



**AHMEDNAGAR
FORGINGS
LIMITED**

33rd ANNUAL REPORT
2009 - 2010



AHMEDNAGAR FORGINGS LIMITED

33rd ANNUAL REPORT

2009 - 2010

Board of Directors

Mr. Arvind Dham	<i>Chairman</i>
Mr. S. N. 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

Mr. Prabhjot Singh Ahluwalia

CONTENTS

Notice	3
Directors' Report	5
Corporate Governance Report	9
Management Discussion and Analysis Report	20
Auditor's Report	24
Balance Sheet	28
Profit & Loss Account	29
Cash Flow Statement	30
Schedules	31

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 Third Annual General Meeting of the members of the Company will be held on Friday, the 31st December 2010 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 consider and adopt the Audited Balance Sheet of the Company as at 30th June 2010 and Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Deshpal Singh Malik, who retires by rotation & being eligible, offers himself for re-appointment
3. To appoint a Director in place of Mr. Sitaraman Easwara Krishnan, 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. N. Rajagopalan)
Whole Time Director

Place : New Delhi
Date : 24th November, 2010

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.**
3. All documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M.
4. The Register of Members and Share Transfer Book of the Company will remain closed from 28th December 2010 to 31st December 2010 (both days inclusive) to decide the entitlement of Members for payment of dividend that may be declared at the Annual General Meeting.
5. Members are requested to furnish/update bank details to the Company/Registrar & Transfer Agents/ Depository Participant 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 & Client ID-DP ID at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip, Duplicate Attendance Slip will be issued at the Registered Office of the Company upto a day preceeding 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, 2011.
 - a) To those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Registrar & Transfer Agents (R&T Agents) of the Company on or before December 27th, 2010.
 - b) In respect of shares held in electronic form, to those "deemed members" whose names appear in statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours of December 27th, 2010.



DIRECTORS

Mr. Deshpal Singh Malik & Mr. Sitaraman Easwara Krishnan retire at the ensuing Annual General meeting and being eligible offer themselves for re-appointment.

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

AUDITORS

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

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

SHARE CAPITAL AUDIT

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

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

FIXED DEPOSITS

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

DEMATERIALISATION OF SHARES

The Company's equity shares are available for dematerialization on both the depositories viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatory, in dematerialized form. As on 30th June 2010 3,58,64,362 equity shares representing 97.59 % of your Company's Equity share capital have been dematerialised.

LISTING AT STOCK EXCHANGES

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

The Company has paid the annual listing fee to the Stock Exchanges for the year 2010 - 2011.

STATUTORY INFORMATION

- Particulars of Employees under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 may be taken as Nil.
- Statutory details of Energy Conservation and Technology Absorption, R & D activities and Foreign Exchange 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 a certificate from the Company's auditors confirming compliance of Corporate Governance norms as stipulated in Clause 49 VII of the Listing Agreement with the Indian Stock Exchanges is included in the Annual Report.

Directors' Report

AHMEDNAGAR FORGINGS LIMITED



TO

THE MEMBERS,
AHMEDNAGAR FORGINGS LIMITED

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

FINANCIAL INFORMATION

(Rs. in Lacs)

PARTICULARS	Year ended 30th June 2010	Year ended 30th June 2009
Sales / Income from operations	66,532.91	51,755.67
Expenditures	52,788.00	43,507.53
Gross Profit	13,744.91	8,248.14
Depreciation	4,332.04	2,930.16
Profit Before Tax	9,412.87	5,317.98
Provisions for Taxation	3,004.25	1,726.24
Profit after Tax	6,408.62	3,591.74
Add. Accumulated Profit	3,304.15	4,120.96
Balance available for appropriation	9,712.77	7,712.70
APPROPRIATIONS:		
Transfer to General Reserve	4,000.00	4,000.00
Proposed Dividend on Equity Shares	735.00	349.20
Provision for Tax and cess on Dividend	122.07	59.35
Dividend & tax for previous year		
(Not appropriated in the previous year)	21.41	-
Surplus carried to Balance Sheet	4,834.29	3,304.15

DIVIDEND

The Directors of your Company are pleased to recommend a dividend of Rs. 2/- per equity shares of Rs. 10/- each for the financial year 2009-10. The proposed dividend, if approved at the ensuing Annual General Meeting, would result in appropriation of RS. 857.07 Lacs (including Corporate Dividend Tax of Rs. 122.07 Lacs) out of the profits. The Company has made transfer of Rs. 4000 Lacs to the General Reserve.

The Register of members and share transfer books shall remain closed from 28th December 2010 to 31st December 2010 (both days inclusive), for the purpose of Annual General Meeting and payment of dividend.

FINANCIAL PERFORMANCE

During the year under review, the Company has recorded an income of Rs. 66532.91 lacs as against a total income of Rs. 51755.67 lacs in the previous year thus recording an increase in income of 28.55% over the previous year. The profit after tax Company for the year stands at Rs. 6408.62 lacs as against the corresponding year figure of Rs. 3591.74 lacs thus registering increase of 78.43% on year to year basis. The Company has a strong reserve position of Rs. 48534.40 lacs.

EXPANSION OF CAPACITY

During the year under review, the Company has expanded its steel forging capacities from 165000 tpa to 225000 tpa by increasing the capacities at the existing plants.

SHARE CAPITAL

During the year under review the Company has converted 18,30,000 warrants into equivalent number of equity shares of Rs. 10/- per share at a premium of Rs. 37/- per share aggregating to Rs. 6.45 Crores and allotted the same to the promoters of the Company, in accordance with Chap. VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009.



DIRECTORS

Mr. Deshpal Singh Malik & Mr. Sitaraman Easwara Krishnan retire at the ensuing Annual General meeting and being eligible offer themselves for re-appointment.

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

AUDITORS

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

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

SHARE CAPITAL AUDIT

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

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

FIXED DEPOSITS

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

DEMATERIALIZATION OF SHARES

The Company's equity shares are available for dematerialization on both the depositories viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatory, in dematerialized form. As on 30th June 2010 3,58,64,362 equity shares representing 97.59 % of your Company's Equity share capital have been dematerialised.

LISTING AT STOCK EXCHANGES

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

The Company has paid the annual listing fee to the Stock Exchanges for the year 2010 - 2011.

STATUTORY INFORMATION

- Particulars of Employees under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 may be taken as Nil.
- Statutory details of Energy Conservation and Technology Absorption, R & D activities and Foreign Exchange 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 a certificate from the Company's auditors confirming compliance of Corporate Governance norms as stipulated in Clause 49 VII of the Listing Agreement with the Indian Stock Exchanges is included in the Annual Report.



MANAGEMENT DISCUSSION AND ANALYSIS

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- That in the preparation of the annual accounts for the financial year ended 30th June 2010 the applicable accounting standards have been followed;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- That the Directors had prepared the annual accounts on a going concern basis.

INDUSTRIAL RELATIONS

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

INVESTOR RELATIONS

Your Company always endeavors to keep the time of response to shareholders' requests/grievances at the minimum. Priority is accorded to address all the issues raised by the shareholders and provide them a satisfactory reply at the earliest possible time. The shareholders' and investors' Grievances committee of the Board meets periodically and reviews the status of the redressal of investors' grievances. The shares of the Company continue to be traded in Electronic Form and the De-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

Sd/-
(Arvind Dham)
Chairman

Place : New Delhi
Date : 24th November, 2010

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

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

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

III. Foreign Exchange Outgo:

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

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

	(Rs in Lacs)	
	Current Year	Previous Year
Foreign Exchange Used :	9.79	87.76
IV. Conservation of Energy		
	Current Year	Previous year
A. Power & Fuel consumption		
1. Electricity Purchased		
Purchased Units (in Lacs)	178.10	164.58
Total Amt. (Rs in Lacs)	1,238.16	709.99
Average Rate Per Unit (Rs.)	6.95	4.31
2. Own generation through Generator		
Quantity- K.Litres	4,670.43	5,815.23
Total Cost (Rs in Lacs)	1,629.04	1782.96
Average Rate Per Liter (Rs)	34.88	30.66
B. Consumption Per Unit of Production		
Auto Components (MTs)	79,031.00	53,343.00
Cost/M.Ton	3,627.94	4,673.43

Report on Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company 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, 2010:-

Non Executive Chairman
Mr. Arvind Dham

Promoter Director	Whole Time Director	Non Executive Director	Non Executive and Independent Director
Mr. Arvind Dham	Mr. S.N. 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 non-executive Directors vis-à-vis the Company.

C. Attendance Record of Board Meetings

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

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

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



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	4	3	–
Mr. S.N. Rajagopalan	Executive - Managing Director	0	–	–
Mr. D.S. Malik	Non Executive	5	2	1
Mr. S.E. Krishnan	Independent & Non Executive	3	3	1
Mr. B. Lugani	Independent & Non Executive	1	4	1
Mr. Gautam Malhotra	Non Executive	2	–	–
Mr. Vivek Agarwal	Independent & Non Executive	1	–	–

Mr. Arvind Dham, is Chairman and Director of the Holding Company, Amtek Auto Limited, Mr. D.S. Mailk is the Managing Director of the holding Company.

* 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 of the Listing Agreement and none of the Directors are disqualified for appointment as director under any provision of the Companies Act, 1956.

IV. AUDIT COMMITTEE

Presently, the Audit Committee comprises of three member 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	Director	5
Mr. D. S. Malik	Director	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, 2010 are given below:-

Managing Director	Salary* (Rs. in Lacs)	Commission	Total (Rs. in Lacs)	Service Contract
Mr. S.N. Rajagopalan	4.34	-	4.34	5 years

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

(B) The details of the remuneration paid to the Non Executive Director provided as per accounts for the year ended June 30, 2010 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.

During the year under review, the committee met four times and all the members were present in all the meetings.

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review were 44. As on 30th June 2010, 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 Mr. Prabhjot Singh Ahluwalia, 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 14 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 shares.

VIII. GENERAL BODY MEETINGS

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

Year	Location	Date	Time	Special Resolutions Passed
2008-09	Gat No.614, Village Kuruli Tal. Khed Pune-410 501	31.12.2009	9.30 A.M.	Nil
2007-08	Gat No.614, Village Kuruli Tal. Khed Pune-410 501	31.12.2008	9.30 A.M.	Nil
2006-07	Gat No.614, Village Kuruli Tal. Khed Pune-410 501	31.12.2007	9.30 A.M.	<ul style="list-style-type: none">• Amendment in Article and Memorandum of Association to reflect increase in Authorised share Capital.• Issue of Further Shares u/s 81 (1A).• Authorisation to borrow money u/s 293(1)(d).

During the year under review, 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.

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, which came into effect from 1st January 2006. Further, the Company has also complied with the non-mandatory requirement relating to constitution of Remuneration Committee 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 2009-10. 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, 2010, 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

During the year under review, the Company raised an amount of Rs 6.45 Crores by converting 18,30,000 warrants, into equivalent number of equity shares of Rs. 10/- per share at a premium of Rs. 37/- per share. These warrants were issued to the promoters of the Company through a preferential issue on private placement basis. The uses / application of funds were disclosed to the Audit Committee as a part of their quarterly declaration of financial results. The funds were utilized for their intended purposes as disclosed in the respective notices calling general meeting seeking shareholders approval for such issues. All such disclosures were duly certified by the statutory auditors.

X. MEANS OF COMMUNICATION

Results for quarter ended 30th September 2009, 31st December 2009, 31st March 2010 and 30th June 2010 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, 2010
Day	Friday
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 : 2010-2011	July 1, 2010 to June 30, 2011
First Quarter Results	Mid November, 2010
Second Quarter Results	Mid February, 2011
Third Quarter Results	Mid May, 2011
Fourth Quarter Results	Mid August, 2011



3. DATES OF BOOK CLOSURE: Tuesday, December 28, 2010 to
Friday, December 31, 2010
(Both days inclusive)

4. DIVIDEND PAYMENT DATE: On or before January 30, 2011

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 2010-2011 has been paid to the Stock Exchanges with-in the stipulated time.

6. STOCK CODES :

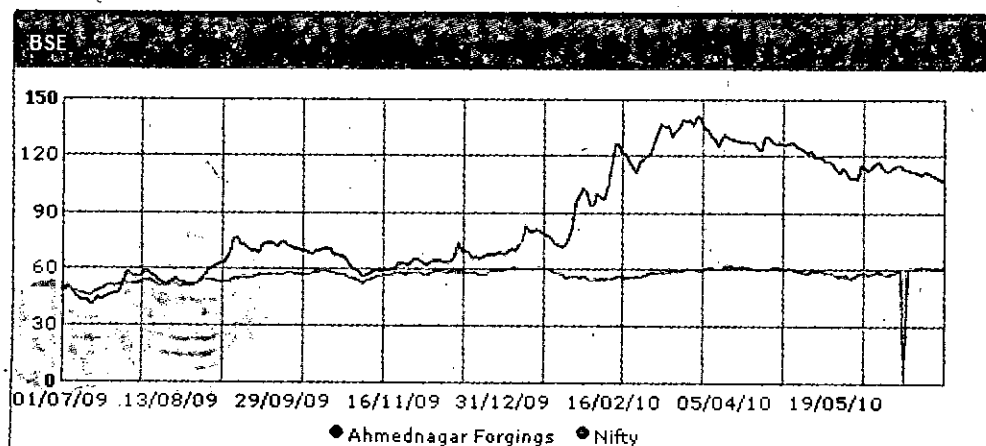
BOMBAY STOCK EXCHANGE : Security Code 513335
NATIONAL STOCK EXCHANGE : Trading Symbol AHMEDFORGE
ISIN NO. for dematerialised shares: INE 425A01011

6a. STOCK MARKET DATA

Monthly high and low quotations of shares traded at National and Bombay Stock Exchanges for the year ended 30th June 2010.

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
July, 2009	59.90	40.00	60.40	40.00
August, 2009	62.45	51.00	62.70	49.60
September, 2009	78.20	61.00	79.65	60.25
October, 2009	73.50	58.65	74.30	58.50
November, 2009	68.85	55.20	69.40	56.00
December, 2009	76.85	63.25	76.00	61.15
January, 2010	84.70	67.00	84.55	66.10
February, 2010	134.40	82.90	133.80	83.00
March, 2010	147.00	117.05	148.00	118.00
April, 2010	135.00	121.00	134.85	122.30
May, 2010	132.00	104.60	134.70	104.20
June, 2010	122.00	104.00	121.95	105.50

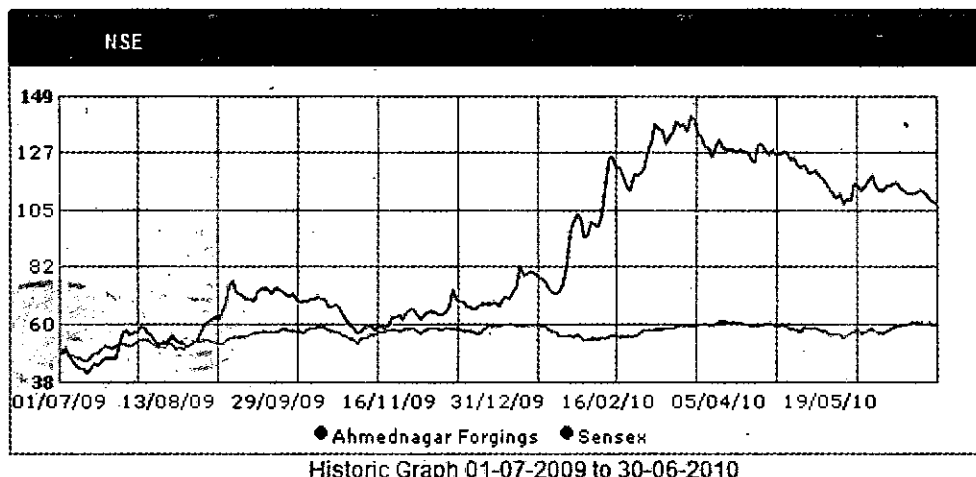
National Stock Exchange



Historic Graph 01-07-2009 to 30-06-2010



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 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, 2010

No. of Shares held (Rs.10/- paid up)	Shareholders Number	% of Total	Total (in Rs.)	% of Total Shareholding
Up to 5000	7165	80.96	9914570	2.70
5001 10000	1155	13.05	7782040	2.12
10001 20000	253	2.86	3732520	1.01
20001 30000	86	0.97	2232150	0.61
30001 40000	37	0.42	1308500	0.36
40001 50000	35	0.40	1648220	0.44
50001 100000	52	0.59	3811470	1.04
100001 Above	67	0.76	337070530	91.72
TOTAL :	8850	100.00	367500000	100.00



10. The Shareholding Pattern on June 30, 2010

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
	(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	2955935	8.043
	(b) Financial Institutions / Banks	8	310066	0.844
	(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	8	7241890	19.705
	(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	10508491	28.594

**(2) Non-Institutions**

(a)	Bodies Corporate	397	1972512	5.367
(b)	Individuals –			
i.	Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh.	8059	2480389	6.749
ii.	Individual Shareholders holding nominal Share Capital in excess of Rs. 1 lakh	32	1380610	3.757
(c)	Any Other (specify)			
I.	Trust	1	750	0.002
II.	Clearing Members	37	30171	0.082
III.	Non Resident Indians (NRI)	109	71372	0.194
IV.	Hindu Undivided Families	191	109040	0.297
Sub-Total (B)(2)Total Public Shareholding		8826	6044844	16.449
(B) = (B)(1) + (B)(2)		8849	16553335	45.043
(C)	TOTAL (A) + (B)	8850	36750000	100.00
	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0
GRAND TOTAL (A)+(B)+(C)		8850	36750000	100.00

11. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The Dematerialisation facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 30th June, 2010, 3,58,64,362 equity shares representing 97.59 % of the Paid Up Equity Share Capital have been dematerialised.

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

During the year 2009-10, the Company has converted 18,30,000 warrants, into equivalent number of equity shares of Rs. 10/- per share at a premium of Rs. 37/- per share aggregating to Rs. 6.45 crores and allotted the same to the promoters of the Company.

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:-

Mr. Prabhjot Singh Ahluwalia, 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 : 24th November, 2010



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 2010 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 Grievances Committee has maintained records to show the Investors Grievance and certify that as at 30th June 2010, 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

New Delhi
24th November, 2010

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, 2010, the Director's of Ahmednagar Forgings Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with the Employee Code of Conduct as applicable to them.

New Delhi
24th November 2010

Sd/-
(S. N. Rajagopalan)
Whole Time Director



CEO AND CFO CERTIFICATION

We, Sowmya Narayana Rajgopalan Whole Time Director & C.E.O. and T. K. Laskar, General Manager (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 2010 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 2010 are fraudulent, illegal or volatile 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.

New Delhi
24th November, 2010

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

Sd/-
Sowmya Rajgopalan
Whole Time Director

Management Discussion and Analysis Report

1. THE FORGING INDUSTRY – AN OVERVIEW

FORGING INDUSTRY

The Indian Forging industry has now emerged as a major contributor to the manufacturing sector of the Indian economy. Forging industry is a basic industry and such industries tend to grow in a country in relation to the rate of growth of its GDP. As far as India is concerned, we expect our GDP to continue to grow and therefore, the basic industries will grow and so will the auto industry. Since the forging industry is largely dependent on the automotive sector, the forging industry will also continue to grow and do well. The Indian forging industry is increasingly addressing opportunities arising out of the growing trend among global automotive OEMs to outsource components from manufacturers in low-cost countries. An increasing number of companies from all over the world are coming to India to procure components and products. Hence the optimism that the forging industry will continue to grow and do well in the immediate future.

In 2009-10, the first half was slightly weak; however economies across the world have shown signs of revival. In 2010-11, the global growth is expected to be more than 4%. The Indian economy is expected to grow by 8% as per the latest RBI notification (28th July, 2010). Other structural factors being favourable, this augurs well for Indian Automotive Industry. Key export markets of the Company (US and Europe) are expected to grow moderately during 2010. With increase in Government spending on infrastructure and increase in Industrial production, the vehicle industry is expected to do better during 2010-11.

2. OPPORTUNITIES & CONSTRAINTS

OPPORTUNITIES

Ahmednagar Forgings Limited is a manufacturer of forged and machined automotive components, cold forged parts and high tensile fasteners. The Indian auto component sector has been growing at 17% CAGR since 2000 and is projected to maintain the high growth phase of 15-20% till 2015. More than 60% of the exports of Auto components from India are to Europe and USA. More than 70% of the exports go to the OEMs and Tier I suppliers and only 30% to the global aftermarket, indicating the high level of maturity in quality and technology that has been achieved by the Auto Component Industry. Since auto ancillary companies mainly act as vendors, it is extremely important for them to remain competitive, both in terms of cost as well as quality. Indian Automobile Components Industry has been making rapid strides towards achievement of world class Quality Systems which is the most important quality required in this Industry.

CONSTRAINTS

The present economic scenario is full of uncertainties. Some of the issues to be addressed would mainly depend on the following points:-

- Foreign competition.
- The Industry's reactive rather than proactive nature.
- Shortage of power and lack of infrastructure.
- Impact of the volatile foreign exchange rates.
- Volatile international prices of forging quality steel.
- Inadequate research and development expenses and training for coping with the demands of the export market.
- Inadequate overseas marketing support facilities.

3. FUTURE OUTLOOK

The future growth drivers for the Indian forging industry are:

1. Higher GDP growth
2. India's huge demographic spread with an unsatisfactory public transport system
3. Increasing investment in road infrastructure, particularly the Golden quadrilateral developments taking place in rural areas



5. Easy finance schemes for vehicle purchase
6. Shift from two wheelers to four wheelers.
7. Growing concept of second vehicle in urban areas India enjoys an advantageous position in terms of accessibility to both North America and Europe.

With a democratically elected government in place and relatively stable governance, the Company expects continuation of the same economic and industrial policies. While the industry has witnessed substantial fluctuations in the past, the fundamentals of the industry have changed over the past few years and are expected to improve further, imparting better stability to business growth and margins in the future.

A combination of different incentives offered by the government of India and favorable business conditions, the automobile sector in India registered a robust growth of around 25% resulting in both top and bottom line growth of the passenger car and auto component industries. Similar trend was seen in the exports from India which grew by 33% mainly because all major OEMs based in India have increased their export targets.

Access to easy finance and the demand vacuum created during turbulent times of 2008-09 led to sudden spurt in demand in automobile market during 2009-10 resulting in one of the best years in terms of growth registered by the sector.

4. SWOT Analysis:

Strengths:

- Customer retention, repeat clients.
- Efficient manpower management.
- IT & engineering capabilities
- Cost efficiency

Weakness:

- Fragmented and unorganized Industry
- Inadequate technical competence compared to global companies.
- Relatively weak R & D facilities.
- Constrict liquidity position

Opportunities:

- Better outsourcing opportunities in India
- Growth in export opportunities.
- Liberalization of FDI norms.
- World class quality systems

Threats:

- Volatile Raw material prices.
- Fall in demand from the Commercial vehicle segment.
- Fluctuating foreign exchange rates.
- Power shortage.

5. RISKS & CONCERNS

Economy

The current recovery from global meltdown and credit crisis are positively supporting the customer and could continue to result in increased demand for forgings during the year. The risks to the overall global macroeconomic environment have, however, increased because of large public debt in advanced economies, on the back of concerns relating to reduction in potential output, high unemployment rates, impaired financial systems and premature exit from the policy stimulus. The slowdown or delay in recovery of US and European economies would adversely affect the Company's revenues.



Industry specific

The Company caters to the requirements of the automotive industry. The revenue of the Company is significantly dependent on global commercial vehicle industry. Stringent emission norms and safety regulations could bring new complexities and cost increases for automotive industry, impacting vehicle sales. WTO, Free Trade Agreements and other similar policies could make the market, less competitive for local manufacturers.

Intensity of competition has increased in Indian market due to entry of new players and expansion plans of existing ones. The Company is aware of the increasing competition and is taking measures to remain competitive in the market place.

Sourcing

With many economies coming out of recession, prices of commodities are expected to rise significantly. While the Company continues to pursue cost reduction initiatives, increase in price of input materials could impact the Company's profitability to the extent that the same are not compensated by customers.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal control systems. The documented procedures covering all financial and operating functions are in place. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper controls on accounting, operations monitoring, and protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting.

The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well. The internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. The status of the observations made during the internal audit is reviewed by the audit committee of the Board of Directors and concerns, if any, are reported to the Board.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

A. Revenue

The gross revenue of Rs 66,532.91 lacs was recorded in the financial year ended 30th June, 2010 as compared to Rs. 51755.67 lacs in the previous year. Gross revenue has shown an increase of 28.55% on year to year basis.

B. Profits

The Company has earned Profit before Interest, Depreciation and Tax of Rs. 17631.25 lacs during the financial year ended 30th June, 2010 which represents an increase of 59.47 per cent over the previous year's profit of Rs.11,056.01 lacs. PAT increased to Rs. 6408.62 lacs in fiscal year 2010 representing increase of 78.43 % , from Rs. 3591.74 lacs in fiscal year 2009.

C. Earning Per Share (EPS)

The Company recorded an EPS of Rs. 17.76 per equity share of Rs.10 each during 2009-10.

D. Dividend

The Board of Directors has recommended a dividend of Rs.2/- per equity share of Rs.10/- each for the Financial year 2009-10.

8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

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

The top automakers in the world are constantly under pressure to identify consumer preferences, national biases, and new market segments where they can sell vehicles and gain market share. Their ability to be flexible enough to quickly respond to all these pressures will determine their future in the industry. The implications of these factors are vast and get propagated along the supply chain of the automakers.

Your Company's industrial relations continued to be harmonious during the year under review.

**10. CAUTION STATEMENT**

Statements in the Management discussion and analysis report describing the Company's objective, projections, estimates and expectations may be "Forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax laws and other statutes and incidental factors.

**By Order Of The Board
For Ahmednagar Forgings Limited**

Place : New Delhi
Date : 24th November, 2010

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 2010, 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 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June 2010 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 2010;
 - (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)

Place : New Delhi
Date : 24th November, 2010

Membership No.: 76980



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE OF AHMEDNAGAR FORGINGS LIMITED FOR THE YEAR ENDED 30TH JUNE 2010

- (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) In our opinion and according to the information and explanation given to us, the Company has complied with all the provisions of section 58A and 58AA and any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to deposits accepted from public. No order has been passed by the Company Law Board, Reserve Bank of India, National Company Law Tribunal or any other Court or any Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central government has prescribed maintenance of cost accounting records under section 209 (1) (d) of the Companies Act, 1956 in respect of certain machining activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been properly maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax/ 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 2010 for a period of more than six months from the date they became payable.

- (c) The disputed statutory dues aggregating to Rs.134.87 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	Scrap at Job Worker's end	2002	High Court Bench at Aurangabad	4.32
3.	Customs & Central Excise Act	Valuation of Goods	2007	CESTAT, Mumbai	3.85
4.	Customs & Central Excise Act	CENVAT related matter	2008	Addl. Commissioner, Aurangabad	12.05
5.	Customs & Central Excise Act	CENVAT related matter	2010	Dy. Commissioner, Ahmednagar	0.27
6.	Customs & Central Excise Act	CENVAT Credit of Service Tax & Interest	2007	Commissioner (Appeals), Pune	81.77
7.	Customs & Central Excise Act	Valuation of Goods	2002 2008	Supreme Court, Delhi Asst. Commissioner, Pune	7.90 0.92
8.	Customs & Central Excise Act	CENVAT related matter	2007	Asst. Commissioner, Pune	5.44
Total					134.87

- (x) The Company has no accumulated losses and has not incurred any cash loss during the year under report or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause of 4(xiii) of the Companies (Auditors' Report) Order, 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 made preferential allotment of 18,30,000 equity shares of Rs.10/- each at a premium of Rs.37/- per shares against warrants issued by it in the earlier years, to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information given to us, and the record of the Company examined by us, the Company has not issued any debentures.
- (xx) 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.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

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

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

Membership No.: 76980

Place : New Delhi
Date : 24th November, 2010

Balance Sheet

As at 30th June 2010

AHMEDNAGAR FORGINGS LIMITED



(Rs. in Lacs)

PARTICULARS	SCHEDULE	As at 30.06.2010	As at 30.06.2009
I. 1. SHAREHOLDER'S FUNDS			
(a) Share Capital	1	3,675.00	3,492.00
(b) Application money against Warrants	1A	—	215.03
(c) Reserves & Surplus	2	48,534.40	42,327.16
2. LOAN FUNDS			
(a) Secured	3	53,690.38	29,140.10
(b) Unsecured		—	19.26
TOTAL		105,899.78	75,193.55
II. APPLICATION OF FUNDS			
1. FIXED ASSETS			
Gross Block	4	101,377.52	71,594.02
Less: Accumulated Depreciation		12,310.37	10,036.08
Net Block		89,067.15	61,557.94
2. INVESTMENTS	5	92.85	92.35
3. CURRENT ASSETS, LOANS & ADVANCES	6		
(a) Current Assets			
i) Interest Receivable		24.10	12.99
ii) Inventories		17,535.98	15,304.44
iii) Sundry Debtors		9,872.96	8,179.79
iv) Cash & Bank Balances		4,708.58	10,345.69
(b) Loans & Advances		3,644.72	1,925.19
Total Current Assets & Loans & Advances		35,786.34	35,768.10
Less: Current Liabilities & Provisions:			
Current Liabilities		18,189.49	21,816.29
Provisions		857.07	408.55
Total Current Liabilities & Provisions:	7	19,046.56	22,224.84
Net Current Assets		16,739.78	13,543.26
TOTAL		105,899.78	75,193.55

Notes to the accounts & Significant Accounting Policies
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. N. RAJAGOPALAN
Whole Time Director

Sd/-
ARVIND DHAM
Director

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

Sd/-
PRABHJOT SINGH
Company Secretary

Sd/-
T. K. LASKAR
G.M. (Fin & A/Cs.)

Place : New Delhi
Dated : 24th November, 2010

Profit and Loss Account

For the Year Ended 30th June, 2010

AHMEDNAGAR FORGINGS LIMITED



(Rs. in Lacs)

PARTICULARS	SCHEDULE	For the year ended on 30.06.2010	For the year ended on 30.06.2009
INCOME			
Sales & Other Income		66,532.91	51,755.67
		<u>66,532.91</u>	<u>51,755.67</u>
EXPENDITURE			
Materials & Manufacturing Expenses	8	43,862.69	37,134.98
Personnel Expenses	9	4,095.64	2,915.61
Administrative, Selling & Other Expenses	10	943.33	649.07
Financial Expenses		3,886.34	2,807.87
		<u>52,788.00</u>	<u>43,507.53</u>
TOTAL			
		<u>52,788.00</u>	<u>43,507.53</u>
Profit Before Depreciation		<u>13,744.91</u>	<u>8,248.14</u>
Depreciation		4,332.04	2,930.16
Profit before tax		<u>9,412.87</u>	<u>5,317.98</u>
Tax Expense		3,004.25	1,726.24
		<u>6,408.62</u>	<u>3,591.74</u>
Profit for the year		<u>6,408.62</u>	<u>3,591.74</u>
Add: Profit Brought forward from previous year		3,304.15	4,120.96
		<u>9,712.77</u>	<u>7,712.70</u>
Profit Available for Appropriation		<u>9,712.77</u>	<u>7,712.70</u>
APPROPRIATIONS:			
General Reserves		4,000.00	4,000.00
Propose Dividend		735.00	349.20
Corporate Dividend Tax		122.07	59.35
Dividend & Tax for Previous year (not appropriated in the previous year)		21.41	—
		<u>4,834.29</u>	<u>3,304.15</u>
Surplus carried to Balance Sheet		<u>4,834.29</u>	<u>3,304.15</u>
Earning per Share (Basic/Diluted)		17.76	10.29
		17.76	10.29
Notes to the accounts & Significant Accounting Policies The accompanying schedules 1 to 11 form integral part of the accounts.	11		

For and on behalf of the Board

Sd/-

S. N. 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/-

PRABHJOT SINGH
Company Secretary

Sd/-

T. K. LASKAR
G.M. (Fin & A/Cs.)

Place : New Delhi

Dated : 24th November, 2010

Cash Flow Statement

For the year ended 30th June, 2010

AHMEDNAGAR FORGINGS LIMITED



PARTICULARS	For the year ended 30.06.2010	For the year ended 30.06.2009
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit as per profit & loss account	9,412.87	5,317.98
Add: Depreciation	4,332.04	2,930.16
Loss/ (Gain) on Sale of Fixed Assets	(703.59)	(29.30)
Dividend Income	(0.10)	(0.18)
Interest Received & Other Income	(2,413.39)	(1,649.45)
	10,627.83	6,569.21
Decrease in Current Assets, Loans & Advances:		
(Increase)/Decrease Intt. Receivables	(11.11)	21.31
(Increase)/Decrease in Inventories	(2,231.54)	(2,533.72)
(Increase)/Decrease in Sundry Debtors	(1,693.17)	(1,960.87)
(Increase)/Decrease in Loans & Advances	(1,719.53)	(909.23)
Increase/(Decrease) in Current Liabilities	(6,631.05)	817.55
Cash generation by operations	(1,658.57)	2,004.25
Interest Received & Other income	2,413.39	1,649.45
Dividend Received	0.10	0.18
Net cash from operating activities (A)	754.92	3,653.88
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets (including Capital work in progress)	(32,323.26)	(10,764.05)
Proceeds from sale of fixed assets	1,185.59	92.34
Purchase of investments (Net)	(0.50)	-
Net Cash from Investing activities (B)	(31,138.17)	(10,671.71)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from application money against warrants	645.08	215.03
Proceeds from new borrowings	27,449.86	19,337.57
Repayment of borrowings	(2,918.84)	(2,724.91)
Dividend & Tax	(429.96)	(408.55)
Net Cash from financing activities (C)	24,746.14	16,419.14
Net cash flows during the year (A+B+C)	(5,637.11)	9,401.31
Cash & cash equivalents (opening balance)	10,345.69	944.38
Cash & cash equivalents (closing balance)	4,708.58	10,345.69

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 2010 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/-
(M. K. AGGARWAL)
Partner
Membership No. 76980

Sd/-
S. N. RAJAGOPALAN
Whole Time Director

Sd/-
PRABHJOT SINGH
Company Secretary

Sd/-
ARVIND DHAM
Director

Sd/-
T. K. LASKAR
G.M. (Fin & A/Cs.)

Place : New Delhi
Dated : 24th November, 2010

Schedules

Forming part of the Balance Sheet as at 30th June 2010

AHMEDNAGAR FORGINGS LIMITED



Schedule 1 : SHARE CAPITAL

(Rs. in Lacs)

PARTICULARS	SCHEDULE	As at 30.06.2010	As at 30.06.2009
AUTHORISED			
4,00,00,000 Equity Shares of Rs. 10/- each		4,000.00	4,000.00
(Previous year 4,00,00,000 Equity share of Rs. 10/- each)			
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		3,675.00	3,492.00
(Previous Year 3,49,20,000 Equity shares of Rs. 10/- each)			
TOTAL		3,675.00	3,492.00

Schedule 1A : APPLICATION MONEY AGAINST WARRANTS

(Rs. in Lacs)

PARTICULARS	SCHEDULE	As at 30.06.2010	As at 30.06.2009
Nil Application Money		-	215.03
(Previous year 18,30,000 Warrants (Each Warrants carry option entitlement to subscribe to 1 no. of equity share of Rs. 10/- each at a price not less than Rs. 47/- per share.)			
TOTAL		-	215.03

Schedule 2 : RESERVES & SURPLUS

(Rs. in Lacs)

PARTICULARS		As at 30.06.2010	As at 30.06.2009
Share Premium			
Opening Balance	17,832.20		
Addition during the year	677.10	18,509.30	17,832.20
Capital Reserves		993.67	993.67
General Reserves			
Opening Balance	20,197.14		
Addition during the year	4,000.00	24,197.14	20,197.14
Surplus in Profit & Loss Account		4,834.29	3,304.15
TOTAL		48,534.40	42,327.16

Schedule 3 : LOAN FUNDS

(Rs. in Lacs)

PARTICULARS		As at 30.06.2010	As at 30.06.2009
Secured Loans:			
(I) Bank Borrowings		8,033.21	6,583.35
(II) Loans from Financial Institutions		45,657.17	22,556.75
TOTAL		53,690.38	29,140.10
Unsecured Loans:			
(I) Public Deposit/Short Term / Others		-	19.26
TOTAL		-	19.26

Notes:

Term debts from Financial Institutions/Banks are secured by way of first mortgage of Company's all immovable properties ranking pari passu inter se 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 01.07.2009	Additions/ Transfers	Sales/ Transfers	Total as on 30.06.2010	As on 01.07.2009	During the year	Written Back/adj.	Total as on 30.06.2010
LAND & SITE DEVELOPMENT	243.68	-	1.31	242.37	-	-	-	242.37
BUILDING	2,835.60	731.08	-	3,566.68	538.14	63.56	-	601.70
PLANT & MACHINERY	62,788.85	35,400.95	2,529.53	95,660.27	9,208.64	4,215.43	2,049.10	11,374.97
ELECTRICAL INSTALLATION	106.46	55.65	-	162.11	6.51	5.50	-	12.01
FURNITURE & FIXTURE	104.59	2.78	-	107.37	74.43	4.00	-	78.43
COMPUTER & PERIPHERALS	214.76	10.27	-	225.03	133.30	29.09	-	162.39
OFFICE EQUIPMENTS	81.96	18.06	0.11	99.91	30.25	4.11	0.02	34.34
VEHICLES	116.41	15.87	8.80	123.48	44.81	10.35	8.63	46.53
TOTAL	66,492.31	36,234.66	2,539.75	100,187.22	10,036.08	4,332.04	2,057.75	12,310.37
CAPITAL WORK-IN-PROGRESS	5,101.71	26,314.16	30,225.57	1,190.30	-	-	-	-
TOTAL GROSS BLOCK	71,594.02	62,548.82	32,765.32	101,377.52	10,036.08	4,332.04	2,057.75	12,310.37
PREVIOUS YEAR	60,994.81	16,275.62	5,676.41	71,594.02	7,207.72	2,930.16	101.80	10,036.08
								89,067.15
								61,557.94



Schedule 5 : INVESTMENT

(Rs. in Lacs)

PARTICULARS	As at 30.06.2010	As at 30.06.2009
(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 Nil)	0.50	—
TOTAL	92.85	92.35

Schedule 6 : CURRENT ASSETS, LOANS & ADVANCES

(Rs. in Lacs)

PARTICULARS	As at 30.06.2010	As at 30.06.2009
a) Current Assets		
I) Interest Receivable	24.10	12.99
II) INVENTORIES (As taken, valued and certified by the Management)		
Raw Materials	6,980.87	5,233.02
Semi Finished Goods	9,634.08	9,237.72
Finished Goods	33.31	36.56
Consumables Stores	868.49	757.81
Other Stocks	19.23	39.33
TOTAL	17,535.98	15,304.44
III) Sundry Debtors (Unsecured considered good)		
Outstanding for over six month	770.02	534.63
Other Debts	9,102.94	7,645.16
TOTAL	9,872.96	8,179.79
IV) Cash and Bank Balances		
Cash/Cheques in hand & Imprest	75.71	85.60
Balances with scheduled banks in current account, fixed deposits & margin money	4,632.87	10,260.09
TOTAL	4,708.58	10,345.69
b) Loans and Advances		
a) Advances Recoverable in Cash or in kind or for value to be received (considered good)	3,458.28	1,752.67
b) Security Deposits	186.44	172.52
TOTAL	3,644.72	1,925.19
GRAND TOTAL	35,786.34	35,768.10



Schedule 7

CURRENT LIABILITIES & PROVISIONS

(Rs. in Lacs)

PARTICULARS	As at 30.06.2010	As at 30.06.2009
CURRENT LIABILITIES		
Sundry Creditors	5,819.93	7,801.70
Other Liabilities	11,875.12	13,646.75
Unclaimed Dividend	15.41	11.71
Expenses Payable	479.03	356.13
TOTAL ~A~	18,189.49	21,816.29
PROVISIONS		
Proposed Dividend	735.00	349.20
Corporate Dividend Tax	122.07	59.35
TOTAL ~B~	857.07	408.55
GRAND TOTAL (A+B)	19,046.56	22,224.84

SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2010

Schedule 8

MATERIAL & MANUFACTURING EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year ended on 30.06.2010	For the year ended on 30.06.2009
Material Consumed	39,700.10	32,210.69
Add: Decrease / (Increase) in Stock	(373.01)	895.04
Net Material Consumed	39,327.09	33,105.73
Consumables	1,174.54	1,032.86
Power & Fuel	2,867.20	2,492.95
Labour Charges & Job Work	233.01	206.87
Testing Fees & Inspection Charges	3.80	4.74
Freight Inwards	124.44	180.52
Repairs of Machinery	132.61	111.31
TOTAL	43,862.69	37,134.98

Schedule 9

PERSONNEL EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year ended on 30.06.2010	For the year ended on 30.06.2009
Salaries and Wages	3,630.30	2,664.88
Staff Welfare, PF, ESI, LTA, Gratuity, VRS & other Expenses	462.84	248.52
Staff Training Expenses	2.50	2.21
TOTAL	4,095.64	2,915.61



Schedule 10

ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. in Lacs)

PARTICULARS	For the year ended on 30.06.2010	For the year ended on 30.06.2009
Advertisement & Publicity	1.03	2.63
Auditor's Remuneration	10.00	10.00
Books & Periodicals	0.50	1.49
Service Charges	87.18	78.54
Director's Remuneration & Perquisites	6.03	5.54
Customer Relation Expenses	4.59	4.97
Insurance Charges	25.40	41.23
ISO Expenses	1.22	0.60
Legal & Professional	76.80	42.22
Office and Factory Expenses	18.51	15.43
Printing & Stationery	17.97	17.38
Rate, Fee & Taxes	49.72	(35.99)
Rent	20.64	21.57
Professional Tax-Company	0.03	0.03
Running & Maintenance of Vehicle	19.96	20.01
Repairs Building & Other Assets	118.51	26.39
Subscription & Membership Fees	3.05	3.88
Courier Expenses	1.75	3.49
Postage & Telephone Expenses	27.23	28.27
Travelling Expenses	73.40	58.36
Donation	0.11	0.07
SELLING & DISTRIBUTION EXPENSES		
Cash Discount	22.73	36.53
Freight Outwards	330.75	231.63
Warranty Claim & Forwarding Deduction	26.22	34.80
TOTAL	943.33	649.07



**SCHEDULE: 11 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS
(ATTACHED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2010)**

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 upto the date of such sale / disposal, as the case may be.

E. INVENTORIES

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

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

Cost of goods under process and finished goods 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 difference arising on such revaluation are duly recognized in the Profit & Loss Account.
- b) In case of forward exchange contracts to repay working capital loans, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expenses over the life of the contract.
- c) Debtors and working capital loans in foreign currency are revalued at the year end exchange rates. Exchange differences arising on such revaluation are recognized in Profit & Loss Account.
- d) Exchange differences arising on revaluation of foreign currency loans relating to acquisition of fixed assets from outside India are adjusted against relevant fixed assets.

H. EXCISE DUTY

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

**I. EMPLOYEES' RETIREMENT BENEFITS**

- a) The liability for 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 30.06.2010	Previous Year 30.06.2009
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	151.15	557.80
b) Unexpired Letters of Credit	59.24	81.62
c) Disputed Statutory Dues in respect of Excise Duty/Service Tax	134.87	134.87

*Contingent Assets are neither recognized, nor disclosed

3. Earning Per share:

Calculation of EPS (Basic and Diluted)	Year Ended 30th June, 2010	Year Ended 30th June, 2009
Opening Number of Shares	3,49,20,000	3,49,20,000
Total Shares outstanding	3,67,50,000	3,49,20,000
Profit after Tax (Rs. Lacs)	6,408.62	3,591.74
EPS (Rs.) Basic/Diluted	17.76	10.29
Reconciliation of basic and diluted shares used in computing EPS		
Number of shares considered as basic weighted average shares outstanding	3,60,93,205	3,49,20,000
Total shares outstanding including dilution	3,67,50,000	3,49,20,000

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 the amounts at which they have been stated in the Balance Sheet. Provision 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, 2010 are yet to be received as at the date of the Auditor report.
9. (a) Sundry Creditors include a Sum of Rs.26.83 lacs (Previous Year Rs 48.69 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	640.27	741.95
11. Advance recoverable in cash or in kind or for value to be received include:		
Prepaid Expenses	22.97	21.05
12. Miscellaneous income include:		
a) Interest including TDS of Rs. 26.18 Lacs (Previous Year Interest including TDS of Rs. 12.11 Lacs)	238.14	80.70
b) Dividend Income (Long Term Investment)	0.10	0.18
c) Profit on sale of assets	703.59	29.30
d) Other Sales & Income	2,175.25	1,568.75
Total	3,117.08	1,678.93
13. Auditor's Remuneration	10.00	10.00
14. Market Value of the Quoted investments as on 30.06.2010		
Sanghvi Movers Ltd.	Rs. 191.15 Per Share (Aggregate value of Rs.6.69 lacs)	
Dena Bank	Rs. 93.05 Per Share (Aggregate value of Rs.6.53 lacs)	

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

15. The Company, during the year, has allotted 18,30,000 equity shares of Rs.10/- each at premium of Rs.37/- per share against 18,30,000 warrants issued by it in the earlier years to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

16. 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.

17. RETIREMENT BENEFITS

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 01.07.2008	321.14	59.88
B Present Service Cost	24.85	5.52
C Interest Cost	13.56	—
D Actuarial (Gain) /Loss	104.89	—
E Benefits Paid/Settlement cost	(249.20)	—
F Present Value of Obligations as on 30 th June, 2010 (A+B+C+D+E)	215.24	65.40

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 01.07.2009	243.88	—
B Expected Return on plan assets	10.82	—
C Employer's Contributions	15.84	—
D Benefits Paid / settlement	(249.07)	—
E Actuarial Gain / (Loss)	(10.81)	—
F Fair Value of Plan assets as on 30 th June, 2010 (A+B+C+D+E)	10.66	—

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	(104.89)	—
B Actuarial (Gain) / Loss for the year – Plan Assets	10.81	—
C Total (Gain) / Loss for the year	115.71	—
D Actuarial (Gain) / Loss recognised in the year	115.71	—
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 Current Service Cost	24.85	—
B Interest Cost	13.56	—
C Expected Return on plan assets	(10.81)	—
D Net Actuarial (Gain)/ Loss recognized in the year	115.57	—
E Expenses Recognized in statement of Profit & Loss at the end of year	143.17	—



v. Amount Recognised in Balance Sheet

(Rs. In Lacs)

Particulars	Gratuity Plan Funded	Leave Encashment Plan Unfunded
A Present Value of Obligation as at the end of the year	215.24	65.40
B Fair Value of Plan Assets as at the end of the year	10.66	—
C Funded Status	(204.58)	—
D Unrecognised Actuarial (Gain) / Losses	—	—
E Net Assets/ (Liability) Recognised in the Balance Sheet	(204.58)	(65.40)

vi. Principle Actual Assumptions

(Rs. In Lacs)

Particulars	Gratuity Plan Rate	Leave Encashment Plan Rate
A Discount Rate	6.90%	6.90%
B Salary Escalation Rate	10.00%	10.00%
C Expected Rate of return on plan assets	8.50%	—
D Expected Average Remaining Working Lives of Employees	7.96	7.96

18. Related party Disclosures & transactions:

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

A) Names of related parties and description of relationship

- | | |
|---------------------------------|--------------------------------------|
| 1) Holding: | 1) Amtek Auto Ltd. |
| 2) Subsidiary of Holding Co. | 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. |
| 3) Joint Venture of Holding Co. | 1) Amtek Tekfor Automotive Ltd. |
| | 2) MPT Amtek Automotive (India) Ltd. |
| | 3) SMI Amtek Crankshafts Pvt. Ltd. |
| 4) Associate | 1) Amtek India Ltd. & its subsidiary |
| 5) Key Management Personnel | 1) Shri Arvind Dham |
| | 2) Shri S. Rajagopalan |



AHMEDNAGAR FORGINGS LIMITED

B. Transactions

(Rs. in Lacs)

Particulars	Associates/Holding/ Subsidiaries or Associate of Holding Company	Key Management Personnel	Total
Purchases of Goods	32.55 (1,357.86)	— (—)	32.55 (1,357.86)
Sales of Goods	559.13 (4,671.82)	— (—)	559.13 (4,671.82)
Services Rendered	— (6.86)	— (—)	— (6.86)
Dividend paid	201.96 (183.67)	— (—)	201.96 (183.67)
Directors Remuneration	— (—)	6.03 (5.54)	6.03 (5.54)
Balance Receivable at the year end	85.92 (2,035.56)	— (—)	85.92 (2,035.56)
Balance Payable at the year end	— (571.23)	— (—)	— (571.23)

18. 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	85,057	39,700.10	61,338	32,210.69
Die Steel & Stores		1,174.54	—	1,032.86
TOTAL		40,874.64		33,243.55

b) Particulars in respect of goods manufactured

Sr. No.	Item	Unit	Licenced Capacity	Installed Capacity	Production
1)	Steel Forgings	M.T.	2,25,000 (1,65,000)	2,25,000 (1,65,000)	79,031 (53,343)

c) Stocks and turnover of Goods Manufactured by the Company

	Opening Stock		Closing Stock		Sales	
	Qty M.T.s	Value Rs. (Lacs)	Qty M.T.s	Value Rs. (Lacs)	Qty M.T.s	Value Rs. (Lacs)
i) Steel Forging	51 (2,537)	36.56 (2,915.62)	51 (51)	33.31 (36.56)	79,031 (55,829)	63,415.83 (50,076.74)
ii) Work-in-progress	13,315 (7,101)	9,237.72 (7,223.06)	15,088 (13,315)	9,634.08 (9,237.72)	(—) (—)	(—) (—)

**B) Expenditure in Foreign Currency**

	Current Year	Previous Year
A) Foreign Travel	1.18	-
B) CIF Value of Imports of Capital Goods & Spares	8.61	87.76
C) Exports Income	124.40	10.268

19. Export sales include sale in transit to its overseas customers acknowledged in subsequent Year, indirect export / deemed export.
20. Details of units manufactured, material consumed and sales include component bought and sold.
21. 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 30.06.2010
 State Code 11

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

Public Issue	Right Issue
Nil	Nil
Private Placement/Promoters/ Financial institutions	Premium
183.00	677.10

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

Total Liabilities	Total Assets
1,05,899.78	1,05,899.78

Sources of Funds:

Paid-up Capital	Reserves & Surplus
3,675.00	48,534.40
Secured Loans	Unsecured Loans
53,690.38	Nil

Application of Funds:

Net Fixed Assets	Investments
89,067.15	92.85
Net Current Assets	Misc. Expenditure
16,739.78	Nil

IV. Performance of Company (Amount in Lacs)

Turnover	Total Expenditure
66,532.91	57,120.04
Profit before Tax	Profit after Tax
9,412.87	6,408.62
Earning per share	Dividend Rate %
17.76	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. N. RAJAGOPALAN
 Whole Time Director

sd/-
ARVIND DHAM
 Director

sd/-
PRABHJOT SINGH
 Company Secretary

sd/-
T.K. LASKAR
 G.M. (Fin. & A/c)

For Manoj Mohan & Associates
 Chartered Accountants

Place : New Delhi
 Dated : 24th November, 2010

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. Beetel 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															
Telephone No.												Pin Code			
Email Address												Fax No.			
												STD Code			
Specimen signature of Nominee signature of Nominee/Guardian (in case nominee is minor)															

Kindly take the aforesaid details on record.

Thanking you,
Yours faithfully,

*To be filled in case nominee is a minor

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.

--	--	--	--	--	--	--	--	--	--

ECS
Ref. No.

For office use only

For shares held in electronic form

DP. ID

--	--	--	--	--	--	--	--	--	--

Client ID

--	--	--	--	--	--	--	--	--	--

**Name of
First holder**

Bank name

Branch name

Branch code

--	--	--	--	--	--	--	--	--	--

(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

Current

Cash Credit

**A/c. No. (as appearing
in the cheque book)**

**Effective date of
this mandate**

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.

This Page has been Intentionally left Blank

**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 33rd Annual General Meeting held at Gat No. 614, Village Kuruli, Tal. Khed. Dist. Pune 410 501. (Maharashtra) on Friday the 31st day of December, 2010.

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 33rd Annual General Meeting held at Gat No. 614, Village Kuruli, Tal. Khed. Dist. Pune 410 501. (Maharashtra) on Friday the 31st day of December, 2010.

Signed this _____ day of _____ 2010.

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.

This Page has been Intentionally left Blank.

This Page has been Intentionally left Blank

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