil:		
Quantity-K. Litres	1314.00	1966.00
Total Cost (Rs in Lacs)	536.09	705.02
Average Rate Per Liter (Rs)	40.80	35.86
CNG/LPG:		
Quantity- Kg. (In Lacs)	10.89	10.24
Total Cost (Rs in Lacs)	742.70	576.52
Average Rate Kgs. (Rs)	68.19	56.32
B. Consumption Per Unit of Production		
Auto Components (MTs)	186407.00	162197.75
Cost/M.Ton	3,188.74	2,964.49

Corporate Governance Report

THE COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

The Company expects to realise its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people.

I) BOARD OF DIRECTORS

In our company, the Board along with its Committees provide leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. We believe an active, well-informed board is vital to attain the highest standards of Corporate Governance. An independent and strong board is the utmost requirement of the Company so as to ensure that the best practices are adopted by the Company. In our Company, we have a proper blend of executive, non executive and independent directors, who have rich knowledge and experience in the industry for providing strategic guidance and direction to the Company.

A) COMPOSITION OF BOARD

The Company has a Non-Executive Chairman and the number of Independent Directors is more than 50 percent of the total number of Directors in compliance with the Clause 49 of the listing Agreement. As on Date, the Company has 8 Directors on its Board, of which 3 Directors are independent. The number of Non-Executive Directors (NEDs) is more than 50 percent of the total number of Directors. The Company is in compliance with the Clause 49 of the Listing Agreements pertaining to compositions of Directors.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The Familiarization Program for Independent Directors has been adopted by the Board of Directors pursuant to Clause 49 of Listing Agreement; the detailed policy is available at the website of the Company (www.amtek.com)

B) NON – EXECUTIVE AND INDEPENDENT DIRECTORS COMPENSATION & DISCLOSURES

The details of the remuneration paid to the Non Executive Director provided as per accounts for the year ended on September 30, 2014 are given below:-

Non Executive Director	Sitting Fee (Rs.)	Commission	Total (Rs.)
Mr. S.E. Krishnan	4000	–	4000
Mr. B. Lugani	8000	–	8000
Sanjiv Bhasin	6000	–	6000

C) OTHER PROVISIONS AS TO BOARD AND COMMITTEES

During the year under review, Four (4) Board Meetings were held on **29/11/2013, 13/02/2014, 08/05/2014 and 30/07/2014**. The maximum time-gap between any two consecutive meetings did not exceed four months. The Composition of Board, attendance at Board Meetings held during the financial year under review and at the last Annual General Meeting, number of directorships, membership/chairmanships of Board and Committees of public companies as on September, 30th, 2014 in companies is as follows:-



Name of Director	Director Identification Number	Category of Directors	No. of Board Meetings attended in the	Attendance at the last AGM	Directorship in other Companies	Committees positions	
						Chair man	Member
Sanjiv Bhasin	01119788	Non Executive, Independent Director & Chairman	3	–	4	1	–
Mr. S. Rajagopalan	02403272	Executive Director	4	–	2	–	1
Mr. Arvind Dham	00047217	Promoter Director	4	–	5	–	–
Mr. Gautam Malhotra	00157488	Non Executive Director	4	–	6	–	2
Mr. D.S Malik	00052362	Non- Executive Director	4	–	4	–	2
Mr. B. Lugani	00052387	Non Executive & Independent Director	4	–	3	2	2
Vivek Kumar Agarwal	01479902	Non-Executive Director	4	Yes	3	–	2
Sitaraman Easwara Krishnan	01674237	Non Executive & Independent Director	2	Yes	2	–	–

* This excludes directorship held in Private Companies, Foreign Companies and Companies formed under Section 8 of the Companies Act, 2013

** In accordance with Clause 49, Membership/Chairmanship of only Audit Committee & Stakeholders Relationship Committee (formerly known as Shareholders'/investors' Grievance Committee) in all Public Limited Companies have been considered.

POST MEETING FOLLOW-UP MECHANISM

All the important decision taken at the Board/Committee Meeting are promptly communicated to the concerned departments. Action Taken Report on decision/minutes of previous meeting is placed at the succeeding meeting of the Board/Committee for noting.

BOARD PROCEDURES

The members of the Board have been provided with the requisite information in 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 or Companies Act, 2013.

D) CODE OF CONDUCT

The Code of Business Conduct and Ethics for Directors/Management Personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to Directors and Management Personnel. The Code, while laying down in detail, the standards of business conduct, ethics and governance centres around the following theme:

'The Company's Board and Management Personnel are responsible for, and are committed to, setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should



be adhered to in true letter of spirit.

A copy of the Code has been put on the Company's website (www.amtek.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the CEO is published in this Report.

E) WHISTLE BLOWER POLICY

The Audit Committee has established a Vigil Mechanism, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.

II. COMMITTEES

The Board has constituted a set of Committees with specific terms of reference/scope to focus effectively on the issues and ensure expedient resolution of diverse matters. The Committees operate as empowered agents of the Board as per their terms of reference. Targets set by them as agreed with the management are reviewed periodically and mid-course corrections are also carried out. The Board of Directors and the Committees also take decisions by circular resolutions which are noted at the next meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions. The Committees and the Senior Management functions as on September 30, 2014 is illustrated below:-

- **AUDIT COMMITTEE**
- **HUMAN RESOURCES, NOMINATION AND REMUNERATION COMMITTEE**
- **STAKEHOLDERS RELATIONSHIP COMMITTEE**
- **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**
- **FINANCE COMMITTEE**
- **RISK MANAGEMENT COMMITTEE**
- **SHARE TRANSFER COMMITTEE**
- **SEXUAL HARASSMENT COMMITTEE**

1) AUDIT COMMITTEE

(A) QUALIFIED AND INDEPENDENT AUDIT COMMITTEE

The Board of the Company has reconstituted Audit Committee, comprising of three directors. The members of the Committee are viz. Mr. B. Lugani (Chairman), S.E. Krishnan and Sanjiv Bhasin are independent and non executives members. The Company Secretary acts as the Secretary of the Audit Committee.

The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 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 177 of the Companies Act, 2013.

(B) MEETING OF AUDIT COMMITTEE

During the period, the committee met Four (4) times and all the members were present in all the meetings.

(C) POWERS OF AUDIT COMMITTEE

The Audit Committee shall have powers, which should include the following:

- To investigate any activity within its terms of reference.



- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

(D) ROLE OF AUDIT COMMITTEE

The role of Audit Committee shall include the following (including the terms of reference):

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency to monitor the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval and any subsequent modification or transaction of Company with Related Parties.
- Scrutiny of Intercorporate Loan & investment.
- Valuation of Undertaking or Assets of the Company, wherever its necessary

(E) REVIEW OF INFORMATION BY AUDIT COMMITTEE

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.

2) HUMAN RESOURCES, NOMINATION AND REMUNERATION COMMITTEE

The Board has re-constituted a Remuneration Committee, thereby known as Human Resources, Nomination and Remuneration Committee (HRNR Committee) comprising three non executive and independent directors viz. Mr. B. Lugani (Chairman), Mr. Sanjiv Bhasin and Mr. Vivek Kumar Agarwal. The Committee has been constituted to rationalise all employees' related issues, while adhering to the requirements of the Companies Act, 2013 & Clause 49 of the Listing Agreement, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time.

Terms of Reference of the Committee, inter alia, includes the following:

- i) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii) Recommend to the Board a policy relating to the remuneration for the directors (including specific remuneration packages for Executive Directors including pension rights and any.
- iii) Compensation of Key Managerial Personnel and other employees. While formulating the policy, it shall ensure that –



- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- iv) Identify persons who are qualified to become directors (including independent directors) and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
 - v) While recommending appointment of Executive Directors, a balance between functional and business unit representatives may be considered.
 - vi) Carry out evaluation of every director's performance including review of remuneration of CEO.
 - vii) Take steps to refresh the composition of the Board from time to time.

During the period under review, only 1 (One) meeting of the Remuneration Committee was held, in which all the members were present.

REMUNERATION POLICY:-

The Company's 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. The remuneration of the Key Managerial Personnel and Senior Management Personnel's of the Company is reviewed and recommended by Committee, based on criteria such as industry benchmarks, the Company's performance visa-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members.

A sitting fee of Rs. 2000/- for attendance at each meeting of the Board meeting be paid to all the Independent Directors.

The sitting fees paid/payable to the non Whole-time directors is excluded whilst calculating the limits of remuneration in accordance with Section 197 of the Act. The Company also reimburses out-of-pocket expenses to Directors attending meetings held at a city other than the one in which the Directors reside.

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

The Company does not have any Employee Stock Option Scheme.

(A) The details of the remuneration paid to the Whole Time Director provided as per accounts year ended September 30, 2014 are given below:-

(Rs. In lacs)

Name of Director	Salary*	Service Tenure
Mr. S. Rajagopalan	41.77	5 Years

- 1. Remuneration includes salary, Bonus, Contribution to provident Fund and all other perquisites taxable or non-taxable.



2. Appointment is contractual.
3. Information about qualification is based on particulars furnished by the employee.
4. The above employee does not hold himself or along with his spouse and dependent children 2% or more of equity shares of the Company.

3) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has renamed the Shareholders'/ Investors' Grievance Committee, now known as Stakeholders Relationship Committee comprising of three directors under the Chairmanship of Mr. S.E. Krishnan. The other members in the Committee being, Mr. B. Lugani and Mr. D.S. Malik. The Board has constituted Stakeholders Relationship Committee in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of Shareholders' / Investors' Grievance (SIG) Committee was conferred on the Stakeholders Relationship Committee.

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.

Terms of Reference of the Committee, inter alia, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share / debenture certificates
- Monitor redressal of investors' / shareholders' / security holders' grievances
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

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

4) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company proactively reviews its governance practices and standards inter alia considering best practices and regulatory developments. During the year under review, the following significant developments took place on the governance front:-

Constitution of 'Corporate Social Responsibility Committee': Considering the work being done by the Company on social front, the Company's Board has constituted a 'Corporate Social Responsibility Committee' (CSR Committee). CSR Committee is primarily responsible for formulating and monitoring the implementation of the framework of Corporate Social Responsibility policy, other policies under Business Responsibility Policy Manual and to look into sustainability matters and matters related to overall governance.

The members of Corporate Social Responsibility Committee are Mr. B. Lugani as Chairman, Mr. S.E. Krishnan and Mr. Vivek Kumar Agarwal are Member.

Terms of Reference of the Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities;



- To monitor the implementation of the framework of the CSR Policy;
- To oversee the implementation of policies.

5) FINANCE COMMITTEE

The Board of Directors has constituted Finance Committee comprising of Mr. Arvind Dham (Chairman) and Mr. D.S Malik, Mr. Gautam Malhotra are other member of the committee.

Terms of Reference of the Committee, inter alia, includes the following:

- Review the Company's financial policies, risk assessment and minimization procedures, strategies and capital structure, working capital and cash flow management, and make such reports and recommendations to the Board with respect thereto, as it may deem advisable ;
- Review banking arrangements and cash management;
- Exercise all powers to borrow money (otherwise than by issue of debentures) within limits approved by the Board, and take necessary actions connected therewith, including refinancing for optimization of borrowing costs ;
- Give guarantees/issue letters of comfort/providing securities within the limits approved by the Board;
- Borrow money by way of loan and/or issue and allot bonds/notes denominated in one or more foreign currencies in international markets for the purpose of refinancing the existing debt, capital expenditure, general corporate purposes, including working capital requirements and possible strategic investments within limits approved by the Board ;
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable ;
- Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee ;
- Delegate authorities from time to time to the executives/ authorised persons to implement the Committee's decisions ;
- Review regularly and make recommendations about changes to the charter of the Committee.

6) RISK MANAGEMENT COMMITTEE

The Board of Directors has constituted Risk Management Committee comprising of following directors:-

- | | | | |
|----|---------------------|---|----------|
| 1. | Mr. Arvind Dham | – | Chairman |
| 2. | Mr. B. Lugani | – | Member |
| 3. | Mr. Gautam Malhotra | – | Member |

The purpose of the Committee is to assist the board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company. The Risk Management Committee is also responsible for reviewing and approving the risk disclosure statements in any public documents or disclosure.

7) SHARE TRANSFER COMMITTEE

The Board has delegated the powers to approve transfer of the shares to Share Transfer Committee. During the period, Committee met two times 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; and
- all other matters relating to shares.

8) SEXUAL HARASSMENT COMMITTEE

As per the requirement of Prevention of Sexual Harassment Act, 2013, Company has duly constituted Sexual Harassment Committee, comprising of the following members:-

1. Mrs. Iqneet Kaur – The Presiding Officer
2. Mr. Ram Prasad – Finance Department
3. Ms. Sonal Choudhary – HR Department
4. Mr. Rajesh Soni – HR Department

Company is totally committed in providing an environment that is free from discrimination and harassment. We recognize the rights of our employees and provide forums, support groups and policies to hear and address their issues, concerns and resolve them in a fair and transparent manner. Our Sexual Harassment Committee members helps employees to express to their grievances and address them in a fair and objective manner. The cases are patiently heard and resolved by a unbiased group. We have a Whistle Blower Policy as well that assures complete anonymity and confidentiality of information to the reporting individual.

III) SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

IV) RELATED PARTY TRANSACTIONS

The Company usually enters into the transactions with its Related parties (i.e. Holding, Subsidiaries of Holding, Associates of Holding, Overseas Subsidiaries of Holding Company etc.). The Policy for Related Party Transactions is also adopted by the Board and the same is available at the Company's website (www.amtek.com)

V) DISCLOSURES

A) RELATED PARTY TRANSACTIONS

Details of Related Party Transactions entered into by the Company are included in the Notes to Accounts. Material individual transactions with related parties are in the normal course of business on an arm's length basis and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of business are placed before the Audit Committee.

B) DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of financial statements for the period ended on September, 2014; there was no treatment different from that prescribed in an accounting standard that had been followed.

C) REMUNERATION OF DIRECTORS

The Company's 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. The remuneration of the Whole time Director, Key Managerial Personnel and Senior Management Personnel's of the Company is reviewed and recommended by Committee, based on criteria such as industry benchmarks, the Company's performance visa-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members.

A sitting fee of Rs. 2000/- for attendance at each meeting of the Board meeting be paid to all the Independent Directors.



The sitting fees paid/payable to the non Whole-time directors is excluded whilst calculating the limits of remuneration in accordance with Section 197 of the Act. The Company also reimburses out-of-pocket expenses to Directors attending meetings held at a city other than the one in which the Directors reside.

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

The Company does not have any Employee Stock Option Scheme.

(B) The details of the remuneration paid to the Whole Time Director provided as per accounts for the year ended September 30, 2014 are given below:-

(Rs. In lacs)

Name of Director	Salary*	Service Tenure
Mr. S. Rajagopalan	41.77	5 Years

- Remuneration includes salary, Bonus, Contribution to provident Fund and all other perquisites taxable or non-taxable.
- Appointment is contractual.
- Information about qualification is based on particulars furnished by the employee.
- The above employee does not hold himself or along with his spouse and dependent children 2% or more of equity shares of the Company
- The details of the remuneration paid to the Non Executive Directors provided as per accounts for the year ended on September 30, 2014 are given below:-

Non Executive Director	Sitting Fee (Rs.)	Commission	Total (Rs.)
Mr. S.E. Krishnan	4000	–	4000
Mr. B. Lugani	8000	–	8000
Sanjiv Bhasin	6000	-	6000

*The above mentioned Non Executive Directors do not hold any shares or convertible instruments

D) MANAGEMENT

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of the Annual Report to the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the Company's competitive position:

- a. Industry structure and developments.
- b. Opportunities and Threats.
- c. Segment-wise or product-wise performance.
- d. Outlook
- e. Risks and concerns.



- f. Internal control systems and their adequacy.
- g. Discussion on financial performance with respect to operational performance.
- h. Material developments in Human Resources / Industrial Relations front, including number of people employed.

The Code of Conduct for the Board of Directors and the senior management have been disclosed on the website of the Company.

E) SHAREHOLDERS

- Quarterly results and presentations made by the Company to analysts/investors have been uploaded on Company's web-site.
- Stakeholders Relationship Committee (formerly known as Shareholders Grievances Committee) has already been constituted.
- To expedite the process of share transfers, the Board of the Company has already constituted the Share Transfers Committee.

F) DISCLOSURE OF RESIGNATION OF DIRECTORS

The Company adopts the policy to disclose and upload the letter of resignation along with the detailed reasons provided by the director on its website within one working day from the date of receipt of the letter of resignation.

G) DISCLOSURE OF FORMAL LETTER OF APPOINTMENT

The Company adopts the policy to disclose and upload the letter of appointment of the independent Director along with the detailed profile on its website within one working day from the date of such appointment.

H) DISCLOSURE IN THE ANNUAL REPORT

- The details of the establishment of vigil mechanism will be disclosed on its website (www.amtek.com).
- The Company have already disclosed the remuneration policy and evaluation criteria in this annual report.

I) PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES, PREFERENTIAL ISSUES

During the year under review, no proceeds have been received through public issue, right issue, preferential issue etc.

VI) GENERAL INFORMATION

A) GENERAL BODY MEETINGS

(I) ANNUAL GENERAL MEETINGS

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

Year	Location	Date	Time	Special Resolutions Passed
2012-2013	Gat No.614, At Village Kuruli Khed Tal. Pune-410 501	21.03.2014	9.30A.M.	2*
2011-2012	Gat No.614, At Village Kuruli Khed Tal. Pune-410 501	28.12.2012	9.30 A.M.	Nil
2010-2011	Gat No.614, At Village Kuruli Khed Tal. Pune-410 501	31.12.2011	9.30 A.M.	Nil

*Following Special Resolutions has been passed during the Annual General Meeting:



- 1) To Authorize the board under Section 180(1)(c) of Companies Act, 2013 to increase the borrowing limit to the extent of Rs. 10,000/- crores
- 2) To Authorize the board under Section 180(1)(a) of Companies Act, 2013 to mortgage, lease and/or create charge on all or any of the movable and/or immovable properties, tangible and/or intangible properties of the Company in favour of lenders to secure various financial facilities not exceeding Rs. 10,000/- crores.

(II) EXTRAORDINARY GENERAL MEETINGS

No Extraordinary General Meeting of the Members has been held during the year.

VII) MEANS OF COMMUNICATION

Results for quarter ended 31st December 2013, 31st March 2014, 30th June 2014 and 30th September 2014 have been published in English and Hindi newspapers (viz The Kesari & Business Standard).

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

The Shareholding Pattern, Corporate Governance Report, Financial Results and Corporate Announcements are filed electronically on NSE Electronic Application Processing System (NEAPS).

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.

VIII) GENERAL SHAREHOLDERS INFORMATION

1. ANNUAL GENERAL MEETING

Date	Day	Time & Venue
December 29, 2014	Monday	9.30 A.M, Gate No.614, At Village: Kuruli, Tal. Khed Distt. Pune-410 501 (Maharashtra)

2. FINANCIAL CALENDER FOR F.Y.- 2014-15

Particulars	Date
Financial year	October 1, 2014 to September 30, 2015
First Quarter Results	Mid February, 2015
Second Quarter Results	Mid May, 2015
Third Quarter Results	Mid August, 2015
Fourth Quarter Results	Mid November, 2015

3. DATE OF BOOK CLOSURE

Saturday, 27 December, 2014	Monday, 29 December, 2014
-----------------------------	---------------------------

(Both days inclusive)

4. DIVIDEND PAYMENT DATE

The Payment of dividend, upon declaration by the shareholders of the forthcoming Annual General Meeting, will be made on or before 28th January 2015.



- a. To all beneficial owners holding shares in electronic form, as per data made available to the Company by NSDL and CDSL as at the end of the day on Friday, 26th December 2014; and
- b. To all those shareholders holding shares in physical form, after giving effect to all the valid share transfer lodged with the Company on or before the closing hours on Friday, 26th December 2014.

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 2014-2015 has been paid to the Stock Exchanges within the stipulated time.

b. Debt Securities

The Wholesale Debt Market (WDM) Segment of BSE.

c. Debenture Trustee

Axis Trustee Services Limited
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025

6. STOCK CODES

Particulars	Codes
Bombay Stock Exchange Limited	513335
National Stock Exchange of India Limited	AHMEDFORGE
ISIN NO. For dematerialized shares	INE 425A01011

7. STOCK MARKET DATA

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

Month	National Stock Exchange		Bombay Stock Exchange	
	High	Low	High	Low
October, 2013	93.80	84.9	94.00	84.90
November, 2013	112.45	88.1	112.60	89.10
December, 2013	113.40	98.75	113.70	98.70
January, 2014	115.9	96.1	115.35	96.05
February, 2014	111.30	97.15	110.90	97.05
March, 2014	140.9	105.1	141.00	105.00
April, 2014	164.4	122.65	164.25	123.60
May, 2014	347.9	143.05	346.40	143.50
June, 2014	377.25	313.05	376.35	313.35
July, 2014	353.85	268	353.30	267.40
August, 2014	371	242.1	370.70	242.00
September, 2014	443.7	356.1	443.75	356.05



8. REGISTRAR AND SHARE TRANSFER AGENTS

Beetal Financial & Computer Services Private Limited
 BEETAL HOUSE, 3rd Floor, 99, Madangir, B/h. L.S.C
 New Delhi-110006
 Phone No. : 011-29961281-8283
 Fax No. : 011-29961284

9. DISTRIBUTION OF SHAREHOLDING AS ON SEPTEMBER 30, 2014

No. of Shares held (Rs.10/- paid up)	Shareholders Number	% of Total	Total (in Rs.)	% of Total Shareholding
Up to 5000	13152	84.44	15793730	4.30
5001 10000	1405	9.02	10046100	2.73
10001 20000	449	2.88	6689450	1.82
20001 30000	200	1.28	5098070	1.39
30001 40000	65	0.42	2296940	0.63
40001 50000	61	0.39	2850060	0.78
50001 100000	112	0.72	8144030	2.22
100001 Above	132	0.85	316581620	86.14
TOTAL :	15576	100.00	367500000	100.00

10. THE SHAREHOLDING PATTERN AS ON SEPTEMBER 30, 2014

Category Code	Category of Shareholder	Total Number of Shareholders	Total Number of Shares	Percentage
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian			
	(a) Individual's/Hindu Undivided Family	0	0	0
	(b) Central Government/State Government(s)	0	0	0
	(c) Bodies Corporate	1	23804492	64.774
	(d) Financial Institutions / Banks	0	0	0
	(e) Any Other (specify)	0	0	0
	Sub – Total (A) (1)	1	23804492	64.774
(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)	1	23804492	64.774



(B) Public Shareholding				
(1) Institutions				
(a)	Mutual Funds/UTI	12	3748327	10.200
(b)	Financial Institutions / Banks	9	239422	0.651
(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	28	732629	1.994
(g)	Foreign Venture Capital Investors	0	0	0
(h)	Any Other (Specify)	0	0	0
(i)	Foreign Financial Institutions/banks	1	600	0.002
Sub Total (B) (1)		50	4720978	12.846
(2) Non-Institutions				
(a)	Bodies Corporate	664	2595688	7.063
(b)	Individuals–			
	i. Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh.	13875	3811847	10.372
	ii. Individual Shareholders holding nominal Share Capital in excess of Rs. 1 lakh	46	1128741	3.071
(c)	Any Other (specify)			
	I. Trust	1	1600	0.004
	II. Clearing Members	259	225178	0.613
	III. Non Resident Indians (NRI)	236	130946	0.356
	IV. Hindu Undivided Families	444	330530	0.899
Sub-Total (B)(2)Total Public Shareholding		15525	8224530	22.380
(B) = (B)(1) + (B)(2)		15575	12945508	35.226
(C) TOTAL (A) + (B)				
TOTAL (A) + (B)		15576	36750000	100
Shares held by Custodians and against which Depository Receipts have been issued		0	000	0
GRAND TOTAL (A)+(B)+(C)		15576	36750000	100

11. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The Dematerialisation facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 30th September, 2014, 36080487 equity shares representing 98.18 % of Subscribed and paid up Capital have been de-materialized.

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

During the period under review, the Company has not converted any warrants into equivalent number of equity shares. As on date, there are no outstanding GDRs/ADRs/Warrants/ or any other Convertible instruments.



13. PLANT LOCATION

Unit I - MIDC Area, Ahmednagar

Unit II - Chakan, Dist.Pune

Unit III - Kuruli, Dist.Pune

Unit IV - Nalagarh, Distt. Solan, Himachal Pradesh

14. INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO :-

Ms. Swati Ahuja

AGM (Legal & Company Secretary)

Bhanot Apartment, 4, Local Shopping Centre, Pushp Vihar,
New Delhi – 110 062.

Ph.: 011- 41649800 Fax: 011-29054554

E-mail Id:investors.relation@amtek.com

**By Order of the Board
For AHMEDNAGAR FORGINGS LIMITED**

**Sd/-
(SANJIV BHASIN)
DIN NO: 01119788
CHAIRMAN**

Place : New Delhi

Date : 24.11.2014



AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Shareholders

Ahmednagar Forgings Limited

We have examined the compliance of conditions of corporate governance by Ahmednagar Forgings Limited for the year ended on 30th September 2014 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 Stakeholder Relationship Committee has maintain records to show the Investors Grievance and certify that as on 30.09.2014, 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 not to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manoj Mohan & Associates
Chartered Accountants
Firm Regn. No. 009195C

Sd/-

(M. K. Agarwal)

Partner

Membership No. 076980

Place : New Delhi

Date : 24.11.2014

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 September 2014, the Director's of Ahmednagar Forgings 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.

Sd/-

(S. Rajagopalan)

Whole Time Director

DIN: 02403272

Place : New Delhi

Date : 24.11.2014



CEO AND CFO CERTIFICATION

We, S. Rajagopalan, Whole Time Director & C.E.O. and Ram Prasad, G.M. Finance & Accounts responsible for the finance functions certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 30th September 2014 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 September 2014 are fraudulent, illegal or violation 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.

Place : New Delhi
Dated : 24.11.2014

Sd/-
Ram Prasad
G.M. Finance & Accounts

Sd/-
S. Rajagopalan
Whole Time Director & CEO
DIN: 02403272

Management Discussion and Analysis Report

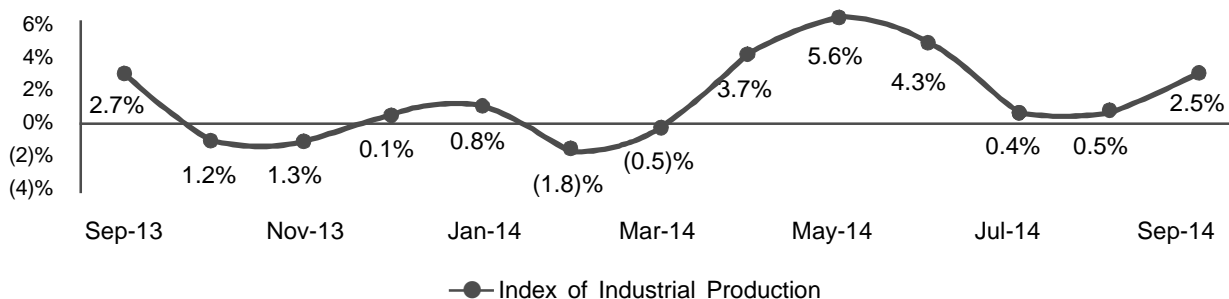
1. GLOBAL ECONOMIC OVERVIEW

The year ending September 2014 was a more encouraging period for the global automotive industry than the year before. Both Europe and the US emerged stronger as an improving consumer sentiment and rising business confidence led to higher demand for vehicles, both in the passenger and commercial segments. However, in the advanced economies, the legacies of the pre-crisis boom and the subsequent economic slowdown, coupled with lingering challenges related to unemployment and high private & public debt still cast a shadow on the recovery. In addition, rising geopolitical tensions in Europe and the Middle East also marred an overall improving business outlook. In China, risks from an adverse impact of an ageing population and weak economic growth continued to weigh on overall business prospects.

The IMF forecasts global economic growth of 2.6% in CY2014, 10 bps above the growth in CY2013. Forecasted GDP growth in emerging markets and developing countries is placed at 4.4% in CY2014, 30 bps less than the growth in CY2013. Most of the key emerging / developing economies, except India and Mexico are expected to report lower growth in FY2015 and CY2014, respectively, vis-à-vis in 2013. US GDP is expected to grow 2.2% in CY2014, no change from the growth in CY2013. Europe, which contracted (0.4)% in CY2013, is expected to report positive growth in CY2014, projected at 0.8%. This is owing to a slight economic recovery in Germany, Spain and Italy. China's growth is forecasted to drop 30 bps to 7.4% in CY2014 while India's growth is expected to rise to 5.6% in CYFY2015. (Source: IMF)

2. INDIAN ECONOMIC OVERVIEW

Fiscal year 2013-14 had been a challenging year with subdued economic growth, as a result of higher inflation, higher interest rates, lower industrial growth and lower investments in the country, along with the poor global economic conditions. However, post a stable government at the Centre, business confidence has risen with a pick-up in foreign investment and production growth. Industrial output growth as measured by the Index of Industrial Production (IIP) for Apr-Sep 2014 stood at 2.8% y-o-y vs. 0.5% y-o-y for the same period of the last fiscal year. India's GDP growth forecast has consequently been raised by IMF to 5.6% for FY2015, as compared to a growth of 5.0% in FY2014.



Source: CSO

3. AUTOMOBILE INDUSTRY

3.1 Global Automobile Industry

Despite demand pressures in some of the economies in the world and an overhang of the debt crisis in a few others, the global automotive industry seems to have started treading on the recovery path. United States finally returned to its pre-crisis sales level, with a substantial reduction in the workforce and renewed profitability. The market is expected to grow at over 4% in 2014 and over 3% in 2015. Sales in Asia, with two of the biggest automotive markets, are expected to rise by 8% in 2014. China continues to demand more cars, despite concerns that the economy is cooling off. Sales are expected to be higher by 10% in 2014. Sales in India are expected to remain flat, due largely to the recent slowdown that affected the passenger car industry. In Japan, despite a supportive monetary policy, sales are expected to shrink by (5)% in 2014 and (2)% in 2015.



Sales in Europe are expected to recover by over 5% in 2014 and 2015, but still remains away from its pre-crisis level. The Italian passenger car market remains depressed and sales are expected to come in at 1.3 million units, i.e. at half their pre-crisis level and production capacity continues to be underutilized with very limited hope of a rapid turn around.

In Germany, automotive manufacturers are seeking to absorb the increase in operating costs and investments via efficiency gains and internal synergies. The market is expected to grow at over 3% in 2014 and 2015. In the United Kingdom, pent-up demand and a renewed consumer sentiment is expected to result in a growth in new registrations of over 10% in 2014. Registrations in Brazil are expected to register a de-growth of (10)%.



Source: Research

3.2 Indian Automobile Industry

India has always been widely recognized as one of the most strategically important emerging automotive markets in the world. In addition to being an attractive end customer market, it also provides OEMs with a high quality, cost efficient manufacturing platform to service their customers globally, making it a compelling destination for major automotive manufacturers.

However, the automotive industry in the recent past has faced head winds. In the financial year 2013-14, consumer sentiment continued to be impacted by high fuel prices and overall economic uncertainty which also reflected in the business confidence and industrial output. As a result, the passenger car and commercial vehicle production fell by (4.9)% and (16.1)%, respectively during the year. The 2/3 wheelers production, however, was less affected and expanded by 6.8%.



Source: SIAM; FYE Mar



Source: SIAM; FYE Mar

The outlook for the Indian automotive sector is expected to improve. In the passenger car market, pent up demand after 2-3 years of lower consumption is expected to stimulate sales. Reducing food and fuel inflation and a recovery in the business sentiment, helped by a series of reforms by the new government is likely to benefit the commercial vehicles sector, which has already started to turn positive. In the 2/3 wheelers segment, a continuing income growth due to improved business climate will help sustain the momentum.

3.3 Automobile Component Industry

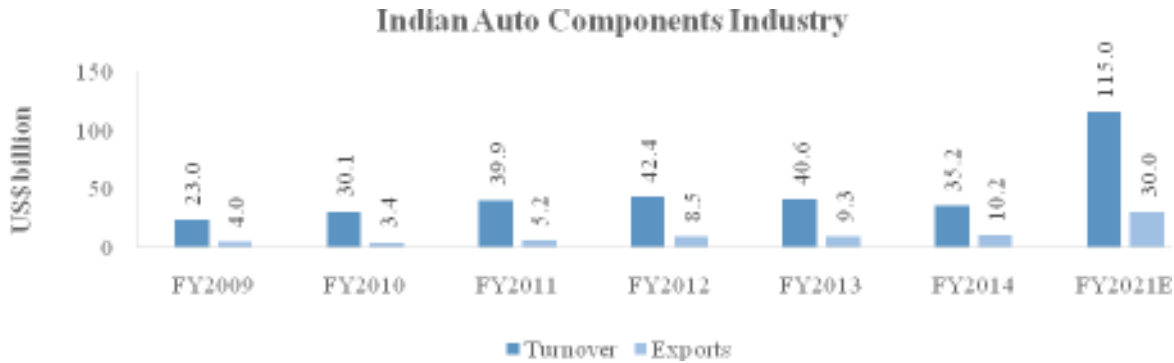
The Indian automotive industry is the sixth largest in the world having deep forward and backward linkages with several key segments of the economy. The industry has a strong positive multiplier effect which acts as a key driver of the economic growth.

In the last decade India has emerged as a global hub for automotive component sourcing. The country benefits from being geographically well placed to the key automotive markets of South East Asia, the Middle East and Europe. It offers a cost competitive manufacturing base which potentially lowers operating costs by an average 10-25% compared to operations in Europe and Latin America. The country has a large skilled and semi-skilled workforce with a strong underlying educational system. Furthermore, India is the fifth largest producer of steel globally, a core raw material for the automotive components industry.

Global automotive manufacturers are making long term investments in India. OEMs are increasingly setting up engine manufacturing units in India, positioning the country as a sourcing hub for engine components. Some OEMs have also announced plans to increase procurement from their Indian subsidiaries.

Japanese auto component makers, with a significant presence in India, are increasingly carrying out expansion activities and setting up manufacturing bases close to Japanese OEMs' plants in Gujarat and Tamil Nadu. In the recent past, a delegation of Taiwanese auto component makers evinced interest in partnering with their Indian counterparts in setting up manufacturing bases to supply to markets in South East Asia, Middle East and Africa. These initiatives further strengthen the fundamentals and growth outlook of the domestic automotive component manufacturers.

The Indian automotive component industry is expected to grow at a CAGR of 18.5% to reach over US\$ 115 billion of sales by 2020-21 from US\$ 35.2 billion in 2013-14. At the end of this period, the Indian market is expected to account for approximately three-fourths of total sales; exports are estimated at US\$ 30 billion.



Source: SIAM; FYE Mar

3.4 Ahmednagar Forgings: Strategy and Outlook

Ahmednagar Forgings is one of the largest forging axle beam and crankshaft manufacturing Company in India. The Company has state of the art world class manufacturing facilities with vertical presses, hammers, upsetters and ring rolling machines. It has an extensive product portfolio with a wide range of highly engineered components including camshafts, connecting rods, crankshaft, crown wheel pinions and front axle beams.

Ahmednagar Forgings derives a good portion of it's revenues from the commercial vehicles industry, which after 2 years of posting negative growth, has started to show distinct trends of an upturn. The Indian commercial vehicles industry recorded positive growth of 3.1% in Q3 CY2014 compared to negative growth of (15.1)% in the previous quarter and a negative growth of (22.1)% in Q3 CY2013. Global OEMs operating in the domestic commercial vehicle segment seek to partner with high quality integrated component suppliers that can match their stringent quality and engineering requirements. Ahmednagar Forgings, with its technical advances and extensive capabilities, is well positioned to capitalize on the increasing demand for its products as the industry further gains from the recent deregulation of diesel prices and a thrust on infrastructural projects by the new government.

Going forward, a key focus area for management will be strengthening its presence in the non-auto business especially the tractors, construction equipment, railways and oil and gas segments. The Company also sees a significant opportunity in the pumps and valves and mining sectors. Ahmednagar Forgings' non-auto strategy not only helps the Company mitigate risks arising from the cyclical swings in the auto sector, but also presents additional business opportunities.

Ahmednagar Forgings aims to continue to achieve above average growth through new product introductions, the addition of customers, further contracts from existing customers and continued consolidation in the industry. Management is focused on achieving operating excellence by reinforcing lean manufacturing and quality improvement programs across all production facilities which will result in further productivity improvements.

The Company has a successful track record of partnering with its high profile customer base, which is essential for managing its business going forward. As sustainable growth returns in the automotive industry, the Company's scale of operations and unique capabilities and technical expertise will enable Ahmednagar Forgings to be differentiated in an increasingly competitive market.

4. OPPORTUNITIES & STRENGTHS

'Make in India': The launch of the 'Make in India' campaign by the new government is expected to make it easier to do business in India. With easier regulations and less complex paperwork, the costs are likely to come down making India an all the more cost effective manufacturing destination.

Indian Manufacturing Advantages: Apart from being a cost effective manufacturing base, India also has an attractive R&D platform and an abundant raw material supply. These dynamics, with economies of scale, have



encouraged OEMs over the years to establish and expand their Indian operations. Product development capabilities have resulted in the launch of low cost compact cars and alternate fuel variants.

Market Penetration Upside: Despite the strong production growth for the last decade, penetration of cars in India on a per capita basis continues to remain the lowest among emerging markets. Rising disposable incomes, ongoing urbanization, agricultural automation and industrial growth all support further penetration of automotive vehicles across India in the near term.

High Export Potential: As industry sourcing from low cost countries has increased, India has emerged as an automotive hub for exports. Its proximity to emerging markets such as South East Asia and Africa is a key advantage for developing an export base. Shipments to Europe from India are more cost effective as compared to those from Brazil and Thailand.

5. RISK AND CONCERNS

Macroeconomic Uncertainty: Global automotive markets have experienced downwards pressure and volatility in the last couple of years. The Company's operations are directly dependent on the general economic conditions in both Indian and in other key global markets. To counter these risks, the Company continues to broaden its product portfolio, increase its customer base, enhance geographic reach and also enter new segments.

Changes in Tax, Tariffs or Fiscal Policies: Imposition of additional taxes and levies designed to limit the use of automobiles could adversely affect the demand for the Company's products. Changes in corporate and other taxation policies, as well as changes in export and other incentives given by various governments, or import or tariff policies could also adversely affect the Company's financial results.

Geopolitical and other Risks: Political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages and their prices, epidemics, labour strikes all present business risks. To counter these risks, the Company continues to expand its geographic presence across all major automotive economies in the world.

Country Risk through Exports: Products are exported to a number of different geographic markets and consequently, the Company is subject to various risks associated with conducting business internationally. These risks include but are not restricted to the geopolitical and other risks outlined above.

Raw Material Prices: Input costs for commodities such as steel, non-ferrous, precious metals, rubber and petroleum products have increased in the recent past. While the Company continues to pursue cost reduction initiatives, increases in commodity prices and other costs could impact profitability to the extent that customer price pass-through terms are not available.

Global Competition: The automotive component industry is increasingly competitive with global OEMs seeking better pricing and terms. To counter these pressures, the Company continues to improve quality control and product offerings, while maintaining its low cost product development and sourcing advantage. Long standing customer relationships, the ability to provide complex engineering solutions and design support provides the Company with a competitive edge.

Financial Risk: The Company is exposed to financial risk from changes in interest rates, foreign exchange rates and commodity prices.

Technological Changes: The Company operates in an environment with fast changing technology, reducing life cycle of new vehicles and supply constraints from Tier II suppliers. Additional challenges include sustaining operating cost efficiency gains and planning capacity expansion in context of rapidly changing consumer demand preferences. The Company continues to invest in new technologies and capacities to address such risks.

Risk Management: Strategic, operating and financial business risks are reviewed by the Risk Management Committee on a regular basis. In addition to the above risks, the committee monitors any potential new risks that may arise due to changes in the external environment. While the possibility of a negative impact due to one or more of such risks cannot be totally avoided, the Company proactively takes reasonable steps to pre-empt and mitigate potential risks.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems for the management of internal control processes, commensurate



with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, plant facilities and key areas of business. The Risk Management Committee has documented control procedures covering all aspects of key financial and operating functions. The Company's internal control systems provide for:

- Adherence to applicable accounting standards and policies;
- Accurate recording of transactions with internal checks, prompt reporting and timely action;
- Compliance with applicable statutes, policies, listing requirements and management policies and procedures;
- Review of capital investments and long term business plans;
- Periodic review meetings to guide optimum utilization of resources;
- Effective use of resources and safeguarding of assets.

The Audit Committee reviews effectiveness of the internal control system, and also provides update on operating effectiveness and controls, from time to time to senior management team. A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee and rectify the same.

The Company has appointed M/s A.C. Gupta & Associate as their internal auditor. They carry out periodic audits as per an agreed internal audit program. They bring to the notice of management, issues which require their attention and also highlight the severity of the issue. Corrective actions are then set in place. The internal auditors report is reviewed by the Audit Committee and placed before the Board of Directors for their consideration.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Ahmednagar Forgings continued its strong growth trajectory during the year. In FY2014, the Company generated revenues of Rs. 2,41,690.35 Lacs a growth of 37.21% compared to FY2013.

EBITDA for the year increased by 34.86 % to Rs. 61,487.60 Lacs. EBITDA margins were at 25.44% a decrease of 0.44 bps compared to the same period last year.

Profit after tax (PAT) for FY2014 was Rs. 19,308.51 Lacs, an increase of Rs. 1,979.86 Lacs compared to FY2013. PAT margins for the year decreased by 1.85% to 7.99%.

8. FINANCIAL CONDITION

Ahmednagar Forgings has suitable commercial arrangements with its creditors, strong cash flows and sufficient standby credit lines with banks and financial institutions to meet its working capital requirement. It deploys a robust cash management system to ensure timely servicing of its liquidity obligations. The Company has also been able to arrange for adequate liquidity at an optimized cost to meet its business requirements and has minimized the amount of funds tied-up in the current assets.

9. LIQUIDITY

As of September 30, 2014, Ahmednagar Forgings had debt of Rs. 2,56,298.56 Lacs comprising Rs. 1,57,311.15 Lacs of long term debt, Rs. 47,083.48 Lacs of current maturities of long term debt and Rs. 51,903.93 Lacs of short term borrowings. The Company had cash and cash equivalents of Rs.13,401.19 Lacs, resulting in a net debt of Rs. 2,42,897.37 Lacs Net debt/EBITDA at the end of the period stood at of 3.95x and debt/equity stood at 2.34x.

10. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Our employees are the most valuable assets of the Company. During the year, we were focused on building a robust and diverse talent pipeline, enhancing individual and organizational capabilities for future readiness, driving greater employee engagement and strengthening employee relations further through progressive people practices. We encourage passion, commitment, innovation and meritocracy, and this has enabled the Company to sustain its leadership position. Ahmednagar Forgings is focused not only on attracting, but also retaining talented individuals across the Company's global business units. We do this by ensuring that our employees' professional growth is consistent with their aspirations, and also within the framework of the corporate goals.



Proper exchange of ideas and thoughts promotes human development and harmony. There are formal channels for internal communications for employees to share their views and opinions with the management. The Company reflects on this feedback and incorporates relevant changes into the existing policies, systems and processes.

During the year under review, the Company maintained cordial relationship with all its employees. The Directors would like to acknowledge and appreciate the contribution of all employees towards the performance of the Company.

11. STATUTORY COMPLIANCE

The company secretary, as compliance officer, ensures compliances of the SEBI regulations and provisions of the listing agreement. Compliance certificates are obtained from various departments of the Company and the Board is informed of the same at every Board Meeting.

12. 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 developments, information or events etc.

Important developments that could affect the Company’s operations include an onward trend in the domestic auto industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

**BY ORDER OF THE BOARD
For AHMEDNAGAR FORGINGS LIMITED**

**Date : 24/11/2014
Place : New Delhi**

**Sd/-
(SANJIV BHASIN)
CHAIRMAN
DIN: 01119788**



Independent Auditor's Report

To
The Members,
Ahmednagar Forgings Limited
Pune (Maharashtra)

Report on the Financial Statements

We have audited the accompanying financial statements of Ahmednagar Forgings Limited ("the company") as at 30th September 2014, which comprise the Balance Sheet as at September 30, 2014; the Statement of Profit and Loss and the Cash Flow Statement for the year then ended; and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 September 30, 2014;
- b) in the case of Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the **Cash Flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order") and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure, a statement on the matters specified in paragraphs



4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a) 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;
- b) in our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- e) On the basis of written representations received from the directors as on September 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For & on behalf of
Manoj Mohan & Associates
Chartered Accountants
ICAI Firm Regd. No.009195C

Place of Signature : New Delhi
Dated : 24th November, 2014

Sd/-
(Manoj Kumar Agarwal)
(Partner)
Membership No. 76980

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT REFERRED TO IN POINT 1 OF PARAGRAPH 5 OF OUR REPORT OF EVEN DATE OF AHMEDNAGAR FORGINGS LIMITED FOR THE YEAR ENDED 30TH SEPTEMBER 2014

- (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 inventories have 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 is reasonable and adequate in relation to the size of the company and nature of its business.
(c) In our opinion, the company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material & the same have been properly dealt with in the books of accounts.
- (iii) The Company, during the year under report, has given loans & advances to its subsidiary companies,



associates and joint ventures, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

- (a) The balance at the end of the year and the maximum amount involved during the year was Rs. 20 Lacs and Rs. 20 Lacs respectively.
 - (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, 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 systems 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 Systems of the Company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement that need to be entered in 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) The company has not accepted public deposits within the meaning and provisions of section 58A and 58AA of the companies Act, 1956.
- (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. 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 made and 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) According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax/VAT, custom duty, excise duty and cess were in arrears, as at 30th September, 2014 for a period of more than six months from the date they became payable.
- (c) The disputed statutory dues aggregating to Rs.148.63 lacs not deposited on account of matters being pending before appropriate authorities are given here under:

S. No	Name of the Statute	Nature of Dues	Year to which the amount relate	Forum where dispute is pending	Amount (in Lacs)
1.	Customs & Central Excise Act	Valuation of Goods	2002	High Court Bench at Aurangabad	4.32
2.	Customs & Central Excise Act	Valuation of Goods	2007	CESTAT, Mumbai	10.72
3.	Customs &	CENVAT	2008	Addl. Commissioner,	12.05



AHMEDNAGAR FORGINGS LIMITED

	Central Excise Act	related matter		Aurangabad	
4.	Customs & Central Excise Act	CENVAT related matter	2009	Asstt. Commissioner, Ahmednagar	0.64
5.	Customs & Central Excise Act	Valuation of Goods	2002	High Court, Mumbai	6.50
6.	Customs & Central Excise Act	CENVAT Credit of Service Tax & Interest	2007	Commissioner, (Appeals), Pune	74.59
7.	Income Tax Act, 1961	Income Tax	Block Assessment from A.Y. 2005-06 to 2011-12	Income Tax Appellant Tribunal, Delhi	39.81
Total					148.63

- (x) The company does not have accumulated losses for the year ended 30th September, 2014. Further, it has not incurred any cash loss in current financial year 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 banks, financial institutions 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 (as amended) are not applicable to the company. The company, however, is maintaining proper records of transactions and contracts in respect of long term investment made by it 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 not given guarantees for loans taken by others from Banks or Financial Institutions.
- (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) According to the information & explanation given to us, the company, during the year under report, has not made any preferential allotment, to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debentures during the year and therefore the question of creating security / charge does not arise.
- (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
ICAI Firm Regd. No. 009195C

Sd/-
(Manoj Kumar Agarwal)
(Partner)
Membership No.: 76980

Place of Signature : New Delhi
Dated : 24th November, 2014

Balance Sheet

As at 30th September 2014

AHMEDNAGAR FORGINGS LIMITED



(Rupees in Lacs)

PARTICULARS	Note No.	As at 30.09.2014	As at 30.09.2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	3,675.00	3,675.00
(b) Reserves and Surplus	2.2	1,05,922.08	87,057.39
(2) Share Application Money Pending Allotment	2.3	–	6,000.00
(3) Non-Current Liabilities			
(a) Long Term Borrowings	2.4	1,57,311.15	1,67,711.13
(b) Deferred Tax Liabilities (Net)	2.5	20,086.21	14,503.12
(c) Other Long Term Liabilities	2.6	988.45	12,574.05
(d) Long Term Provision	2.7	518.95	439.67
(4) Current Liabilities			
(a) Short Term Borrowings	2.8	51,903.93	25,020.39
(b) Trade Payables	2.9	12,278.11	9,337.32
(c) Other Current Liabilities	2.10	67,876.78	27,112.97
(d) Short term Provisions	2.11	629.61	1,981.36
Total		4,21,190.27	3,55,412.40
II. ASSETS			
(1) Non Current Assets			
(a) Fixed assets			
(i) Tangible Assets	2.12	2,77,289.09	1,99,228.70
(ii) Capital work-in-progress		14,709.77	70,671.96
(b) Non-Current Investments	2.13	91.96	91.96
(c) Long Term Loans and Advances	2.14	264.99	358.47
(2) Current Assets			
(a) Current Investments	2.15	1.89	1.89
(b) Inventories	2.16	59,560.79	30,163.05
(c) Trade Receivables	2.17	51,244.54	26,379.92
(d) Cash and Cash Equivalents	2.18	13,401.19	23,832.65
(e) Short Term Loans and Advances	2.19	4,560.21	4,623.18
(f) Other Current Assets	2.20	65.84	60.62
Total		4,21,190.27	3,55,412.40

Significant Accounting Policies & Notes on Financial Statement 1 to 2.34

For and on behalf of the Board

As per our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants

ICAI Firm Regd. No. 009195C

Sd/-

(Manoj Kumar Agarwal)

Partner

Membership No. 76980

Place of Signature : New Delhi

Dated : 24th November, 2014

Sd/-
D.S. MALIK
Director

Sd/-
S. RAJAGOPALAN
Whole-time Director

Sd/-
RAM PRASAD
G.M. (Finance & Accounts)

Sd/-
SWATI AHUJA
Company Secretary

Statement of Profit and Loss

AHMEDNAGAR FORGINGS LIMITED



For the Year Ended 30th September, 2014

(Rupees in Lacs)

PARTICULARS	Note No.	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
I. Revenue			
Revenue from Operations	2.21	2,39,704.44	1,71,848.70
Other Income	2.22	1,985.91	4,301.11
II. Total Revenue		2,41,690.35	1,76,149.81
III. Expenses:			
Cost of Materials Consumed	2.23	1,68,747.13	1,11,898.38
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.24	(11,939.26)	(744.38)
Employee benefits expense	2.25	9,828.61	9,573.59
Finance costs	2.25	19,590.57	10,102.82
Depreciation and Amortization of Expenses	2.25	13,658.34	9,794.87
Other Expenses	2.25	13,566.27	9,828.54
Total Expenses		2,13,451.66	1,50,453.82
IV. Profit before exceptional and extraordinary items and tax (II-III)		28,238.69	25,695.99
V. Exceptional Items		–	–
VI Profit before extraordinary items and tax (IV + V)		28,238.69	25,695.99
VII Extraordinary Items		–	–
VIII. Profit before tax (VI+VII)		28,238.69	25,695.99
IX. Tax expense:			
(1) Current tax		5,918.90	5,141.03
(2) Deferred tax		5,583.09	4,062.13
(3) Credit for MAT Entitlement		(2,571.81)	(835.82)
Total Tax Expense		8,930.18	8,367.34
X. Profit/(Loss) for the year (VIII-IX)		19,308.51	17,328.65
XI. Earning per equity share:	2.31		
(1) Basic		52.54	47.15
(2) Diluted		52.54	47.15

Significant Accounting Policies & Notes on Financial Statement 1 to 2.34

For and on behalf of the Board

As per our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants

ICAI Firm Regd. No. 009195C

Sd/-

(Manoj Kumar Agarwal)

Partner

Membership No. 76980

Place of Signature : New Delhi

Dated : 24th November, 2014

Sd/-
D.S. MALIK
Director

Sd/-
S. RAJAGOPALAN
Whole-time Director

Sd/-
RAM PRASAD
G.M. (Finance & Accounts)

Sd/-
SWATI AHUJA
Company Secretary

Cash Flow Statement

For the year Ended 30th September, 2014



(Rupees in Lacs)

PARTICULARS	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit as per Profit & Loss Account (PBT)	28,238.69	25,695.99
Add: Depreciation	13,658.34	9,794.87
Less: Interest & Other Income	(1,708.13)	(4,214.97)
Less: Dividend Income	(0.34)	(0.80)
(Profit) / Loss on Sale of Fixed Assets	(143.14)	(85.34)
(Profit)/Loss on Sale of Investments	(134.30)	-
Add: Interest expense	19,590.57	10,102.82
Operating Profit before Working Capital Changes	59,501.69	41,292.57
Change in Current/Non Current Assets & Liabilities		
(Increase)/Decrease Inventories	(29,397.74)	(3,791.76)
(Increase)/Decrease Trade & Other receivables	(24,864.62)	1,888.30
(Increase)/Decrease Other Current assets	(5.22)	(35.33)
(Increase)/Decrease Short Term Loans & Advances	2,634.78	1,404.74
(Increase)/Decrease Current/Non current Liabilities and provisions	32,548.43	26,459.79
Cash Generation by Operations	40,417.32	67,218.31
Cash From Operating Activities Before Tax	40,417.32	67,218.31
Income Tax (Paid) / refund (incl TDS)	(7,332.99)	(3,726.94)
Cash From Operating Activities After Tax	33,084.33	63,491.37
	A	
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(97,355.27)	(1,12,319.09)
Adjustment to capital work in progress and Long Term Loans & Advances	55,806.27	(56,296.90)
Sale of Fixed Asset	5,779.68	172.66
Net Proceeds from Sale/Purchase of Investments	134.30	(1.00)
Interest Received & Other Income	1,708.13	4,214.97
Dividend Income	0.34	0.80
Net Cash from Investing activities	(33,926.55)	(1,64,228.56)
	B	
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	36,932.90	1,27,153.11
Proceeds from Share application money	(6,000.00)	6,000.00
Repayment of Borrowings	(20,471.12)	(5,369.00)
Interest Expense	(19,623.90)	(10,224.39)
Dividend & Dividend Tax	(427.12)	(427.12)
Net Cash from financing activities	(9,589.24)	1,17,132.60
	C	
Net Increase/(Decrease) in cash flows during the Period (A+B+C)	(10,431.46)	16,395.41
Cash & cash equivalents (opening balance)	23,832.65	7,437.24
Cash & cash equivalents (closing balance)	13,401.19	23,832.65

NOTES TO CASH FLOW STATEMENT

- The above statement has been prepared under indirect method except in case of dividend which has been considered on the basis of actual movement of cash with corresponding adjustments of assets and liabilities.
- Cash & Cash Equivalents include cash & bank balances only.
- Previous Period figures have been regrouped/ recast wherever considered necessary.
- The Closing Cash Balance includes Rs. 529.76 Lacs (Previous year Rs. 888.57 Lacs) as margin money against Bank Guarantees's/Letter of credit etc. issued by Bank and earmarked Balances.

We have examined the above cash flow statement of Ahmednagar Forgings Limited for the year ended 30th September, 2014 and verify that it has been derived from the audited accounts (and underlying records) of the company reported on by us as per our report.

For and on behalf of the Board

As per our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants
ICAI Firm Regd. No. 009195C

Sd/-

(Manoj Kumar Agarwal)

Partner

Membership No. 76980

Place of Signature : New Delhi

Dated : 24th November, 2014

Sd/-

D.S. MALIK

Director

Sd/-

S. RAJAGOPALAN

Whole-time Director

Sd/-

RAM PRASAD

G.M. (Finance & Accounts)

Sd/-

SWATI AHUJA

Company Secretary



**Note No. 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30th SEPTEMBER 2014)**

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 notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

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 for 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 up to 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 comprise 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.

Non current Investments are valued at cost. However, when there is a decline other than temporary in the value of a long term Investment, the carrying amount is reduced to recognize the decline.

G. FOREIGN CURRENCY TRANSACTIONS

a) The working capital loans are revalued at exchange rates prevailing at the year end. Exchange differences 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 superannuation\ pension Gratuity & Leave Encashment is accounted for on the basis of actuarial valuation in accordance with Accounting Standards -15 (Revised) issued by the Institute of Chartered Accountants of India.
- b) Retirement benefits in the form of Provident Fund and Superannuation / Pension Schemes 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 borrowings are recognized in the Profit and Loss account except interest incurred on borrowings, specifically raised for Projects which is 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 is recognized, subject to consideration of prudence, on timing difference, being difference between taxable income and accounting income / expenditure that originate in one period and are capable of reversal in one or subsequent year(s). Deferred taxes are reviewed for their carrying value at each balance sheet date.

M. 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.

**Note No: 2 NOTES TO ACCOUNTS**

The Previous period figures have been regrouped / reclassified, wherever considered necessary to conform to the current year's presentation.

Note No: 2.1 SHARE CAPITAL**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Authorized		
Equity Shares, Rs. 10/- Par Value		
4,00,00,000 (4,00,00,000) Equity Shares	4,000.00	4,000.00
Total	4,000.00	4,000.00
Issued, Subscribed and Paid - Up		
Equity Shares, Rs. 10/- Par Value		
3,67,50,000 (3,67,50,000) Equity Shares, fully paid up	3,675.00	3,675.00
Total	3,675.00	3,675.00

The company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/- per share. Each shareholder of equity Shares is entitled to one vote per share.

Note No: 2.1.1 The reconciliation of the number of shares outstanding and the amount of share capital as at September 30, 2014 and September 30, 2013 is set out below:

(Rupees In Lacs)

Particulars	As At 30.09.2014		As At 30.09.2013	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	3,67,50,000	3,675.00	3,67,50,000	3,675.00
Add: Shares Issued	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Number of Shares at the end	3,67,50,000	3,675.00	3,67,50,000	3,675.00

Note No: 2.1.2 Details of Persons Holding more than 5% Share Capital

Particulars	As At 30.09.2014		As At 30.09.2013	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Amtek Auto Limited (Holding Company)	2,38,04,492	64.77%	2,38,04,492	64.77%
HDFC Trustee Co. Ltd-HDFC Prudence Fund	28,82,892	7.84%	31,42,340	8.55%
Cresta Fund Ltd.	-	-	32,64,010	8.88%

Note No: 2.1.3 There is no restriction on distribution of dividends and repayment of Capital.

**Note No: 2.2 RESERVES & SURPLUS****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Capital Reserve		
Opening Balance as on 01.10.2013	993.67	993.67
Add: Transfer from Profit and Loss Account	—	—
Closing Balance as on 30.09.2014 (A)	993.67	993.67
Securities Premium Reserve		
Opening Balance as on 01.10.2013	18,509.30	18,509.30
Add: Additions during the year	—	—
Closing Balance as on 30.09.2014 (B)	18,509.30	18,509.30
General Reserve		
Opening Balance as on 01.10.2013	59,197.14	46,697.14
Add: Transfer from Profit and Loss Account	10,802.86	12,500.00
Closing Balance as on 30.09.2014 (C)	70,000.00	59,197.14
Profit & Loss Account		
Opening Surplus as on 01.10.2013	8,357.28	3,955.75
Add: Transfer from Statement of Profit & Loss	19,308.51	17,328.65
	27,665.79	21,284.40
Appropriations		
Transfer to General Reserve	(10,802.86)	(12,500.00)
Proposed Dividend on Equity Capital	(367.50)	(367.50)
Corporate Dividend Tax on Proposed Dividend	(73.48)	(59.62)
Corporate Dividend Tax (not appropriated in Previous Period)	(2.84)	—
Closing Balance as on 30.09.2014 (D)	16,419.11	8,357.28
Total (A+B+C+D)	1,05,922.08	87,057.39

Note No: 2.3 SHARE APPLICATION MONEY PENDING ALLOTMENT**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Share application money pending allotment	—	6,000.00
Total	—	6,000.00

**Note No: 2.4 LONG TERM BORROWINGS****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
SECURED LOANS		
Term Loan		
– From Banks & Financial Institutions	1,54,230.47	1,61,433.43
External Commercial Borrowings	3,080.68	6,277.70
Total Long Term Borrowings	1,57,311.15	1,67,711.13

Particulars of Security

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.

Maturity Schedule:**Term Loans:****(Rupees In Lacs)**

Financial Year	As At 30.09.2014	As At 30.09.2013
2014-15	–	42,200.13
2015-16	43,449.21	41,606.20
2016-17	37,645.49	35,404.40
2017-18	27,236.60	23,941.90
2018-19	26,442.00	18,280.80
2019-20	6,910.41	–
2020-21	7,106.45	–
2021-22	5,440.11	–
Total	1,54,230.47	161,433.43

External Commercial Borrowings:**(Rupees In Lacs)**

Financial Year	As At 30.09.2014	As At 30.09.2013
2014-15	–	3,138.85
2015-16	3,080.68	3,138.85
Total	3,080.68	6,277.70

Interest Rate of External Commercial Borrowing is LIBOR+3%

There is no default in repayment of loans and payment of interest as on Balance sheet date.

**Note No: 2.5 DEFERRED TAX LIABILITIES (NET)****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Deferred Tax Liabilities		
On account of depreciation of Fixed Assets	20,290.06	14,670.74
	20,290.06	14,670.74
Deferred Tax Assets		
On account of Amortisation of expenses	(203.85)	(167.62)
	(203.85)	(167.62)
Total Deferred Tax Liability	20,086.21	14,503.12

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the company has legally enforceable right to set of current tax assets against current tax liabilities and wherever the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

Note No: 2.6 OTHER LONG TERM LIABILITIES**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Other Long Term Liabilities*	988.45	12,574.05
Total	988.45	12,574.05

*Includes Tax Deferment, Retention Money, Suppliers Credit etc.

Note No: 2.7 LONG TERM PROVISIONS**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Provision for Employee Benefit		
– Gratuity	365.32	308.03
– Leave Encashment	153.63	131.64
Total	518.95	439.67

Note No: 2.8 SHORT TERM BORROWINGS**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
SECURED LOANS		
Bank Borrowing for Working Capital		
- From Banks & Financial Institutions	51,903.93	25,020.39
Total	51,903.93	25,020.39



Particulars of Security

Working Capital facilities are secured by hypothecation of raw material, semi-finished goods/stock-in-process, consumable stores and book debts of the company.

Note No: 2.9 TRADE PAYABLES

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Trade Payables*	12,111.60	9,337.32
Bills Payable	166.51	–
Total	12,278.11	9,337.32

*Note: Trade Payable includes amount of Rs. 273.92 Lacs (Previous year Rs. 57.58 Lacs) payable to small & medium enterprises.

Note No: 2.10 OTHER CURRENT LIABILITIES

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Current Maturities of Long Term Debts	47,083.48	20,471.12
Current Maturities of Sales Tax Deferment obligations	172.59	187.62
Interest Accrued but not due on borrowings	53.90	87.23
Other Expenses Payable	1,205.98	1,092.61
Establishment Dues	244.08	244.28
Other Liabilities*	19,116.75	5,030.11
Total	67,876.78	27,112.97

*Other liabilities includes capital goods creditors & other short terms liabilities.

Note No: 2.11 SHORT TERM PROVISIONS

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Proposed Dividend	367.50	367.50
Corporate Dividend Tax	76.32	59.62
Provision For Tax (Net of Advance Tax & TDS)	–	1,414.09
Employee Benefit Expenses		
– Gratuity	38.43	32.75
– Leave Encashment	42.34	32.20
– Provision for Bonus & Ex-gratia	105.02	75.20
Total	629.61	1,981.36

**Note No : 2.12 FIXED ASSET****Rupees In Lacs**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening Balance	Addition during the year	Sale/Transfer during the year	As At 30th Sep. 14	Upto 30th Sept. 13	Provided during the year	Written Back during the year	Upto 30th Sept. 14	As at 30th Sept. 2014	As at 30th Sept. 2013
(A) Tangible Assets										
Land & Site Development	377.82	4,585.17	–	4,962.99	–	–	–	–	4,962.99	377.82
Building	14,676.75	7,320.89	–	21,997.64	1,308.02	674.39	–	1,982.41	20,015.23	13,368.73
Plant and Equipment	2,10,264.05	83,058.15	7,310.59	2,86,011.61	30,764.23	12,367.36	1,679.08	41,452.51	2,44,559.10	1,79,499.82
Furnitures & Fixtures	1,202.33	402.27	–	1,604.60	178.15	79.58	–	257.73	1,346.87	1,024.18
Vehicles	128.35	72.89	8.73	192.51	42.71	42.66	3.72	81.65	110.86	85.64
Office Equipment	5,188.85	1,754.62	0.02	6,943.45	452.93	378.04	–	830.97	6,112.48	4,735.92
Data Processing Units	394.24	161.28	–	555.52	257.65	116.31	–	373.96	181.56	136.59
TOTAL (A)	2,32,232.39	97,355.27	7,319.34	3,22,268.32	33,003.69	13,658.34	1,682.80	44,979.23	2,77,289.09	1,99,228.70
(B) Capital Work in Progress	70,671.96	24,640.15	80,602.34	14,709.77	–	–	–	–	14,709.77	70,671.96
TOTAL (B)	70,671.96	24,640.15	80,602.34	14,709.77	–	–	–	–	14,709.77	70,671.96
TOTAL (A+B) Current Year	3,02,904.35	1,21,995.42	87,921.68	3,36,978.09	33,003.69	13,658.34	1,682.80	44,979.23	2,91,998.86	2,69,900.66
Previous Year	1,24,659.68	2,60,561.84	82,317.17	3,02,904.35	23,324.99	9,794.87	116.17	33,003.69	2,69,900.66	–

**Note No: 2.13 NON-CURRENT INVESTMENTS****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Investment in Equity Instrument		
Quoted-Long Term Trade at Cost		
1,00,000 (1,00,000) shares of Rs.10/- each of Grapco Mining & Co.Ltd.	13.00	13.00
1,03,100 (1,03,100) shares of Rs.10/- each of Global Infrastructure Technologies Ltd.	54.86	54.86
3,500 (3,500) shares of Rs. 2/- each of Sanghvi Movers Ltd.	0.60	0.60
5,000 (5,000) shares of Rs.10/- each of Good Value Marketing Ltd.	2.00	2.00
Nil (85,000) shares of Rs. 10/- each of Alliance Integrated Metaliks Ltd.	–	1.70
Unquoted investment Long term Trade at cost		
50,000 (42,900) shares of Rs.10/- each of Photon Biotech Ltd.	12.00	10.30
10,000 (10,000) shares of Rs. 10/- each of SICOM Ltd.	8.00	8.00
5,000 (5,000) shares of Rs. 10/- each of Alliance Hydro Power Ltd.	0.50	0.50
1,000 (1,000) shares of Rs. 100/- each of The Cosmos Co-operative Bank Ltd.	1.00	1.00
Total	91.96	91.96

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Aggregate Value of Quoted Investment	70.46	72.16
Aggregate Value of Unquoted Investment	21.50	19.80
*Market Value Of Quoted Investment	5.43	146.32

*Market Value Of Grapco Mining & Co. Ltd, Good Value Marketing Ltd and Global Infrastructure & Technologies Ltd. are not available.

Note No: 2.14 LONG TERM LOANS AND ADVANCES**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Long Term Loans and Advances		
Secured/Unsecured, Considered Good	12.55	128.39
Security Deposits		
Secured/Unsecured, Considered Good	252.44	230.08
Total	264.99	358.47

**Note No: 2.15 CURRENT INVESTMENTS****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Investment in Equity Instrument Quoted*		
7,014 (7,014) Shares of Rs.10/- each of Dena Bank at cost	1.89	1.89
Total	1.89	1.89

Aggregate Value of Quoted Investment as on 30.09.2014 Rs. 1.89 lacs (Rs. 1.89 Lacs)

*Market Value Of Quoted Investment as on 30.09.2014 Rs. 4.06 lacs (Rs. 3.19 Lacs)

Note No: 2.16 INVENTORIES***(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Raw Material	21,712.65	9,611.42
Work in Progress	23,864.81	11,774.05
Finished Goods	41.07	63.81
Stores, Spares & Dies	13,796.76	8,439.51
Scrap	145.50	274.26
Total	59,560.79	30,163.05

* See Note No. 1, Clause "E" for Accounting policy on valuation of Inventories.

Note No: 2.17 TRADE RECEIVABLES**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Unsecured considered good		
Outstanding for a period exceeding Six months from the date they are due for payment	4,522.30	2,888.05
Others	46,722.24	23,491.87
Total	51,244.54	26,379.92

**Note No: 2.18 CASH AND CASH EQUIVALENTS*****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Cash on Hand	30.42	16.22
Balance with Schedule Banks:		
– Current Accounts	5,571.91	4,606.04
– Fixed Deposits (Maturing within 12 Months)	7,269.10	18,321.82
– Fixed Deposits (as margin money against Letter of Credits/Bank Guarantees)	500.41	861.06
Earmarked Balances		
– Unpaid Dividend Account	29.35	27.51
Total	13,401.19	23,832.65

* Cash and cash equivalents, as on 30th September 2014 and 30th September 2013 includes restricted bank balances of Rs. 529.76 Lacs and Rs. 888.57 Lacs respectively. The restriction is primarily on account of cash and bank balances held as margin money deposited against guarantee/LC's issued by bank and Earmarked Balances.

Note No: 2.19 SHORT TERM LOANS & ADVANCES**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Loans & Advances*		
Secured/Unsecured, Considered Good :	1,152.59	3,787.36
MAT Credit Entitlement	3,407.62	835.82
Total	4,560.21	4,623.18

*Including advances to supplier, prepaid expenses, staff advances and balances with Revenue Authorities.

Note No: 2.20 OTHER CURRENT ASSETS**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Interest accrued on deposits	65.84	60.62
Total	65.84	60.62

**Note No: 2.21 REVENUE FROM OPERATIONS****(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Sales of Products	2,29,537.44	1,64,578.07
Other Sales & Services	10,167.00	7,270.63
Total	2,39,704.44	1,71,848.70

Note : Sales including Domestic/direct export/deemed exports & components bought and sold.

Note No: 2.22 OTHER INCOME**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Interest Received (Including TDS of Rs. 156.55 Lacs, Previous Period Rs. 408.18 Lacs)	1,565.51	4,081.85
Dividend Income	0.34	0.80
Net Gain on Assets	143.14	85.34
Net Gain on Investments	134.30	–
Other Non Operating Income	142.62	133.12
	1,985.91	4,301.11

Note No: 2.23 COST OF MATERIALS CONSUMED**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Opening Stock of Raw Material	9,611.42	13,505.04
Add : Purchases of Raw Material	1,80,848.36	1,08,004.76
	1,90,459.78	1,21,509.80
Less : Closing Stock of Raw Material	21,712.65	9,611.42
Total	1,68,747.13	1,11,898.38

Note: Raw material mainly include steel bars/billets, forgings, alloys casting, aluminium casting & other boughtout items.

**Note No: 2.23.1 IMPORTED AND INDIGENOUS RAW MATERIAL****(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
	Amount (% of Total Consumption of Raw Material)	Amount (% of Total Consumption of Raw Material)
Raw material		
Consumption of imported Raw material (Percentage of Consumption of Raw Material)	– 0.00%	– 0.00%
Consumption of similar domestic Raw material (Percentage of Consumption of Raw Material)	1,68,747.13 100.00%	1,11,898.38 100.00%
Total Consumption of Raw material	1,68,747.13	1,11,898.38

Note No: 2.24 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Opening Stock as on 01-10-2013		
– Work in Progress	11,774.05	11,257.51
– Finished Goods	63.81	77.31
– Scrap	274.26	32.92
Total Opening stock	12,112.12	11,367.74
Less : Closing Stock as on 30-09-2014		
- Work in Progress	23,864.81	11,774.05
- Finished Goods	41.07	63.81
- Scrap	145.50	274.26
Total Closing stock	24,051.38	12,112.12
Net (Increase)/ Decrease in Inventories	(11,939.26)	(744.38)

Note No: 2.25 EXPENSES**Employee Benefits Expenses****(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Salaries & Wages	9,036.12	8,935.01
Contribution to provident & Others funds	538.52	400.18
Staff Welfare Expenses	253.97	238.40
Total	9,828.61	9,573.59

**Finance Costs****(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Interest Expense	19,570.99	10,057.47
Other Borrowing Costs	19.58	45.35
Total	19,590.57	10,102.82

Depreciation and Amortisation Expenses**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Depreciation	13,658.34	9,794.87
Total	13,658.34	9,794.87

Other Expenses**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
A) Manufacturing Expenses		
Consumption of Stores & Spare Parts	4,702.61	2,756.68
Power & Fuel	5,944.04	4,808.34
Testing Fees & Inspection Charges	24.54	12.38
Freight Inwards	129.83	117.85
Repairs to Plant & Machinery	275.57	264.05
Total Manufacturing Expenses (A)	11,076.59	7,959.30
B) Administrative & Selling Expenses		
Advertisement & Publicity	5.71	3.61
Auditor's Remuneration	12.50	11.00
Balances written off	–	37.14
Bank Charges	350.76	348.16
Books & Periodicals	0.28	0.63
Courier Expenses	1.25	2.51
Customer Relation Expenses	15.21	11.80
Charity & Donation	–	0.10
Directors Remuneration & Perquisites	41.95	42.29
Insurance Charges	56.94	42.81
ISO/QS Expenses	0.20	0.75
Legal & Professional	244.95	73.45
Office and Factory Expenses	124.97	43.67
Printing & Stationery	23.96	22.54
Rate, Fee & Taxes	71.84	69.10
Rent	49.98	31.73

**Repairs & Maintenance**

– Others	117.19	100.35
Running & Maintenance of Vehicle	45.64	45.00
Service Charges	138.00	132.23
Subscription & Membership Fees	9.50	8.28
Telephone, Communication and Postage Expenses	34.91	41.66
Travelling & Conveyance	179.12	162.45

Selling & Distribution Expenses

Cash Discount ,Warranty Claim & Forwarding deduction & other selling exp	202.15	39.31
Packing & Forwarding	82.70	96.06
Freight Outwards	679.97	502.61

Total Administrative & Selling Expenses (B)	2,489.68	1,869.24
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Total (A + B)	13,566.27	9,828.54
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Note No: 2.25.1 OTHER EXPENSES**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Auditors Payments		
As Auditor	9.00	8.00
For reimbursement of expenses	3.50	3.00
Total	12.50	11.00

Note No: 2.25.2 EXPENDITURE IN FOREIGN CURRENCY**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Interest Expenses	316.27	619.49
Against Purchase of Capital Goods (Advance)	199.24	1,978.88
Travelling Expenses	2.59	3.92
Other Matters	–	7.91
Total	518.10	2,610.20

Note No: 2.26 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Components and spare parts	8.67	14.28
Total	8.67	14.28



Note No: 2.27 EARNINGS IN FOREIGN EXCHANGE

(Rupees In Lacs)

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Export of Goods Calculated on F.O.B basis	945.42	902.40
Total	945.42	902.40

Note No: 2.28 CONTINGENT LIABILITIES

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Disputed Statutory Dues in respect of Excise Duty/Income Tax/ Service Tax/Sales Tax/VAT/ Entry Tax etc.(Including Interest & Penalty)	148.63	367.28
Bank Guarantees issued by bank on company's behalf	422.45	393.05
Unexpired Letter of credit issued by bank on company's behalf	35.96	400.61
Total	607.04	1,160.94

*Contingent Assets are neither recognised nor disclosed.

Note No: 2.29 COMMITMENTS

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	767.87	2,315.78
Total	767.87	2,315.78

Note No: 2.30 IMPORTED & INDIGENOUS SPARE PARTS AND COMPONENTS

(Rupees In Lacs)

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
	Amount (% of Total Consumption of Spare Parts & components)	Amount (% of Total Consumption of Spare Parts & components)
Spares parts and components		
Consumption of imported spares parts and components (Percentage of Consumption of Spare Parts and Components)	8.67 0.18%	14.28 0.52%
Consumption of similar domestic spares parts and components (Percentage of Consumption of Spare Parts and Components)	4,693.94 99.82%	2,742.40 99.48%
Total Consumption of Spares and components	4,702.61	2,756.68

**Note No: 2.31 Basic EPS & Diluted EPS**

Calculation of EPS (Basic and Diluted)	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Basic & Diluted		
Opening number of Shares	3,67,50,000	3,67,50,000
Share issued during the year	-	-
Shares bought back during the year	-	-
Total Shares outstanding	3,67,50,000	3,67,50,000
Weighted Average No of Shares	3,67,50,000	3,67,50,000
Profit after Tax (Rs. In Lacs) after extraordinary item	19,308.51	17,328.65
Profit after Tax (Rs. In Lacs) before extraordinary item	19,308.51	17,328.65
EPS (Rs.Per Share) after extraordinary item	52.54	47.15
EPS (Rs.Per Share) before extraordinary item	52.54	47.15

Note No: 2.32 EMPLOYEE BENEFITS (AS-15 REVISED)

The following data are based on the report of the actuary

The principal assumptions used in the actuarial valuations are as below:-

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Discount rate	8.60%	8.50%
Future Salary Escalation Rate	10.00%	10.00%
Average Remaining working life (Years)	8.27	8.44
Retirement Age	58	58

1 Gratuity (Funded)**1A Change in Present Value of obligations:****(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Present Value of Obligation as at the beginning of the year	361.60	224.80
Acquisition adjustment	-	67.46
Interest Cost	30.03	25.55
Present Service Cost	52.55	66.35
Actuarial (Gain) /Loss on Obligations	(23.72)	(11.56)
Benefits Paid	(16.71)	(11.00)
Present Value of Obligations as at the end of the year	403.75	361.60

1B Change in Fair Value of Plan Assets:**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Present Value of Obligation as at the beginning of the year	20.82	9.06
Expected return on plan assets	2.07	1.50
Actual Company contributions	23.65	21.14
Actuarial gain/(Loss)	1.05	0.12
Employees Contributions	-	-
Benefits Paid	(16.71)	(11.00)
Plan Assets at the end of the year	30.88	20.82



1C Liability Recognised in Balance Sheet

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Present Value of Obligation as at the end of the year	403.75	361.60
Fair Value of Plan Assets as at the end of the year	(30.88)	(20.82)
Funded Status	(372.87)	(340.78)
Unrecognised Actuarial (Gain) / Losses	–	–
Net (Assets) (Not Recognised) / Liability Recognised in the Balance Sheet	372.87	340.78

1D Expenses Recognised in the Statement of Profit & Loss

(Rupees In Lacs)

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Current Service Cost	52.55	66.35
Past Service Cost	–	–
Interest Cost	30.03	25.55
Expected Return on plan assets	(2.07)	(1.50)
Acquisition (Gain)/ Loss	–	67.46
Net Actuarial (Gain)/ Loss recognized in the year	(24.77)	(11.68)
Expenses recognised in the Statement of Profit & Loss A/C	55.74	146.18

1E Bifurcation of PBO at the end of year as per revised schedule VI to the Companies Act

(Rupees In Lacs)

Particulars	As At 30.09.2014	As At 30.09.2013
Current Liability (Amount due within one year)	38.43	32.75
Non Current Liability (Amount due over one year)	365.32	328.85
Total PBO at the end of year	403.75	361.60

2 Leave Encashment (Unfunded)

2A Change in Present Value of obligations:

(Rupees In Lacs)

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Present Value of Obligation as at the beginning of the year	163.84	86.44
Acquisition adjustment	–	49.03
Interest Cost	13.12	10.38
Present Service Cost	42.50	39.25
Actuarial (Gain) /Loss	(4.43)	(9.19)
Benefits Paid	(19.06)	(12.07)
Present Value of Obligations as at the end of the year	195.97	163.84

**2B Liability Recognised in Balance Sheet****(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Present Value of Obligation as at the end of the year	195.97	163.84
Fair Value of Plan Assets as at the end of the year	–	–
Funded/Unfunded Status	(195.97)	(163.84)
Unrecognised Actuarial (Gain) / Losses	–	–
Net (Assets) (Not Recognised) / Liability Recognised in the Balance Sheet	195.97	163.84

2C Expenses Recognised in the Statement of Profit & Loss**(Rupees In Lacs)**

Particulars	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Current Service Cost	42.50	39.25
Past Service Cost	–	–
Interest Cost	13.12	10.38
Acquisition (Gain) / Loss	–	49.03
Expected Return on plan assets	–	–
Net Actuarial (Gain)/ Loss recognized in the year	(4.43)	(9.19)
Expenses recognised in the Statement of Profit & Loss A/C	51.19	89.47

1E Bifurcation of PBO at the end of year as per revised schedule VI to the Companies Act**(Rupees In Lacs)**

Particulars	As At 30.09.2014	As At 30.09.2013
Current Liability (Amount due within one year)	42.34	32.20
Non Current Liability (Amount due over one year)	153.63	131.64
Total PBO at the end of year	195.97	163.84

Note No. 2.33

Previous period figures being for 15 months are not comparable with the figures of current year.



Note No. 2.34

Related Party Disclosures & Transactions

As per 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 & description of relationship

- | | |
|---|---|
| 1) Holding: | 1) Amtek Auto Ltd. |
| 2) Subsidiaries of the Holding Company | 1) Amtek Deutschland GmbH
2) Amtek Investment UK Ltd.
3) Amtek Germany Holding GP GmbH
4) Amtek Germany Holding GmbH & Co. KG
5) Amtek Holding BV
6) Amtek Global Technologies Pte. Ltd.
7) Amtek Transportation Systems Ltd.
8) Alliance Hydro Power Ltd.
9) Amtek India Limited
10) Amtek Defence Technologies Ltd.
11) JMT Auto Limited |
| 3) Subsidiaries of Subsidiaries of the Holding Company | 1) Amtek Tekfor Holding GmbH
2) Neumayer Tekfor GmbH
3) Tekfor Services GmbH
4) Neumayer Tekfor Rotenburg GmbH
5) Neumayer Tekfor Schmolln GmbH
6) Neumayer Tekfor Engineering GmbH
7) GfsV
8) Neumayer Tekfor Japan Co. Ltd.
9) Tekfor Inc.
10) Tekfor Maxico SA de CV
11) Neumayer Tekfor Automotive Brasil Ltda.
12) Neumayer Tekfor SpA
13) Tekfor Maxico Services
14) Tekfor Services Inc.
15) Amtek Powertrain Components B.V.
16) Amtek Powertrain RUS LLC
17) Amertec Systems Pvt. Ltd.
18) Amtek Kuepper GmbH
19) August Kupper GmbH
20) H.J Kupper System- Und Modultechnik GmbH
21) H.J Kupper Metallbearbeitung GmbH
22) SKD- GieBerei GMBH
23) Kupper Hungaria Kft |
| 4) Associates of the Holding Company | 1) ARGL Ltd. (Formerly known as Amtek Ring Gears Ltd.)
2) ACIL Ltd. (Formerly known as Amtek Crankshafts India Ltd.)
3) Amtek Tekfor Automotive Ltd. |
| 5) Joint Venture of Holding Co. | 1) MPT Amtek Automotive (India) Ltd.
2) SMI Amtek Crankshafts Pvt. Ltd. |



6) Associates of Subsidiaries of the Holding Company	1)	Amtek Railcar Pvt. Ltd.
	2)	Terrasoft Infosystems Pvt. Ltd.
7) Joint Venture of Subsidiary of the Holding Company	1)	SFE GmbH
8) Key Management Personnel	1)	Shri S. Rajagopalan

B. Transactions

(Rupees In Lacs)

Particulars	Associate/Holding/ Subsidiaries or Associate of Holding Company	Key Management Personnel	For the Year Ended 30.09.2014	For the 15 Months Period Ended 30.09.2013
Purchase of Goods	6,183.90		6,183.90	3,717.75
Sale of Goods	3,241.26		3,241.26	6,069.35
Share Application Money Given	–		–	20.00
Share Application Money Received	–		–	6,000.00
Services Rendered	226.79		226.79	4.22
Services Received	34.50		34.50	35.28
Sale of Fixed Assets	433.08		433.08	–
Dividend Paid (Income)	238.04		238.04	201.98
Directors Remuneration		41.77	41.77	41.77
Balance Receivable at the year end	1,678.49		1,678.49	3,729.27
Balance Payable at the year end	2,611.88		2,611.88	955.26

For and on behalf of the Board

As per our report of even date attached

For Manoj Mohan & Associates

Chartered Accountants

ICAI Firm Regd. No. 009195C

Sd/-

(Manoj Kumar Agarwal)

Partner

Membership No. 76980

Place of Signature : New Delhi

Dated : 24th November, 2014

Sd/-
D.S. MALIK
Director

Sd/-
S. RAJAGOPALAN
Whole-time Director

Sd/-
RAM PRASAD
G.M. (Finance & Accounts)

Sd/-
SWATI AHUJA
Company Secretary

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AHMEDNAGAR FORGINGS LIMITED

Registered Office: Gat No.614 Village Kuruli khed District Pune Maharashtra-410501
(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

CIN: L28910MH1977PLC019569

PROXY FORM

Name of the Company: AHMEDNAGAR FORGINGS LIMITED

Registered Office: Gat No.614 Village Kuruli khed District Pune Maharashtra-410501

Website: www.amtek.com

Name of the Member(s) :

Registered address :

E-Mail id :

Folio No. / Client Id DP ID :

I / We, being the member(s) of _____ Equity Shares of Ahmednagar Forgings Limited, hereby appoint

1. Name : _____
Address : _____
E-mail Id : _____
Signature : _____ , or failing him / her
2. Name : _____
Address : _____
E-mail Id : _____
Signature : _____ , or failing him / her
3. Name : _____
Address : _____
E-mail Id : _____
Signature : _____ , or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on the **29th day of December 2014 at 9.30 A.M.** at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated below:

Resolution No.

1. To receive consider and adopt the audited Balance sheet and audited Profit & Loss for Financial Year.
2. To declare dividend
3. To Appoint director in place of Mr. Arvind Dham who retires by rotation and offered himself for re-appointment.
4. To Appoint director in place of Mr. Vivek Kumar Agarwal who retires by rotation and offered himself for re-appointment.
5. To Appoint auditors and fix their remuneration.
6. To Appoint Mr. Bahushrut Lugani as an Independent Director for a term 5 Years.
7. To Appoint Mr. Sanjiv Bhasin as an Independent Director for a term 5 Years.
8. To Appoint Mr. Sitaraman Easwara Krishnan as an Independent Director for a term 5 Years.
9. To Adopt New Articles of Association as per Companies Act, 2013.
10. To Approve Related Party Transaction for the financial year 2014-2015
11. To Approve issue of Redeemable Preference Shares.
12. To Approve remuneration of Cost Auditors for Financial year ended September 30, 2015

Signed thisday of 2014

Signature of Shareholder

Signature of Proxy Holder(s)

Revenue
Stamp

Note: The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the meeting.



AHMEDNAGAR FORGINGS LIMITED

Registered Office: Gat No.614 Village Kuruli khed District Pune Maharashtra-410501
CIN: L28910MH1977PLC019569

ATTENDANCE SLIP

(to be handed over at the Registration Counter)

Folio No./DP ID -

Client ID No.:

No. of Shares :

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on **29th day of December, 2014 at 09.30 A.M. at Gat No.614 Village Kuruli khed District Pune Maharashtra-410501**

1. Name(s) of the Member: 1. Mr./Ms.....
and Joint Holder(s) 2. Mr./Ms.....
(in block letters) 3. Mr./Ms.....

2. Address :

3. Father's/Husband's Name (of the Member) : Mr.....

4. Name of Proxy :Mr./Ms.

1.

2.

3.

Signature of the Proxy

Signature(s) of Member and Joint Holder(s)

Note: Please complete the Attendance slip and hand it over at the Registration Counter at the venue.

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BOOK-POST

If undelivered please return to :

AHMEDNAGAR FORGINGS LIMITED

Regd. Office: Gat No. 614, Village Kuruli Tal. Khed, Dist. Pune - 410 501 (Maharashtra)