

**AHMEDNAGAR
FORGINGS
LIMITED**

34th ANNUAL REPORT
2010 - 2011



AHMEDNAGAR FORGINGS LIMITED

34th ANNUAL REPORT

2010 - 2011

Board of Directors

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

Company Secretary

Ms. Divya Pandita

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Registered Office

Gat No. 614
At Village : Kuruli
Tal.: Khed,
Dist.: Pune - 410 501

Works

- MIDC Area, Ahmednagar
- Chakan, Dist. Pune
- Kuruli, Dist. Pune
- Nalagarh, Distt. Solan,
Himachal Pradesh

Auditors

M/s Manoj Mohan & Associates
Chartered Accountants

Bankers

Andhra Bank
Karur Vysya Bank Ltd.

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 is hereby given that **Thirty Fourth** Annual General Meeting of the members of the Company will be held on Saturday, the **31st December 2011** at the Registered Office of the Company situated at Gat No. 614, Village Kuruli, Tal. Khed, Pune – 410 501 (Maharashtra) at **9.30 A.M.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 30th June, 2011 and Profit and Loss Account for the year ended on that date together with Director's and Auditor's Report thereon.
2. To appoint a Director in place of **Mr. Arvind Dham**, who retires by rotation & being eligible offers himself for re-appointment
3. To appoint a Director in place of **Mr. Vivek Kumar Agarwal** who retires by rotation & being eligible offers himself for re-appointment.
4. To Declare Dividend.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.

By order of the Board
For Ahmednagar Forgings Limited

Sd/-

(S. Rajagopalan)

Whole Time Director

Place : New Delhi

Date : 12th November, 2011

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.**
3. All documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M. prior to the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 28th December, 2011 to 31st December, 2011 (both days inclusive) to decide the entitlement of Members for payment of dividend that may be declared at the Annual General Meeting.
5. Members are requested to furnish/update bank details to the Company/Registrar & Transfer Agents/ Depository to enable the Company to print the same on the dividend warrants/to avail of ECS facility, whatever applicable.
6. The members are requested to bring their copies of Annual Report to the Meeting, as the same will not be redistributed at the venue of Annual General Meeting.
7. The Members attending the General Meeting are requested to bring the enclosed attendance slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip, Duplicate Attendance Slip will be issued at the Registered Office of the Company up to a day preceding the day of Annual General Meeting.
8. Members who hold shares in de-materialized form are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting.
9. The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting shall be paid on or before **January 30th, 2012.**
 - a) To those shareholders whose names appear on the company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Registrar & Transfer Agents (R&T Agents) of the company on or before **December 27th, 2011.**
 - b) In respect of shares held in electronic form, to beneficial owners as furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited(CDSL) as at the end of business hours on **December 27th, 2011.**



10. Consequent upon the introduction of Section 205A of the Companies Act, 1956, and introduction of Section 205C by the Companies (Amendment Act) 1999, the amount of dividend which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund established by the Central Government, Shareholders who have not en-cashed their dividend warrant(s) so far for the financial year ended 30th June, 2004 or any subsequent financial years are requested to make their claim to the R&T Agents of the Company. According to the provisions of the Act, no claims shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
11. Consequent upon the introduction of section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in form No. 2B in duplicate (which will be made available on request) to the R&T Agents of the company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participants.
12. **Electronic Clearing Services (ECS) facility**

With respect to payment of dividend, the Company provides ECS facility to all members, holding shares in electronic/physical forms. Members holding shares in the physical form who wish to avail ECS facility may furnish to the Company/Registrar & Share Transfer Agents, with their ECS mandate in the prescribed form, which is available elsewhere in the Annual Report or can be obtained from the Registrar & Share Transfer Agents.

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

Name	Mr. Arvind Dham
Date of Birth	15 th March, 1961
Qualification	B.Arch. from Chandigarh College of Architecture, Punjab University.
Profession	Industrialist
Expertise	Setting up New Projects
Other Directorships	1. Amtek India limited 2. Amtek Auto Limited 3. Amtek Crankshafts India Limited 4. Amtek Ring Gears Ltd. 5. Symbios Personnel Advices and Services Ltd.
Name	Mr. Vivek Agarwal
Date of Birth	15 th June 1970
Qualification	Master of Finance and Control
Profession	Service
Expertise	Finance and Accounts
Other Directorships	1. Suyaan Transmission Ltd.

By order of the Board
For Ahmednagar Forgings Limited

Sd/-

(S. Rajagopalan)

Whole Time Director

Place : New Delhi
Date : 12th November, 2011

Directors' Report

AHMEDNAGAR FORGINGS LIMITED



TO

THE MEMBERS,
AHMEDNAGAR FORGINGS LIMITED

Your Directors have pleasure in presenting the **Thirty Fourth** Annual Report and the Audited Accounts of the Company for the year ended **30th June 2011**.

FINANCIAL INFORMATION

(Rs. in Lacs)

PARTICULARS	Year ended 30th June 2011	Year ended 30th June 2010
Sales & Other Income	93725	66533
Expenditures	73497	52788
Gross Profit Before Depreciation	20228	13745
Depreciation	4995	4332
Profit Before Tax	15233	9413
Tax Expenses	4418	3004
Profit after Tax	10815	6409
Add : Accumulated Profit	4835	3304
Balance available for appropriation	15650	9713
APPROPRIATIONS:		
Transfer to General Reserve	5000	4000
Transfer to Debenture Redemption Reserve	-	-
Transfer to F.C.C.B. Redemption Reserve	-	-
Proposed Dividend on Equity Shares	735	735
Dividend & tax for Previous year(not appropriated in previous year)	-	22
Corporate Dividend Tax	119	122
Surplus Carries to Balance Sheet	9796	4834

BUSINESS PERFORMANCE

During the year under review, the Turnover of the Company was Rs. 93,725 Lacs compared to the previous year of Rs. 66,533 Lacs, recording an increase of 40.8% year on year. The Profit after Tax of the Company for the year is Rs. 10,815/- Lacs as compared to the previous year of Rs. 6,409 Lacs, recording an increase of 68.74% year on year. The Company has a strong reserve position of Rs. 58,496 Lacs.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of 20 % of the face value of each equity share for the financial year 2010-11 for shareholder approval. This corresponds to Rs. 2.00 per equity share each with a face value of Rs. 10.00 each fully paid up. The proposed dividend, if approved, at the ensuing Annual General Meeting, would result in appropriation of Rs. 854 Lacs (including Corporate Dividend Tax of Rs. 119 Lacs) out of the Profits after Tax. The Company has made a transfer of Rs. 5,000 Lacs to the General Reserve.

The Register of members and share transfer books shall remain closed from 28th December 2011 to 31st December 2011 (both days inclusive), for the purpose of Annual General Meeting and payment of the dividend.

DIRECTORS

In accordance with Section 256 of Companies Act, 1956 and the Article of Association of the Company, Mr. Arvind Dham & Mr. Vivek Agarwal Directors of the Company retire at the ensuing Annual General meeting and being eligible offer themselves for re-appointment. The board recommends their reappointment.

Brief resumes of the Directors proposed to be reappointed, nature of their industrial expertise in specific functional areas and names of the Companies in which they hold directorships are provided in the notice forming part of the Annual Report. Further, the names of the Companies in which they hold the membership of the Committees



of the Board, as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges are provided in the Corporate Governance Section of this Annual Report.

AUDITORS

The Statutory Auditors of the Company M/s Manoj Mohan & Associates, Chartered Accountants, Delhi having firm registration No. 009195C hold office until the conclusion of the next Annual General Meeting and are recommended for reappointment. A Certificate from the Auditors have been received to the effect that their appointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

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

SHARE CAPITAL AUDIT

As per the directive of the Securities Board of India (SEBI) M/s Iqneet Kaur & Company, Company Secretaries, New Delhi, undertakes a 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 listed 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

During the year under review, the Company did not accept any fixed deposits under Section 58A and 58AA of the Companies Act, 1956.

DE-MATERIALISATION OF SHARES

The Company's equity shares are available for de-materialization on both the depositories' viz., NSDL and CDSL. Shareholders may be aware that SEBI has made trading in your company's shares mandatory, in de-materialized form. As on 30th June 2011, 35,939,921 equity shares representing 97.8% of your Company's paid up equity share capital has been de-materialised.

LISTING AT STOCK EXCHANGE

The equity shares of Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Company has paid its annual listing fee to the stock exchanges for the financial year 2011 - 2012.

STATUTORY INFORMATION

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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



DIRECTORS RESPONSIBILITY STATEMENT

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

- That in the preparation of the annual accounts for the financial year ended on 30.06.2011, the applicable accounting standards have been followed;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2011 and of the profit or loss of the Company for the year under review;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- That the Directors had prepared the annual accounts for the financial year ended on 30.06.2011 on a going concern basis.

INDUSTRIAL RELATIONS

During the year under review, the relations between the Management and the workmen were highly cordial.

INVESTOR RELATIONS

Your Company always endeavors to keep the time of response to shareholders' requests/grievances at the minimum. Priority is accorded to address all the issues raised by the shareholders and provide them a satisfactory reply at the earliest possible time. The Shareholders' and Investors' Grievances Committee of the Board meets periodically and reviews the status of the redressal of investors' grievances. The shares of the company continue to be traded in electronic form and the de-materialisation arrangement exists with both the depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited.

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 programmes and schemes were implemented with utmost zeal and they were constantly reviewed and improvements were made wherever necessary.

ACKNOWLEDGEMENT

Your Directors would like to place on record their appreciation for the contribution made by the employees at all levels, who, through their competence, hard work, solidarity, co-operation, support and commitment have enabled the Company to achieve its strong growth.

Your Directors acknowledge with thanks the continued support and valuable co-operation extended by the business constituents, investors, vendors, bankers and shareholders of the Company. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies for their continued support and assistance.

By order of the Board
For Ahmednagar Forgings Limited

Place : New Delhi
Date : 12th November, 2011

Sd/-
(Arvind Dham)
Chairman



ANNEXURE TO THE DIRECTORS' REPORT 2010-2011

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 Absorbtion:

- a) Efforts in brief towards technology absorbtion : 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.

	Current Year	Previous Year
	(Rs in Lacs)	
Foreign Exchange Used :	14.78	9.79
IV. Conservation of Energy	Current Year	Previous year
A. Power & Fuel consumption		
1. Electricity Purchased		
Purchased Units (in Lacs)	244.51	178.10
Total Amt. (Rs in Lacs)	1,669.43	1,238.16
Average Rate Per Unit (Rs.)	6.83	6.95
2. Own generation through Generator		
Quantity- K.Litres	3,666.34	4,670.43
Total Cost (Rs in Lacs)	1,614.31	1,629.04
Average Rate Per Liter (Rs)	44.03	34.88
B. Consumption Per Unit of Production		
Auto Components (MTs)	112,125.00	79,031.00
Cost/M.Ton	3,288.29	3,627.94

Report on Corporate Governance

ANNEXURE I

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Ahmednagar Forging Limited has implemented and continuously strives to improve the Corporate Governance practices which attempt to meet stakeholders expectations and Company's societal commitments through high standards of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting business and finally with strict compliance with regulatory guidelines on governance.

II. BOARD OF DIRECTORS

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

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

A. Composition of Directorships

The constitution of the Board as on **June 30, 2011:-**

**Non Executive Chairman
Mr. Arvind Dham**

Promoter Director	Whole Time Director	Non Executive Director	Non Executive and Independent Director
Mr. Arvind Dham	Mr.S. Rajagopalan	Mr. D. S. Malik Mr. Gautam Malhotra	Mr. B. Lugani Mr. S. E. Krishnan Mr. Vivek Agarwal

B. Pecuniary Relationship

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

C. Attendance Record of Board Meetings

During the year under review, Five Board meetings were held on 10/08/2010, 30/10/2010, 24/11/2010, 11/02/2011, 29/04/2011, The Board members are given appropriate documents and information in advance of each Board meeting.

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

Director	No. of Board Meetings attended	Attendance at last AGM	Attendance at EGM
Mr. Arvind Dham	4	NO	NA
Mr. D. S. Malik	4	NO	NA
Mr. S.E. Krishnan	3	NO	NA
Mr. B. Lugani	4	NO	NA
Mr. S. Rajagopalan	3	NO	NA
Mr. Gautam Malhotra	3	YES	NA
Mr.Vivek Agarwal	3	YES	NA



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

Name of Director	Category of Directorship	No. of other directorships held in Other Public Companies*	No. of Membership in other companies committees **	
			Member	Chairman
Mr. Arvind Dham	Non Executive – Chairman	5	3	–
Mr. S. Rajagopalan	Executive - Whole Time Director	0	–	–
Mr. D.S. Malik	Non Executive	5	2	1
Mr. S.E. Krishnan	Independent & Non Executive	2	2	1
Mr. B. Lugani	Independent & Non Executive	2	2	–
Mr. Gautam Malhotra	Independent & Non Executive	2	2	–
Mr. Vivek Agarwal	Independent & Non Executive	1	–	–

Mr. Arvind Dham, is Chairman and Director and Mr. D.S. Malik is the Managing Director of the Amtek Auto Limited, the holding company of Ahmednagar Forgings Limited.

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

** In accordance with clause 49, Membership/Chairmanships of only Audit Committee and Shareholders/Investor's Grievance Committee in all Public Limited Companies have been considered.

III. BOARD PROCEDURES

The members of the Board have been provided with the requisite information as per 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 provided by the Listing Agreement and none of the Directors is disqualified for appointment as director under any provision of the Companies Act, 1956.

IV. AUDIT COMMITTEE

Presently the Audit Committee comprises of three directors. All the members of the committee viz. Mr. B. Lugani (Chairman), Mr. S.E. Krishnan and Mr. D.S. Malik are non-executives directors out of which two are independent directors. The Chairman of the Audit Committee is an Independent Director. The constitution of the Audit Committee meets the requirement of section 292A of the Companies Act, 1956 and the Listing Agreement. All the members of the Audit Committee have requisite accounting and financial management expertise.

The terms of reference, role and power of the Audit Committee are in conformity with the guidelines as set out in the clause 49 of the Listing Agreement and as prescribed under section 292A of the Companies Act, 1956.

During the year, the committee met 5 times and the attendance of each member at the meetings was as under :

Name of Member	Status	No. of Meetings attended
Mr. B. Lugani	Chairman	5
Mr. S.E. Krishnan	Member	5
Mr. D.S. Malik	Member	5

The Head of Finance, Internal Auditors and Statutory Auditors are invited to the Audit Committee meetings from time to time. Further, representatives from various departments of the company also attended the meetings as and when desired by the members of the committee and clarified questions raised at the Audit Committee. The Company Secretary acts as the Secretary to the Committee.



V. REMUNERATION COMMITTEE

The Board has constituted a Remuneration Committee, which presently comprises of three non-executive directors viz. Mr. S. E. Krishnan (Chairman), Mr. Gautam Malhotra and Mr. B. Lugani. The committee has been constituted to review/recommend the annual salaries, commission, service agreement and other employment conditions for the Executive/Whole time/Managing Directors.

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

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

(A) The details of the remuneration paid to the Executive Director for the year ended June 30, 2011 are given below:-

Managing Director	Salary* (Rs. in Lacs)	Commission	Total (Rs. in Lacs)	Service Contract
Mr. S. Rajagopalan	15.67	—	15.67	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 and last employment is based on particulars furnished by the employee.
4. The above employee is not a relative of any Director of the Company.

(B) The details of the remuneration paid to the Non Executive Director provided as per accounts for the year ended June 30, 2011 are given below:-

Non Executive Director	Sitting Fee	Commission	Total
Mr. Arvind Dham	Nil	—	Nil
Mr. B. Lugani	40000	—	40000
Mr. S.E. Krishnan	40000	—	40000
Mr. D.S. Malik	30000	—	30000
Mr. Gautam Malhotra	30000	—	30000
Mr. Vivek Agarwal	30000	—	30000

VI. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Board has constituted a Shareholders'/ Investors' Grievance Committee, presently comprising of three directors under the chairmanship of Mr. S. E. Krishnan, a non executive and independent director, the other members in the committee being, Mr. B. Lugani & Mr. Arvind Dham. The committee has been constituted to specifically look into redressal of shareholders' and investors grievances such as transfer, dividend, and dematerialization related matters.

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

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review were 24. As on 30th June 2011, there were nil complaints pending with the Company.

The Company has also adopted a 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 authorized the committee to monitor the compliances as required under the various Regulations as stipulated by the code.



The Board has designated Ms. Divya Pandita, Company Secretary as the Compliance Officer to monitor the share transfer process and liaise with the regulatory authorities.

VII. SHARE TRANSFER COMMITTEE

The Board has delegated the powers to approve transfer of the Shares to share Transfer Committee. The Committee held 19 meetings during the year and approved transfer of the shares lodged with the company.

The committee deals with the following matters:

- Transfer/transmission of shares;
- Issue of new share certificates / Duplicate share certificates;
- Review of de - materialisation of shares.
- All other matters relating to transfer of shares.

VIII. GENERAL BODY MEETINGS

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

Year	Location	Date	Time	Special Resolutions Passed
2009-10	Gat No.614, At Village Kuruli Tal.: Pune-410 501	31.12.2010	9.30 A.M.	Nil
2008-09	Gat No.614, At Village Kuruli Tal.: Pune-410 501	31.12.2009	9.30 A.M.	Nil
2007-08	Gat No.614, At Village Kuruli Tal.: Pune-410 501	31.12.2008	9.30 A.M.	Nil

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

IX. DISCLOSURES

(A) Basis of related Party Transaction

During the year under review there were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.

(B) Whistle Blower Policy

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

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

© Penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Other statutory authority

No penalties, or strictures have been imposed on the Company by the Stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

The Company has complied with all mandatory requirements of the revised Clause 49 of the Listing Agreement, as amended from time to time. Further, the Company has also complied with the non-mandatory requirement relating to constitution of Remuneration Committee, Shareholder Rights and establishing the Whistleblower Policy.

(C) Code of Business Conduct and Ethics for Directors and Management Personnel

The Board has prescribed a Code of Conduct ("Code") for all Board members and senior management of the Company. The Code has been posted on the website of the Company (www.amtek.com). All Board members and senior management personnel have confirmed compliance with the Code for the



year 2010-11. A declaration to this effect signed by the Managing Director & CEO of the Company is provided elsewhere in the Annual Report.

(D) Disclosure of Accounting Treatment :

In the preparation of financial statements for the year ended on 30th June, 2011 ; there was no treatment different from that prescribed in the applicable accounting standards that had been followed and the same has been confirmed in the Directors report.

(E) Board Disclosures – Risk Management :

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

(F) Proceeds from preferential issues of warrants etc.

During the year under review the Company has not issued any shares or convertible instrument on preferential basis.

X. MEANS OF COMMUNICATION

Results for quarter ended 30th September 2010, 31st December 2010, 31st March 2011 and 30th June 2011 have been published in English and Marathi newspapers (viz Business Standard and Kesari).

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

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

XI. GENERAL SHAREHOLDERS INFORMATION

1. ANNUAL GENERAL MEETING

Date	December 31, 2011
Day	Saturday
Time and Venue	9.30 A.M, Gat No. 614, Village Kuruli, Tal.: Khed Distt. Pune-410 501

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

Financial year : 2011 - 2012	July 1, 2011 to June 30, 2012
First Quarter Results	Mid November, 2011
Second Quarter Results	Mid February, 2012
Third Quarter Results	Mid May, 2012
Fourth Quarter Results	Mid August, 2012

3. DATES OF BOOK CLOSURE: **Wednesday, December 28, 2011 to
Saturday, December 31, 2011**
(Both days inclusive)

4. DIVIDEND PAYMENT DATE: **On or before January 30, 2012**

5. LISTING ON STOCK EXCHANGES:

The Shares of the Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Listing fees for the year 2011-2012 has been paid to the Stock Exchanges within the stipulated time.



6. STOCK CODES :

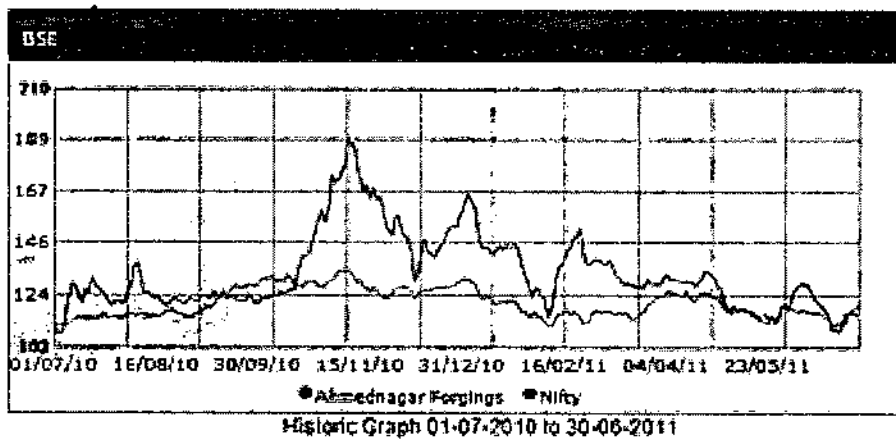
BOMBAY STOCK EXCHANGE : Security Code 513335
 NATIONAL STOCK EXCHANGE : Trading Symbol AHMEDFORGE
 ISIN NO. for dematerialised shares: INE 425A01011

6a. STOCK MARKET DATA

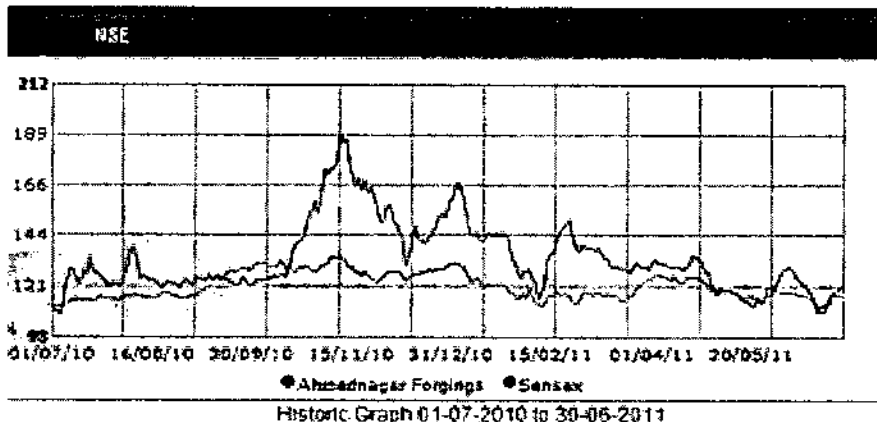
Monthly high and low quotations of shares traded at National and Bombay Stock Exchanges for the year ended 30th June 2011.

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
July, 2010	139.70	100.00	139.90	105.15
August, 2010	144.50	119.05	143.40	119.10
September, 2010	130.00	120.05	130.00	119.20
October, 2010	161.90	122.00	162.15	121.50
November, 2010	209.90	131.20	207.95	135.00
December, 2010	164.40	125.25	163.55	125.30
January, 2011	168.40	129.00	167.95	130.00
February, 2011	155.25	111.55	155.80	111.05
March, 2011	142.00	126.10	142.00	127.00
April, 2011	137.00	126.25	136.80	125.10
May, 2011	131.00	111.00	131.45	111.40
June, 2011	133.35	102.25	133.75	108.05

National Stock Exchange



Bombay Stock Exchange



**7. REGISTRARS AND TRANSFER AGENTS:**

Beetal Financial & Computer Services Pvt. Ltd.
 BEETAL HOUSE, 3rd Floor, 99, Madangir,
 Behind Local Shopping Centre, New Delhi - 110 062
 Phone No. : 011 - 29961281-83
 Fax No. 011 - 29961284

8. SHARE TRANSFER SYSTEM

The shares of the Company are traded in the compulsory demat mode for all investors, therefore, the shares sent for transfers in physical form are registered within a week (if in order and complete in all respect) and a demat option form is sent to the shareholders for exercising the option to receive the shares in demat form within 15 days. Then the shares are confirmed to the respective accounts with depositories of National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

9. DISTRIBUTION OF SHAREHOLDING AS ON JUNE 30, 2011

No. of Shares held (Rs.10/- paid up)	Shareholders Number	% of Total	Total (in Rs.)	% of Total Shareholding
Up to 5000	9321	80.72	13455440	3.66
5001 10000	1410	12.21	9953640	2.71
10001 20000	383	3.32	5818880	1.58
20001 30000	149	1.29	3860770	1.05
30001 40000	64	0.55	2301050	0.63
40001 50000	55	0.48	2595830	0.71
50001 100000	90	0.78	6383030	1.74
100001 Above	76	0.66	323131360	87.93
TOTAL :	11548	100.00	367500000	100.00

10. The Shareholding Pattern on June 30, 2011

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	20196665	54.957
	(d) Financial Institutions / Banks	0	0	0
	(e) Any Other (specify)	0	0	0
	Sub - Total (A) (1)	1	20196665	54.957
(2)	Foreign			
	(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0
	(b) Bodies Corporate	0	0	0

**AHMEDNAGAR FORGINGS LIMITED**

(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	20196665	54.957
(B)	Public Shareholding			
(1)	Institutions			
(a)	Mutual Funds/UTI	6	3204265	8.719
(b)	Financial Institutions / Banks	9	266696	0.726
(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	7	5551193	15.105
(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)		23	9022754	24.552
(2)	Non-Institutions			
(a)	Bodies Corporate	505	2486944	6.767
(b)	Individuals -			
i.	Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh.	10455	3542377	9.639
ii.	Individual Shareholders holding nominal Share Capital in excess of Rs. 1 lakh	30	1103049	3.001
(c)	Any Other (specify)			
I.	Trust	1	750	0.002
II.	Clearing Members	55	1328	0.036
III.	Non Resident Indians (NRI)	155	4108893	0.296
IV.	Hindu Undivided Families	323	275284	0.749
Sub-Total (B)(2)Total Public Shareholding		11524	7530581	20.491
(B) = (B)(1) + (B)(2)		11547	16553335	45.043
(C)	TOTAL (A) + (B)	115480	3675000000	100.000
Shares held by Custodians and against which Depository Receipts have been issued		0	0	0
GRAND TOTAL (A)+(B)+(C)		11548	36750000	100.00

**11. DEMATERIALISATION OF SHARES AND LIQUIDITY:**

The De-matting facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 30th June, 2011, 35939921 equity shares representing 97.8 % of Subscribed and paid up Capital have been de-materialised.

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

During the year 2010-11, 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. Divya Pandita, Company Secretary
Ahmednagar Forgings Limited,
The Great Eastern Plaza, 604, 6th Floor,
1996 A, Airport Road, Near Gunjan Theatre,
Yerwada, Pune – 411 006.
Tel. : 020 4031188

By order of the Board
For Ahmednagar Forgings Limited

Sd/-
(Arvind Dham)
Chairman

Place : New Delhi
Date : 12th November, 2011



**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 June 2011** as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the shareholders/ Investors Grievance Committee has maintained records to show the Investors Grievance and certify that as at 30th June 2011, there were no investors grievance remaining unattended/pending for more than 30 days.

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

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

Place : New Delhi
Date : 12th November, 2011

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

DECLARATION BY CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT

As required under Clause 49 of the Listing Agreement with Stock Exchanges, it is hereby confirmed that for the year ended **30th June, 2011**, the Directors 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 the Employee Code of Conduct as applicable to them.

Place : New Delhi
Date : 12th November, 2011

Sd/-
(S. Rajagopalan)
Whole Time Director



CEO AND CFO CERTIFICATION

We, S. Rajagopalan, Whole Time Director & C.E.O. and T. K. Laskar, GM (Finance & Accounts) responsible for the finance function certify that:

- a) We have reviewed the financial statement and cash flow statement for the year ended 30th June 2011 and to the best of our knowledge and belief :
 - i) these statements don't contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company, during the year ended 30th June 2011 are fraudulent, illegal or violate 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 internal control systems of the Company pertaining to 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 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 disclosures 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 : 12th November, 2011

Sd/-
T .K. Laskar
G.M. (Finance & Accounts)

Sd/-
S. Rajagopalan
Whole Time Director

Management Discussion and Analysis Report

1. INDUSTRY OVERVIEW

Indian Economy

India continued to recover strongly from the economic slowdown caused by the global financial crisis. The Indian economy, one of the fastest growing economies in the world, grew at an estimated 8.0% in the fiscal year ended 2009-10 and 8.5% in 2010-11. This strong growth path was driven by continued momentum in the manufacturing sector and a rebound in the agriculture sector. However, inflationary pressures, particularly for food items, have resulted in a tightening of monetary policy and an increasing interest rate environment. This is likely to result in the deceleration of economic growth going forward. GDP growth had slowed marginally in quarter ending June 2011. The continued slowdown in the manufacturing sector together with a moderation in the agriculture sector lowered GDP growth to 7.7%, despite a continued recovery in services growth.

Indian Forging Industry:

The Indian forging industry constitutes of about 10 large units followed by 100 medium and small scale units and over 220 very small units. The medium and large forging units are high quality and value driven and are the preferred suppliers to Original Equipment Manufacturers (OEMs) in the automobile sector. The domestic forging industry is characterized by fragmented capacities. Small and tiny sector units primarily cater to replacement, small sized and low value markets.

The unorganized sector has a major presence in the Open Die Forging segment, which has lower capital requirement, while the organized players dominate the Closed Die Forging segment. Out of the total forgings produced in the country, 70% is through Closed Die Forging, 15% by Open Die Forging and the balance 15% for potential and prospects of precision forging products. There has been a steady progress made by the forging industry to cater to the quality steel requirements for Defence, Railways, Oil refinery, Power plants and Machine tool sectors

The overall production of forgings increased to about 2.3 million tonnes in the current year from 1.8 million tonnes in 2009-10, registering a strong growth of approximately 35%. Capacity utilization has been growing considerably and production is expected to reach about 4 million tonnes by 2015. This is a result of several industry initiatives including capacity expansion, modernization, cost rationalization coupled with revival of demand from automotive sector which has recorded an excellent growth.

Influence of Automotive Sector on Forging Industry

Excellent growth of the forging industry is attributed to the recovery of the automotive sector in the country. 65% of the forgings produced are being utilized by the automotive sector. The forged products that are used in automobiles are front and rear hubs, differential cases and housing, engine and control mounting brackets, levers, spring shackles, camshaft, crankshaft, spring hanger brackets, intake and exhaust manifolds, leveling gear box, clutch release fork, bearing cage, life rod yoke, axle housing, steering gears, propeller shafts, brake assemblies, transmission shafts, connecting rods and axle beams.

Automobile Industry

India is one of the most attractive destinations for automobile manufacturers and an increasingly strategically important manufacturing base. This is a result of India's relatively healthy economic growth, favorable demographics, increasing disposable income, changing lifestyles and positive industrial eco-system. High quality, world class production standards, along with superior cost advantages have forced the top global auto OEMs to look at India as a sourcing hub. Global majors such as Ford, General Motors and Renault-Nissan have all announced that they will set up manufacturing facilities in India. Domestic OEM's also continued to expand their manufacturing base within India, which will be used to service both the domestic and export markets. The longer term industry dynamics in India continue to build momentum with on-going investments by major OEMs. Many joint ventures have been established in India with foreign collaboration, both technical and financial, with leading global manufacturers.

The US\$ 30 billion Indian automobile industry is expected to grow with long term robust domestic demand. The Indian auto component industry recorded the highest year-on-year growth of 34.2% in the fiscal year 2011

Non-Auto markets such as tractors, off-highway, construction equipment and railway components provide continuing growth opportunities for auto component manufacturers to leverage their core skill sets. Strong growth in the Indian tractor market was attributed to normal monsoons, strong farm output with high MSPs (minimum support price), increasing farm income and availability of financing. Tractor sales volumes have increased by 24% compared to the prior year.



2. AUTO INDUSTRY: OUTLOOK

The real GDP growth is currently at approximately 8.6% during 2010-11 and is expected to be moderate at 8% during 2011-12. The automotive industry is expected to have a similar moderation particularly due to the impact of higher interest rates, fuel prices on consumers and other general inflationary pressures.

The Indian auto component industry is expected to reach US\$ 100 billion by 2020, growing at a CAGR of 15%. For the year 2011-12, the industry is expected to grow 12-15%. Tractor sales volumes are expected to grow by 11-14% in 2011-12. Production of construction equipments are expected to reach 100,000 units by 2015, growing at a CAGR of 16.5%. Capacity utilization in Indian Forging industry has been growing considerably and production is expected to reach about 4 million tonnes by 2015.

International markets diverge significantly with the US expected to remain flat, whilst Europe is exposed to further stress due to ongoing difficulties in the financial markets. As we look forward we expect continued volatility in the global economic environment.

Ahmednagar Forgings: Strategy and Outlook

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

The Company is determined to build on its competitive advantage of market reach and penetration. The Non-Auto segment continues to perform well and exceeded expectations and will continue to grow different markets including railways, tractors, aerospace, off-highway and the construction industry. The Non-Auto segment continues to be a focus area and strategic priority for management.

The Company has been successful in capturing new orders from high profile OEM customers during the financial year 2011. New order intakes have been encouraging and at the same time strengthening the customer relationships. The Company continues to focus on operational performance through efficiency improvement, increasing productivity and optimizing capacity utilization.

Ahmednagar Forgings is confident of achieving an overall higher growth than the industry norm through its focus on new product introductions, addition of significant new contracts during the past year and continued consolidation in the component industry.

3. GROWTH STRATEGIES FOR INDIAN FORGING INDUSTRY

a) Improving operational efficiency of the forging units:

In the unorganized sector, capital investment should be limited to technological upgradation for overall operational efficiency through maintaining consistent surface quality requirements of the product and meeting strict pollution control norms only. Testing and inspection facilities can be outsourced for these units. Forging units should focus on reduction in inventory through just-in-time procurement and ensure prompt delivery commitments for sustainable confidence of automobile manufacturers.

b) Focus on R & D:

Establishment of a dedicated and /or distributed R & D center to address the technical needs of the Indian forging industry is an absolute necessity. High quality research is required to develop the following in order to meet the global challenges:

- Real time hot dimensional measuring capabilities
- Optimization of the forging process to achieve desired mechanical properties
- Closed loop process control for hot forging to get the required shape/size/ dimension in the finished forgings

c) Export potential of automotive components:

Sourcing from low-cost countries has increased, which in turn, has enhanced India's potential as an automotive hub. The value of total automotive exports is estimated to reach between US\$ 8 billion and US\$ 10 billion by 2015.

d) Advanced training programs for workmen and information between forging units:

Forging units have to create highly skilled work force and keeping them abreast with the latest technologies to run a successful forging industry. Also, the technological gap should be minimized through conduction



of interactive sessions and seminars for sharing information between the existing forging units to meet global market requirements.

e) Reorienting marketing strategies:

The forging units have to identify various other sectors which include Railways, Defence, Oil Exploration, steel, Cement, Sugar, Material handling and Ship Building that consumes forgings. For instance, chemical process industries, oil exploration and cement industry are perennial source of revenue for the forging industry. Introduction of Key Account Management System for major customers would be another useful marketing strategy. Overseas marketing support facilities needs to be provided in form of agents/agencies for high export growth.

4. RISKS AND CONCERNS FACED BY INDIAN FORGING INDUSTRY:

a) Cost & availability of forging quality steel:

Lack of captive resources key inputs for forging quality steel is a major concern for Indian Forging industry. These resources include Nickel, Molybdenum Oxide and Vanadium which are imported from alloy steel producers in [country]. The prices of these key constituents of forging quality steel have increased significantly in the past two years. This upsurge in the cost of metallic coupled with reduced availability has made the situation challenging for the alloy and special steel producers to supply forging quality steels to the market at competitive prices.

b) Technological backwardness of the forging units:

Small and very small forging units are unorganized and possess conventional technology with inadequate testing and inspection facilities. These units are unable to cater the forging quality steel requirement of the automobile industry. Furthermore, lack of availability of funds for R & D leading to delay in absorption of new technologies by the existing units adds to inefficient economies of scale. Poor automation and application of computer technology in the areas of tooling, forging process, heat treatment, quality verification and process technology is also a major constraint.

c) High cost of energy inputs and non-application of energy efficient technology:

Price rise in fuel and the high electricity cost affects the energy economies of the forging units. Compared to the western world, many forging units do not use energy recovery processes, system of delivering hot forgings to the heat treatment furnace, broader application of induction heating systems that reduce energy use and application of micro-alloyed steels that avoid heat treatment.

d) Absence of research partnership between forging units, material manufacturers and Educational Institutions:

There is an absence of extensive research partnerships between forgers, steel makers, material manufacturers and educational institutions to reduce the cost of manufacturing and improve the quality of the forgings. Various untouched research topics includes development of new materials for die, alternatives to graphite as lubricant in closed die/extrusion forging, cheaper substitutional steel grades for a given application and developing heating systems that eliminate scale formation.

e) Excessive loss of metal leading to low yield of forged products:

Excessive loss of metal leading has a major impact on price of the forged product. The concept of near net shape forging has not evolved much in the forging industry. Excessive dimensional tolerances of the forged products lead to additional machining cost to the final product. In addition, the generation of high amount of scale hampers the yield.

f) Absence of overseas marketing support facilities and slow recovery of tractor segment:

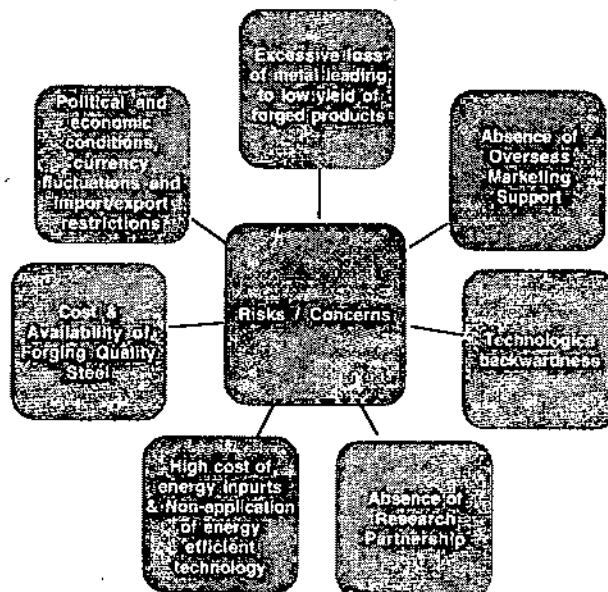
Absence of structured overseas marketing support facilities hinders export growth of forgings. Also, tractor segment, which consumes large amount of forgings, though exhibited signs of recovery and turn around in last fiscal year, the recovery is slow.

g) Political and economic conditions, currency fluctuations and import/export restrictions:

The Company's products are exported to a number of different geographic markets. Consequently, the Company is subject to various risks associated with conducting the business both within and outside



the domestic market and the operations may be subject to adverse political and economic conditions, currency fluctuations and import/export restrictions.



5. DISCUSSION ON FINANCIAL PERFORMANCE¹

During the year, the Company achieved total sales and other income of Rs. 93,725 Lacs compared to Rs. 66,533 lacs during the previous year. The Gross profit before depreciation and taxation has increased to Rs. 20,228 lacs as compared to the previous year of Rs. 13,745 lacs.

The Profit after tax has increased to Rs. 10,815 lacs as compared to the previous year of Rs. 6,409 lacs.

For the year 2011, the board of directors has recommended a dividend of Rs. 2.00 per share of Rs. 10/- each i.e 20% of the face value.

During FY2011, all the manufacturing facilities units have been operated in accordance to management's satisfaction.

6. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

The driving force behind the Company's performance has been its people. Their passion, commitment, sense of ownership and team work has enabled the Company to sustain its leadership position.

People development across functions and levels remains a key focus area. Positive steps are taken towards strengthening internal communication and connect with the employees. The Company has created a number of avenues for employees to share their views and opinions with the management. These Initiatives help meet expectations of employees. The Company works on the feedback and keeps re-looking at the existing policies, systems & processes.

7. CAUTION STATEMENT

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations are categorised as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied.

Important developments that could affect the Company's operations include an onward trend in the domestic forging 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**

Place : New Delhi
Date : 12th November, 2011

Sd/-
(Arvind Dham)
Chairman

Auditors' Report

AHMEDNAGAR FORGINGS LIMITED



To,

The Members,
Ahmednagar Forgings Limited
Pune (Maharashtra)

We have audited the attached Balance Sheet of Ahmednagar Forgings Limited as at 30th June 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditors' Report) Order, 2003 (as amended) by the companies (Auditors' Report) (amended) order, 2004 (together the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.

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

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account, as required by law, have been kept by the company so far as appears from our examination of those books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement of the company, dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 30th June 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June 2011;
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

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

Sd/-
(M. K. Aggarwal)
(Partner)

Membership No.: 76980

Place : New Delhi
Dated : 12th November, 2011



AANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE OF AHMEDNAGAR FORGINGS LIMITED FOR THE YEAR ENDED 30TH JUNE 2011

- (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 any substantial part of the fixed assets and the going concern status of the company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable.
- (b) The procedure for physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company, during the year under report, has neither given nor taken loan from the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence, clause no. iii (a), (b), (c) (d), (e), (f) & (g) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, Fixed Assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the act has been entered in the register required to be maintained under section 301 of the Companies Act, 1956.
- (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 deposit from the public under section 58A 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 in respect of certain machining activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been properly maintained.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax/VAT, 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, service tax, sales tax / VAT, custom duty, excise duty and cess were in arrears, as at 30th June 2011 for a period of more than six months from the date they became payable.
- (c) The disputed statutory dues aggregating to Rs.127.17 Lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:



S. No	Name of the Statute	Nature of Dues	Year to which the amount relate	Forum where dispute is pending	Amount (Rs. in Lacs)
1.	Customs & Central Excise Act	Valuation of Goods	2006	Jt. Commissioner, Aurangabad	18.35
2.	Customs & Central Excise Act	Valuation of Goods	2002	High Court Bench at Aurangabad	4.32
3.	Customs & Central Excise Act	Valuation of Goods	2007	CESTAT, Mumbai	10.72
4.	Customs & Central Excise Act	CENVAT related matter	2008	Addl. Commissioner, Aurangabad	12.05
5.	Customs & Central Excise Act	CENVAT related matter	2009	Dy. Commissioner, Ahmednagar	0.64
6.	Customs & Central Excise Act	Valuation of Goods	2002	Supreme Court, Delhi	6.50
7.	Customs & Central Excise Act	CENVAT Credit of Service Tax of Interest	2007	Commissioner (Appeals), Pune	74.59
Total					127.17

- (x) The company has no accumulated losses and has not incurred any cash loss during the year under report or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2004 (as amended) 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 & 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) 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.
- (xx) According to the information given to us, and the record of the company examined by us, the company has not issued any debentures.
- (xxi) According to the information and explanation given to us and the record of the company examined by us, the company has not raised any money by public issue during the year.
- (xxii) 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
Firm Regn. No. 009195C

Sd/-

(M. K. Aggarwal)
(Partner)

Membership No.: 76980

Place : New Delhi
Dated : 12th November, 2011

Balance Sheet

As at 30th June 2011

AHMEDNAGAR FORGINGS LIMITED



(Rs. in Lacs)

PARTICULARS	SCHEDULE	As at 30.06.2011	As at 30.06.2010
I. 1. SHAREHOLDER'S FUNDS			
(a) Share Capital	1	3,675.00	3,675.00
(b) Reserves & Surplus	2	58,495.69	48,534.40
2. LOAN FUNDS			
(a) Secured	3	50,632.82	53,690.38
TOTAL		112,803.51	105,899.78
II. APPLICATION OF FUNDS			
1. FIXED ASSETS			
Gross Block	4	112,429.08	101,377.52
Less : Accumulated Depreciation		17,294.65	12,310.37
Net Block		95,134.43	89,067.15
2. INVESTMENTS	5	92.85	92.85
3. CURRENT ASSETS, LOANS & ADVANCES	6		
(a) Current Assets			
i) Interest Receivable		8.69	24.10
ii) Inventories		21,377.84	17,535.98
iii) Sundry Debtors		22,482.47	9,872.96
iv) Cash & Bank Balances		4,683.90	4,708.58
(b) Loans & Advances		1,846.67	3,644.72
Total Current Assets & Loans & Advances		50,399.57	35,786.34
Less: Current Liabilities & Provisions	7		
Current Liabilities		31,969.10	18,189.49
Provisions		854.24	857.07
Total Current Liabilities & Provisions		32,823.34	19,046.56
Net Current Assets		17,576.23	16,739.78
TOTAL		112,803.51	105,899.78
Notes to the accounts & Significant Accounting Policies	11		
The accompanying schedules 1 to 11 form integral part of the accounts.			

For and on behalf of the Board

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

Sd/-
S. RAJAGOPALAN
Whole Time Director

Sd/-
ARVIND DHAM
Director

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

Sd/-
DIVYA PANDITA
Company Secretary

Sd/-
VIVEK AGARWAL
G.M. (Fin & A/Cs.)

Place : New Delhi
Dated : 12th November, 2011

Profit and Loss Account

For the Year Ended 30th June, 2011

AHMEDNAGAR FORGINGS LIMITED



(Rs. in Lacs)

PARTICULARS	SCHEDULE	For the year ended on 30.06.2011	For the year ended on 30.06.2010
INCOME			
Sales & Other Income		93,725.01	66,532.91
		93,725.01	66,532.91
EXPENDITURE			
Materials & Manufacturing Expenses	8	62,810.17	43,862.69
Personnel Expenses	9	5,090.11	4,095.64
Administrative, Selling & Other Expenses	10	958.80	943.33
Financial Expenses		4,637.72	3,886.34
TOTAL		73,496.80	52,788.00
Profit Before Depreciation		20,228.21	13,744.91
Depreciation		4,995.07	4,332.04
Profit before tax		15,233.14	9,412.87
Tax Expense		4,417.61	3,004.25
Profit for the year		10,815.53	6,408.62
Add: Profit Brought forward from previous year		4,834.29	3,304.15
Profit Available for Appropriation		15,649.82	9,712.77
APPROPRIATIONS:			
General Reserves		5,000.00	4,000.00
Propose Dividend		735.00	735.00
Corporate Dividend Tax		119.24	122.07
Dividend & Tax for Previous year (not appropriated in the previous year)		-	21.41
Surplus carried to Balance Sheet		9,795.58	4,834.29
Earning per Share (Basic/Diluted)		29.43	17.76
		29.43	17.76
Notes to the accounts & Significant Accounting Policies	11		
The accompanying schedules 1 to 11 form integral part of the accounts.			

For and on behalf of the Board

Sd/-

S. RAJAGOPALAN
Whole Time Director

Sd/-

ARVIND DHAM
Director

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

Sd/-

(M. K. AGGARWAL)
Partner
Membership No. 76980

Sd/-

DIVYA PANDITA
Company Secretary

Sd/-

VIVEK AGARWAL
G.M. (Fin & A/Cs.)

Place : New Delhi

Dated : 12th November, 2011

Cash Flow Statement

For the year ended 30th June, 2011

AHMEDNAGAR FORGINGS LIMITED



PARTICULARS	For the year ended 30.06.2011	For the year ended 30.06.2010
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit as per profit & loss account	15,233.14	9,412.87
Add: Depreciation	4,995.07	4,332.04
Loss/ (Gain) on Sale of Fixed Assets	-	(703.59)
Dividend Income	(0.14)	(0.10)
Interest Received & Other Income	(2,909.03)	(2,413.39)
Add: Financial charges	4,637.72	3,886.34
	21,956.76	14,514.17
Decrease in Current Assets, Loans & Advances:		
(Increase)/Decrease Intt. Receivables	15.41	(11.11)
(Increase)/Decrease in Inventories	(3,841.86)	(2,231.54)
(Increase)/Decrease in Sundry Debtors	(12,609.51)	(1,693.17)
(Increase)/Decrease in Loans & Advances	1,798.05	(1,719.53)
Increase/(Decrease) in Current Liabilities	9,362.00	(6,631.05)
Cash generation by operations	16,680.85	2,227.77
Interest Received & Other income	2,909.03	2,413.39
Dividend Received	0.14	0.10
Net cash from operating activities (A)	19,590.02	4,641.26
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets (including Capital work in progress)	(11,075.70)	(32,323.26)
Proceeds from sale of fixed assets	13.35	1,185.59
Purchase of investments (Net)	-	(0.50)
Net Cash from Investing activities (B)	(11,062.35)	(31,138.17)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from application money against warrants	-	645.08
Proceeds from new borrowings	1,367.44	27,449.86
Repayment of borrowings	(4,425.00)	(2,918.84)
Dividend & Tax	(857.07)	(429.96)
Finance Charges Paid	(4,637.72)	(3,886.34)
Net Cash from financing activities (C)	(8,552.35)	20,859.80
Net cash flows during the year (A+B+C)	(24.68)	(5,637.11)
Cash & cash equivalents (opening balance)	4,708.58	10,345.69
Cash & cash equivalents (closing balance)	4,683.90	4,708.58

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 in assets and liabilities.
- Cash and cash equivalents represent cash and bank balances only.
- Additions to fixed assets are stated inclusive of movements of capital work in progress between beginning and end of the year and treated as part of investing activities.
- Previous year figures have been re-grouped / recast, wherever necessary.

We have examined the above Cash Flow Statement of Ahmednagar Forgings Ltd for the year ended 30th June 2011 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

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

Sd/-
S. RAJAGOPALAN
Whole Time Director

Sd/-
ARVIND DHAM
Director

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

Sd/-
DIVYA PANDITA
Company Secretary

Sd/-
VIVEK AGARWAL
G.M. (Fin & A/Cs.)

Place : New Delhi
Dated : 12th November, 2011

Schedules

Forming part of the Balance Sheet as at 30th June 2011

AHMEDNAGAR FORGINGS LIMITED



Schedule 1 : SHARE CAPITAL

(Rs. in Lacs)

PARTICULARS	SCHEDULE	As at 30.06.2011	As at 30.06.2010
AUTHORISED			
4,00,00,000 Equity Shares of Rs. 10/- each (Previous year 4,00,00,000 Equity share of Rs. 10/- each)		4,000.00	4,000.00
TOTAL		4,000.00	4,000.00
ISSUED, SUBSCRIBED AND PAID UP			
3,67,50,000 Equity shares of Rs. 10/- each fully paid up (Previous Year 3,67,50,000 Equity shares of Rs. 10/- each)		3,675.00	3,675.00
TOTAL		3,675.00	3,675.00

Schedule 2 : RESERVES & SURPLUS

(Rs. in Lacs)

PARTICULARS		As at 30.06.2011	As at 30.06.2010
Share Premium		18,509.30	18,509.30
Capital Reserves		993.67	993.67
General Reserves			
Opening Balance	24,197.14		
Addition during the year	5,000.00	29,197.14	24,197.14
Surplus in Profit & Loss Account		9,795.58	4,834.29
TOTAL		58,495.69	48,534.40

Schedule 3 : LOAN FUNDS

(Rs. in Lacs)

PARTICULARS		As at 30.06.2011	As at 30.06.2010
Secured Loans:			
Borrowings / Loans from Financial Institutions		50,632.82	53,690.38
TOTAL		50,632.82	53,690.38

Notes:

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



**Schedule 4
FIXED ASSETS**

(Rs. In Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01.07.2010	Additions/ Transfers	Sales/ Transfers on 30.06.2011	Total as on 30.06.2011	As on 01.07.2010	During the year	Written Back/adj. on 30.06.2011	Total as on 30.06.2011	As on 30.06.2010
Land & Site Development	242.37	-	-	242.37	-	-	-	242.37	242.37
Building	3,566.68	17.95	-	3,584.63	601.70	71.95	-	2,910.98	2,964.98
Plant & Machinery	95,660.27	10,276.97	-	105,937.24	11,374.97	4,858.25	-	89,704.02	84,285.30
Electrical Installation	162.11	33.55	-	195.66	12.01	17.74	-	29.75	150.10
Furniture & Fixtures	107.37	5.11	-	112.48	78.43	5.68	-	28.37	28.94
Computer & Peripherals	225.03	15.54	0.55	240.02	162.39	25.84	0.08	188.15	62.64
Office Equipments	99.91	20.32	1.06	119.17	34.34	5.38	0.11	39.61	65.57
Vehicles	123.48	-	22.53	100.95	46.53	10.23	10.60	54.79	76.95
Total	100,187.22	10,369.44	24.14	110,532.52	12,310.37	4,995.07	10.79	17,294.65	87,876.85
Capital Work-in-progress	1,190.30	10,806.59	10,100.33	1,896.56	-	-	-	1,896.56	1,190.30
Total Gross Block	101,377.52	21,176.03	10,124.47	112,429.08	12,310.37	4,995.07	10.79	17,294.65	89,067.15
Previous Year	71,594.01	62,548.82	32,765.31	101,377.52	10,036.08	4,332.04	2,057.75	12,310.37	-



Schedule 5 : INVESTMENT

(Rs. in Lacs)

PARTICULARS	As at 30.06.2011	As at 30.06.2010
(Quoted) At cost		
1,00,000 Equity shares of Rs.10/- each of Grapco Mining & Co. Ltd. (Previous year 1,00,000 Equity shares of Rs.10/- each)	13.00	13.00
1,03,100 Equity shares of Rs.10/- each of Global Infrastructure & Technologies Ltd. (Previous Year 1,03,100 Equity shares of Rs. 10/- each)	54.86	54.86
3,500 Equity shares of Rs. 2/- each of Sanghvi Movers Ltd. (Previous year 3,500 Equity shares of Rs. 10/- each)	0.60	0.60
5,000 Equity shares of Rs.10/- each of Good Value Marketing Ltd. (Previous year 5,000 Equity shares of Rs.10/- each)	2.00	2.00
7,014 Equity Shares of Rs.10/- each of Dena Bank (Previous year 7,014 Equity shares of Rs.10/- each.)	1.89	1.89
(Unquoted) At cost		
50,000 Equity shares of Rs.10/- each of Photon Biotech Ltd. (Previous year 50,000 Equity shares of Rs.10/- each)	12.00	12.00
10,000 Equity shares of Rs. 10/- each of SICOM Ltd (Previous year 10,000 Equity shares of Rs.10/- each)	8.00	8.00
5,000 Equity shares of Rs.10/- each of Alliance Hydro Power Ltd. (Previous year 5,000 Equity shares of Rs.10/- each)	0.50	0.50
TOTAL	92.85	92.85

Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES

(Rs. in Lacs)

PARTICULARS	As at 30.06.2011	As at 30.06.2010
a) Current Assets		
I) Interest Receivable	8.69	24.10
II) INVENTORIES (As taken, valued and certified by the Management)		
Raw Materials	10,176.10	6,980.87
Semi Finished Goods	10,118.52	9,634.08
Finished Goods	56.46	33.31
Consumables Stores	904.50	868.49
Other Stocks	122.26	19.23
TOTAL	21,377.84	17,535.98
III) Sundry Debtors (Unsecured considered good)		
Outstanding for over six month	2,509.33	770.02
Other Debts	19,973.14	9,102.94
TOTAL	22,482.47	9,872.96
IV) Cash and Bank Balances		
Cash/Cheques in hand & Imprest	89.99	75.71
Balances with scheduled banks in current account, fixed deposits & margin money	4,593.91	4,632.87
TOTAL	4,683.90	4,708.58
b) Loans and Advances		
a) Advances Recoverable in Cash or in kind or for value to be received (considered good)	1,652.99	3,458.28
b) Security Deposits	193.68	186.44
TOTAL	1,846.67	3,644.72
GRAND TOTAL	50,399.57	35,786.34



Schedule 7

CURRENT LIABILITIES & PROVISIONS

(Rs. in Lacs)

PARTICULARS	As at 30.06.2011	As at 30.06.2010
CURRENT LIABILITIES		
Sundry Creditors	6,451.06	5,819.93
Other Liabilities	25,223.40	11,875.12
Unclaimed Dividend	14.19	15.41
Expenses Payable	280.45	479.03
TOTAL -A-	31,969.10	18,189.49
PROVISIONS		
Proposed Dividend	735.00	735.00
Corporate Dividend Tax	119.24	122.07
TOTAL -B-	854.24	857.07
GRAND TOTAL (A+B)	32,823.34	19,046.56

SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2011

Schedule 8

MATERIAL & MANUFACTURING EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year ended on 30.06.2011	For the year ended on 30.06.2010
Material Consumed	57,751.37	39,700.10
Add: Decrease / (Increase) in Stock	(610.62)	(373.01)
Net Material Consumed	57,140.75	39,327.09
Consumables	1,327.31	1,174.54
Power & Fuel	3,687.00	2,867.20
Labour Charges & Job Work	264.01	233.01
Production Incentive	8.24	-
Testing Fees & Inspection Charges	13.67	3.80
Freight Inwards	132.42	124.44
Repairs of Machinery	236.77	132.61
TOTAL	62,810.17	43,862.69

Schedule 9

PERSONNEL EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year ended on 30.06.2011	For the year ended on 30.06.2010
Salaries and Wages	4,452.76	3,630.30
Staff Welfare, PF, ESI, LTA, Gratuity, VRS & other Expenses	632.77	462.84
Recruitment & Training Exps.	0.39	-
Staff Training Expenses	4.19	2.50
TOTAL	5,090.11	4,095.64



Schedule 10

ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year ended on 30.06.2011	For the year ended on 30.06.2010
Advertisement & Publicity	1.38	1.03
Auditor's Remuneration	10.82	10.00
Books & Periodicals	0.75	0.50
Service Charges	108.36	87.18
Director's Remuneration & Perquisites	17.37	6.03
Customer Relation Expenses	14.99	4.59
Insurance Charges	21.13	25.40
ISO Expenses	0.14	1.22
Legal & Professional	54.02	76.80
Office and Factory Expnses	19.16	18.51
Printing & Stationery	14.06	17.97
Rate, Fee & Taxes	25.19	49.72
Rent	45.64	20.64
Exchange Rate Variation	0.61	-
Professional Tax-Company	-	0.03
Running & Maintenance of Vehicle	32.08	19.96
Repairs Building & Other Assets	88.83	118.51
Loss on Sale of Assets	7.11	-
Subscription & Membership Fees	5.82	3.05
Courier Expenses	3.43	1.75
Postage & Telephone Expenses	22.74	27.23
Travelling Expenses	86.99	73.40
Donation	0.19	0.11
SELLING & DISTRIBUTION EXPENSES		
Cash Discount	2.84	22.73
Freight Outwards	297.82	330.75
Warranty Claim & Forwarding Deduction	77.33	26.22
TOTAL	958.80	943.33



**SCHEDULE: 11 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2011)**

I. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

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

B. REVENUE RECOGNITION

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

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.

**II. NOTES ON ACCOUNTS:**

1. Schedule 1 to 11 form an integral part of the Balance Sheet and Profit & Loss Account.

2. Contingent Liabilities:**(Rs. in Lacs)**

	Current Year 30.06.2011	Previous Year 30.06.2010
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	97.08	151.15
b) Unexpired Letters of Credit	19.75	59.24
c) Bank Guarantee	76.95	-
d) Disputed Statutory Dues in respect of Excise Duty/Service Tax	127.17	134.87

*Contingent Assets are neither recognized, nor disclosed

3. Earning Per share:

Calculation of EPS (Basic and Diluted)	Year Ended 30th June, 2011	Year Ended 30th June, 2010
Opening Number of Shares	3,67,50,000	3,49,20,000
Total Shares outstanding	3,67,50,000	3,67,50,000
Profit after Tax (Rs. Lacs)	10,815.53	6,408.62
EPS (Rs.) Basic/Diluted	29.43	17.76
Diluted		
Stock option outstanding	Nil	Nil
EPS (Rs. Per Share)	29.43	17.76
Reconciliation of basic and diluted shares used in computing EPS		
Number of shares considered as basic weighted average shares outstanding	3,67,50,000	3,60,93,205
Total shares outstanding including dilution	3,67,50,000	3,67,50,000

4. In the opinion of the Board of Directors, the current assets and loans and advances If, realized in the ordinary course of business, would be realised at least equal to the amounts at which they have been stated in the Balance Sheet. Provisions for all known liabilities have been made in the books of accounts.
5. The company is primarily focused on manufacturing Steel Forgings. Therefore, there are no separate segments within the company as defined by Accounting Standard 17 (Segment Reporting), issued by the Institute of Chartered Accountants of India and hence, the same is not reported
6. Other liabilities under current liabilities include amount recovered from customers on account of CST/VAT/ Surcharge, but not deposited, as the company had been issued an eligibility certificate for Sales Tax deferment under the Maharashtra Sales Tax Act, 1959 and HP Sales Tax Act.
7. Maximum amount outstanding at any time during the year due from / due to directors is Rs.Nil. (Previous year Rs. Nil.).
8. Confirmation of Balances in respect of some of debtors/creditors accounts as at 30th June, 2011 are yet to be received as at the date of the Auditor's report.
9. (a) Sundry Creditors include a Sum of Rs. 25.35 lacs (Previous Year Rs 26.83 lacs) due to Small & Medium Enterprises.
- (b) The List of SMEs to whom company owes a sum exceeding Rs.1,00,000 and which is outstanding for more than 30 days is as under:-
Ray Heat Treatment, Universal Engg. & Mfg. Industries & Shree Krishna Safety Products Pvt. Ltd etc.
- (c) The Payments to SMEs have been made as per stipulated terms.



(d) The above information has been compiled in respect of parties to the extent to which they could be identified as SMEs on the basis of information available with the company.

10. The balances with Schedule Banks include :

	Current Year	(Rs. in Lacs) Previous Year
a) Fixed Deposits which stand pledged against Letter of Credit for purchase for raw material	1,531.19	640.27
11. Advance recoverable in cash or in kind or for value to be received include: Prepaid Expenses	29.22	22.97
12. Miscellaneous income include:		
a) Interest including TDS of Rs. 15.12 Lacs (Previous Year Interest including TDS of Rs. 26.18 Lacs)	151.18	238.14
b) Dividend Income (Long Term Investment)	0.14	0.10
c) Profit on sale of assets	Nil	703.59
d) Other Sales & Income	2,757.85	2,175.25
Total	2,909.17	3,117.08
13. Auditor's Remuneration	10.82	10.00
14. Market Value of the Quoted investments as on 30.06.2011		
Sanghvi Movers Ltd.	Rs. 116.90 Per Share (Aggregate value of Rs.4.09 lacs)	
Dena Bank	Rs. 90.50 Per Share (Aggregate value of Rs.6.37 lacs)	

Market value of Grapco Mining & Co. Ltd, Good Value marketing Ltd, and Global Infrastructure & Technologies Ltd – Not Available

15. RETIREMENT BENEFITS

Effective from financial year 2007-08, the Company has implemented Accounting Standard (AS)-15 (Revised -2005) dealing with Employees Benefits, issued by the Institute of Chartered Accountants of India. AS-15 (Revised-2005) deals with recognition, measurement and disclosure of short term, post employment, termination and other long term employee benefits provided by the Company.

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

1) Post Employment Benefit Plans:

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

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

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

a) Defined Benefit plan:

i) Gratuity Plan & Leave Encashment Plan

The Company, in accordance with AS-15 (Revised) has made the provisions for Gratuity and Leave Encashment on projected unit credit method.



Disclosure in respect of "Employees Benefit plans"

i. Change in Present Value of obligations:

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Funded</i>	<i>Leave Encashment Plan Unfunded</i>
A Present Value of Obligation as on 01.07.2010	215.24	65.40
B Acquisition Adjustment	—	—
C Interest Cost	16.46	12.18
D Past Service Cost	—	—
E Current Service Cost	26.11	—
F Curtailment Cost/(Credit)	—	—
G Settlement Cost/(Credit)	—	—
H Benefits Paid	(13.67)	—
I Actuarial (Gain) /Loss on obligation	(13.85)	—
J Present Value of Obligations as on 30 th June, 2011	230.29	77.58

ii. Change in Fair Value of Plan Assets:

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Funded</i>	<i>Leave Encashment Plan Unfunded</i>
A Fair Value of plan assets as on 01.07.2010	10.66	—
B Acquisition Adjustment	—	—
C Expected Return on plan assets	1.04	—
D Employer's Contributions	16.92	—
E Asset Distribution on settlement	—	—
G Benefits Paid	(13.67)	—
H Actuarial Gain /(Loss) on plan assets	0.73	—
I Actual Return on Plan Assets	15.68	—
J Fair Value of plan assets as on 30.06.2011	1.77	—

iii. Actuarial Gain/ (Loss) Recognised

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Funded</i>	<i>Leave Encashment Plan Unfunded</i>
A Actuarial Gain / (Loss) for the year - Obligation	13.85	—
B Actuarial (Gain) / Loss for the year – Plan Assets	(0.73)	—
C Total (Gain) / Loss for the year	(14.58)	—
D Actuarial (Gain) / Loss recognised in the year	(14.58)	—
E Unrecognised Actuarial (Gains)/ Losses at the end of the year	—	—

iv. Expenses Recognised in the Statement of Profit & Loss

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Funded</i>	<i>Leave Encashment Plan Unfunded</i>
A Present Value of Obligation as at the end of the year	230.29	77.58
B Fair Value of Plan Assets as at the end of the year	15.68	—
C Funded Status	(214.61)	—
D Unrecognised Actuarial (Gain) / Losses	—	—
E Net Assets/ (Liability) Recognised in the Balance Sheet	(214.61)	77.58



v. Amount Recognised in Balance Sheet

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Funded</i>	<i>Leave Encashment Plan Unfunded</i>
A Current Service Cost	26.11	—
B Past Service Cost	—	—
C Interest Cost	16.46	—
D Expected Return on plan assets	(1.04)	—
E Curtailment Cost/(Credit)	—	—
F Settlement Cost/(Credit)	—	—
G Net Actuarial (Gain)/ Loss recognized in the year	(14.58)	—
H Expenses Recognised in the statement of Profit & Loss at the end of year	26.95	—
A Present Value of Obligation	230.29	—
B Plan Assets	15.68	—
C Surplus (Deficit)	(214.61)	—
D Experiences adjustment on plan liabilities (loss)/gain	5.14	—
E Experiences adjustment on plan Assets (loss)/gain	0.73	—

vi. Amount for the current period

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Funded</i>	<i>Leave Encashment Plan Unfunded</i>
A Present Value of Obligation	230.29	—
B Plan Assets	15.68	—
C Surplus (Deficit)	(214.61)	—
D Experiences adjustment on plan liabilities (loss)/gain	5.14	—
E Experiences adjustment on plan Assets (loss)/gain	0.73	—

vii. Principle Actual Assumptions

(Rs. In Lacs)

<i>Particulars</i>	<i>Gratuity Plan Rate</i>	<i>Leave Encashment Plan Rate</i>
A Discount Rate	8.40%	8.40%
B Salary Escalation Rate	10.00%	10.00%
C Expected Rate of return on plan assets	8.50%	—
E Retirement age (Years)	58	58
D Expected Average Remaining Working Lives of Employees (Years)	8.08	8.08



16. Related party Disclosures & transactions:

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

A) Names of related parties and description of relationship*

- | | |
|--|---|
| <p>1) Holding:</p> <p>2) Subsidiary of Holding Co.</p> <p>3) Joint Venture of Holding Co.</p> <p>4) Key Management Personnel</p> | <p>1) Amtek Auto Ltd.</p> <p>1) Amtek Crank Shafts India Ltd.
2) Amtek Deutschland GmbH
3) Amtek Investment UK Ltd.
4) Amtek Investment Inc. US
5) Smith Jones Inc.
6) Amtek Ring Gears Ltd.
7) Amtek Transportation Systems Ltd.
8) Alliance Hydro Power Ltd.
9) Amtek India Ltd.</p> <p>1) Amtek Tekfor Automotive Ltd.
2) MPT Amtek Automotive (India) Ltd.
3) SMI Amtek Crankshafts Pvt. Ltd.</p> <p>1) Shri Arvind Dham
2) Shri S. Rajagopalan</p> |
|--|---|

B. Transactions

(Rs. in Lacs)

Particulars	Associates/Holding/ Subsidiaries or Associate of Holding Company	Key Management Personnel	Total
Purchases of Goods	5.27 (32.55)	- (-)	5.27 (32.55)
Sales of Goods	757.47 (559.13)	- (-)	757.47 (559.13)
Services Rendered	54.37 (-)	- (-)	54.37 (-)
Services Received	2.68 (-)	- (-)	2.68 (-)
Dividend paid	403.93 (201.96)	- (-)	403.93 (201.96)
Directors Remuneration	- (-)	17.37 (6.03)	17.37 (6.03)
Balance Receivable at the year end	219.53 (85.92)	- (-)	219.53 (85.92)
Balance Payable at the year end	- (-)	- (-)	- (-)



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

a) Materials Consumed

Item	Current Year		Previous Year	
	MTs.	Rs. Lacs	MTs.	Rs. Lacs
Carbon and alloy steel	1,18,873	57,751.37	85,057	39,700.10
Die Steel & Stores		1,327.31		1,174.54
TOTAL		59,078.68		40,874.64

b) Particulars in respect of goods manufactured

Sr. No.	Item	Unit	Licenced Capacity	Installed Capacity	Production
1)	Steel Forgings	M.T.	2,25,000 (2,25,000)	2,25,000 (2,25,000)	1,12,162 (79,031)

c) Stocks and turnover of Goods Manufactured by the Company

	Opening Stock		Closing Stock		Sales	
	Qty	Value	Qty	Value	Qty	Value
	M.T.s	Rs. (Lacs)	M.T.s	Rs. (Lacs)	M.T.s	Rs. (Lacs)
i) Steel Forging	51 (51)	33.31 (36.56)	87.53 (51)	56.46 (33.31)	1,12,125 (79,031)	90,815.84 (63,415.83)
ii) Work-in-progress	15,088 (13,315)	9,634.08 (9,237.72)	15,855 (15,088)	10,118.52 (9,634.08)	- (-)	- (-)

B) Expenditure in Foreign Currency

	Current Year	Previous Year
A) Foreign Travel	3.30	1.18
B) CIF Value of Imports of Capital Goods & Spares	11.48	8.61
C) Exports Income	652.88	124.40

18. Export sales include sale in transit to its overseas customers acknowledged in subsequent Year, indirect export / deemed export.

19. Details of units manufactured, material consumed and sales include component bought and sold.

20. Previous year's figures have been regrouped, rearranged and recasted wherever considered necessary.



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

I. Registration Details:

Registration No. 19569
 Balance Sheet Date 30.06.2011
 State Code 11

II. Capital Raised during the year (Rs. In Lacs)

Public Issue	Right Issue
Nil	Nil
Private Placement/Promoters/ Financial institutions	Premium
Nil	Nil

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

Total Liabilities	Total Assets
1,12,803.51	1,12,803.51
Sources of Funds:	
Paid-up Capital	Reserves & Surplus
3,675.00	58,495.69
Secured Loans	Unsecured Loans
50,632.82	Nil
Application of Funds:	
Net Fixed Assets	Investments
95,134.43	92.85
Net Current Assets	Misc. Expenditure
17,576.23	Nil

IV. Performance of Company (Amount in Lacs)

Turnover	Total Expenditure
93,725.01	78,491.87
Profit before Tax	Profit after Tax
15,233.14	10,815.53
Earning per share	Dividend Rate %
29.43	20

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

Code	Products Name
7326	Die Steel Forgings

For and on behalf of the Board

sd/-
S. RAJAGOPALAN
 Whole Time Director

sd/-
ARVIND DHAM
 Director

sd/-
DIVYA PANDITA
 Company Secretary

sd/-
VIVEK AGARWAL
 G.M. (Fin. & A/c)

For Manoj Mohan & Associates
 Chartered Accountants

Place : New Delhi
 Dated : 12th November, 2011

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

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

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

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

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

Kindly take the aforesaid details on record.

*To be filled in case nominee is a minor

Thanking you,

Yours faithfully,

Date.....

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

INSTRUCTIONS:

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

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

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

Dear Sirs,

FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

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

For shares held in physical form

Master Folio No.

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

For shares held in electronic form

DP. ID

Client ID

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

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

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

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

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

 (Signature of First holder)

Dated: _____

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

**ATTENDANCE SLIP****AHMEDNAGAR FORGINGS LIMITED****Regd. Office: Gat No. 614, At Village Kuruli, Tal. Khed. Dist. Pune - 410 501.**PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.
Joint shareholders may obtain additional attendance slip on request at the venue.

DP. ID#	
Client ID#	

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

Applicable for members holding shares in dematerialised form.

NAME AND ADDRESS OF THE MEMBER: _____

I hereby record presence at the 34th Annual General Meeting held at Gat No. 614, Village Kuruli, Tal. Khed. Dist. Pune 410 501. (Maharashtra) on Saturday the 31st day of December, 2011.

SIGNATURE OF THE MEMBER* OR PROXY*

*Strike out whichever is not applicable.

**PROXY FORM****AHMEDNAGAR FORGINGS LIMITED****Regd. Office: Gat No. 614, At Village Kuruli, Tal. Khed. Dist. Pune - 410 501.**

DP. ID#	
Client ID#	

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

Applicable for members holding shares in dematerialised form.

I/We _____
of _____
being a member/members of Ahmednagar Forgings Limited hereby appoint _____
of _____
or failing him _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at the 34th Annual General Meeting held at Gat No. 614, Village Kuruli, Tal. Khed. Dist. Pune 410 501. (Maharashtra) on Saturday the 31st day of December, 2011.

Signed this _____ day of _____ 2011.

Re. 1/- Revenue Stamp

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

BOOK-POST

If undelivered please return to :

AHMEDNAGAR FORGINGS LIMITED

The Great Eastern Plaza, 604, 6th Floor, 1996 A, Airport Road,
Near Gunjan Theatre, Yerwada, Pune - 411 006.

ablegraphics@gmail.com