



JMT AUTO LIMITED

A graphic celebrating a 25th anniversary. It features the number '25' in a large, blue, outlined font with a white shadow. To the right of the '5' is a small 'th'. Above the number are five white stars of varying sizes, arranged in a cluster.

25th

**ANNUAL REPORT
2011-12**



JMT AUTO LIMITED

FORWARD – LOOKING STATEMENT

In this Annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written and/or oral that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions.

We cannot guarantee that these forward-looking statements will be realized, although, we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

VISION

- To emerge as the most admired auto component manufacturer with a significant global presence.
- We believe in building a team that is passionate about serving all its stakeholders and is committed to making trust, respect and fellowship, a way of life.
- Continue to be a socially responsible company.

MISSION

- To meet customer needs of today and in the future with precision quality, latest technology, team work and attain greater cost-effectiveness in a progressive, innovative and challenging environment by adopting best business practices and ethics.
- To provide an enriching, rewarding and environment friendly work experience to our employees in an achievement-based, high-performance culture.
- To provide maximum satisfaction to all our stakeholders



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IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.

Visit us at: www.jmtauto.com email. Id: jmt.cs@jmtauto.com



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajeev Singh Dugal	Chairman & Managing Director
Mr. Jasjit Singh Dugal	Executive Director
Mr. Sanjay Kukreja	Independent Director
Mr. Sushil Kumar Khowala	Independent Director
Mr. Malkeet Singh Saini	Independent Director

Mr. Nimesh Anand Company Secretary

Mr. Harjinder Singh Chief Financial Officer

M/s. Deloitte Haskins & Sells, Statutory Auditors
Chartered Accountants

Axis Bank Bankers
Bank of India
HDFC Bank
IDBI Bank Limited
State Bank of India
SIDBI

M/s. C B Management Services (P) Ltd. Registrar & Share Transfer Agent
P- 22, Bondel Road,
Kolkata- 700 019

224, A.J.C. Bose Road,
Room No. - 902, 9th Floor,
Krishna Building,
Kolkata - 700 017 Registered Office

C-19 & 20, NS - 29-34, D-8-12
7th Phase, Industrial Area,
Adityapur,
Jamshedpur - 832 109 Corporate & Administrative Office



From the Chairman's Desk

Ladies and Gentlemen:

It gives me immense pleasure to welcome you all to a very significant Annual General Meeting of your Company. This is the 25th AGM - the Silver Jubilee AGM of the Company. This is a milestone event and I must admit pride and nostalgia, a sense of accomplishment and deep humility.

The company made its maiden public issue on 5th of October, 1994 and my first address to public shareholders was in October, 1994. I had the unique privilege of addressing the shareholders every year since then, and I have invariably closed my speech with an expression of gratitude to the Company's shareholders. At this Silver Jubilee AGM, I would like to start by acknowledging the tremendous support of our shareholders, without which we could not have reached where we are today.

From its Genesis in 1987, JMT started its commercial operations with pickling jobs to TELCO and later manufactured Gears, Shafts and other components for Medium and Heavy Commercial Vehicles of Tata Motors. High Quality Standards and on time delivery very soon geared up its expansion activities and eventually JMT diversified its business to other sectors like Earth Mover, Agriculture, and Railways and Oil & Natural Gas, manufacturing around 1500 components for the world renowned OEM's like Tata Motors, TELCON, Tata Cummins, TAFE, L&T-Komatsu Ltd., Caterpillar (I) Ltd., Bharat Earth Movers Ltd. The Company also made its export Sales to Malaysia, Dubai, USA, Brazil and other countries. Currently it is one of the few auto component manufacturers in the country to have a fully integrated manufacturing facility with significant forging and foundry capacities along with multiple machining and heat treatment facilities.

The Company has just stepped into the Aerospace Sector and is at present in the product development stage.

When we started off, little did I realize that in a span of 25 years, your company would be a Rs.400 crore plus company. In my very first address to the shareholders after we went public, I was happy to report a turnover of over Rs 7.23 crore. This AGM, I am happy to report that your Company has made a robust Turnover of Rs. 410 crore approx. From a single manufacturing unit at Jamshedpur, we have developed a web of manufacturing facilities spread across the states of Jharkhand, Karnataka and Uttar Pradesh.

BUSINESS PERFORMANCE & OUTLOOK OF THE AUTO COMPONENT BUSINESS

Your Company has initiated execution on multi - generational plans to expand the production capacity, upgrade quality management system and improve marketing aspects of its business. We are confident that you will see significant improvements in all aspects of our business in Auto, Oil & Gas, tractor and other segments in the years to come. In order to augment the production for growing demand, your company has made capex investments of Rs. 51 crore during FY 2012. This will enhance JMT's annual production capacity by 10-15%. However the markets look down due to poor GDP and industrial growth.

As far as the future predictions are concerned, increasing demand for automobiles in India, establishment of bases of major global auto-makers due to favorable policies and government support would give immense support to the growth of ancillary sector.

The green initiative of the Government of India's, Ministry of Corporate Affairs has been welcomed by all. We had begun this exercise in the previous year itself. I request all the shareholders to support us in compliance with this initiative.

Ladies and Gentlemen, I thank you very much for your attention and look forward to your continued support in the coming years. Together, we shall not only build a still more successful commercial organization but, even more importantly, build a more caring and healthier world. Let this be our promise to the future.

To conclude, I wish to convey my thanks and acknowledgement for the Co-operation and assistance extended by the Central Government, State Government, the Financial Institutions, the Company's Bankers, dealers and suppliers. I would also like to congratulate each and every member of the JMT Family for their sincere and committed contribution to the stellar financial performance and growth in 2012. I look forward to their continued support and encouragement as we embark on another rewarding year. My best wishes to all of you.

Thank you for your presence and patient listening.

Place: Kolkata
Date: 25.05.2012

Rajeev Singh Dugal
Chairman cum Managing Director

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

DESCRIPTION	2011-12	2010-11	2009-10	2008-09	2007-08
SALES & JOB WORK	36344.59	29176.69	19093.64	18879.52	20107.61
DEPRECIATION	1955.71	1817.90	1586.85	1603.00	1421.56
FINANCE COST	2035.17	1749.69	1795.67	1723.32	1035.09
EBIDTA	6344.60	5021.28	4014.24	4020.40	3595.34
PBT	2353.72	1453.69	680.23	694.08	1138.69
PAT	1608.45	981.80	353.26	346.34	887.87
DIVIDEND	10%	5%	2.5%	1%	10%
DIVIDEND PAYOUT	143.95	71.98	35.99	14.40	143.95

(₹ in Lakhs)

DESCRIPTION	As on 31.03.2012	As on 31.03.2011	As on 31.03.2010	As on 31.03.2009	As on 31.03.2008
NET FIXED ASSET	21676.50	17757.22	17698.74	17337.51	16273.59
SHARE CAPITAL	1439.52	1439.52	1439.52	1439.52	1439.52
RESERVES & SURPLUS	11674.87	10233.71	8836.11	8528.27	8198.79
NET WORTH	13114.39	11673.23	10275.63	9967.79	9638.31
BORROWINGS	16874.15	14996.60	15512.06	15220.85	13839.40

KEY INDICATORS

DESCRIPTION	As on 31.03.2012	As on 31.03.2011	As on 31.03.2010	As on 31.03.2009	As on 31.03.2008
EPS (in ₹)	11.17	6.82	2.45	2.41	6.17
BOOK VALUE (per Share in ₹)	91.10	81.09	71.38	69.24	66.96
DEBT: EQUITY RATIO	1.29:1	1.29:1	1.51:1	1.53:1	1.44:1
NET PROFIT MARGIN (%)	4.43	3.37	1.85	1.83	4.42



NOTICE

The 25th Annual General Meeting of JMT AUTO LIMITED will be held at Kala Mandir (Kala Kunj) 48, Shakespeare Sarani, Kolkata-700017 on Monday, the 2nd day of July, 2012 at 10.00 A.M. to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2012 and the Balance Sheet as on that date and the reports of the Board of Directors and Auditor's thereon.
2. To declare Dividend on Equity Shares of the Company for the year ended 31st March, 2012.
3. To appoint a Director in place of Mr. Malkeet Singh Saini who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:-

"RESOLVED THAT M/s Deloitte Haskins & Sells, Chartered Accountants,(Registration No. 302009E) be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, plus reimbursement of service tax, out of pocket, traveling and living expenses."

SPECIAL BUSINESS

5. **RECOMMENDATION FOR REVISION OF REMUNERATION PAYABLE TO MR. RAJEEV SINGH DUGAL, MANAGING DIRECTOR**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in partial modification to Resolution No. 5 passed by the Members at the 24th Annual General Meeting of the Company, approving the terms of remuneration of Mr. Rajeev Singh Dugal, as the Managing Director, the Company hereby approves in accordance with the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the increase in remuneration of Mr. Rajeev Singh Dugal, for the remaining period of his tenure of office, with effect from July 1, 2011 as set out in the Explanatory Statement annexed to the Notice convening this meeting."

"RESOLVED FURTHER THAT all other terms and conditions of re-appointment of Mr. Rajeev Singh Dugal as approved earlier by the Members, shall remain unchanged."

"RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company, be and is hereby authorized, to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

6. **RECOMMENDATION FOR REVISION OF REMUNERATION PAYABLE TO MR. JASJIT SINGH DUGAL, WHOLE TIME DIRECTOR**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT in partial modification to Resolution No. 6 passed by the Members at the 22nd Annual General Meeting held on August 25, 2009 approving the appointment and terms of remuneration of Mr. Jasjit Singh Dugal as the Whole time Director, the Company hereby approves, in accordance with the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the increase in remuneration of Mr. Jasjit Singh Dugal, for the remaining period of his tenure of office, with effect from July 1, 2011 as set out in the Explanatory Statement annexed to the Notice convening this meeting."

“RESOLVED FURTHER THAT all other terms and conditions of re-appointment of Mr. Jasjit Singh Dugal as approved earlier by the Members, shall remain unchanged.”

“RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company, be and is hereby authorized, to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

7. APPROVAL OF APPOINTMENT OF MR. SANJAY KURKEJA AS A DIRECTOR

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sanjay Kukreja, who was appointed as an Additional Director of the Company with effect from February 4, 2012 at the meeting of the Board of Directors of the Company and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation.”

8. AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolutions:

“RESOLVED THAT pursuant to the powers under Section 31 of the Companies Act, 1956, the existing Articles of Association of the Company be and is hereby amended by the insertion of a new Article 4(e) (i) as per the draft specified below:

Subject to the provisions of the Companies Act, 1956 any other applicable laws and the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Company may offer to eligible persons stock options under Employees Stock Option Plans.”

9. APPROVAL OF THE JMT ESOPS PLAN 2012

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolutions:

“RESOLVED that in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (the 'Act'), the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the 'Guidelines'), including any amendment of the Act and / or the Guidelines or re-enactment of the Act, and the provisions of the Articles of Association of the Company, and subject to such other approvals and sanctions as may be necessary, the Board of Directors of the Company (the 'Board', which term shall be deemed to include the Remuneration & Nomination Committee thereof discharging the functions of the Compensation Committee) be and is hereby authorized to grant, offer and issue to such present and future permanent employees and Directors of the Company (collectively referred to as the 'employees'), as may be decided by the Board, Options exercisable by the employees to subscribe to such number of Equity Shares of the Company under an 'Employee Stock Option Scheme' (the 'Scheme'), not exceeding five per cent of the issued and subscribed Share Capital of the Company as on 31st March, 2012 i.e. up to 7,19,760 (Seven Lacs Nineteen Thousand Seven Hundred and Sixty Only) equity shares of Rs. 10/- each (as adjusted for any bonus, consolidation or other re-organisation of the capital structure of the Company from time to time), at such price, in such manner, during such period, in one or more tranches, as set out in the Explanatory Statement annexed to this Resolution, and on such other terms and conditions as the Board may decide.

RESOLVED FURTHER that the Board, including any duly authorised Committee thereof, be and is hereby authorized to issue and allot such number of Equity Shares as may be required in pursuance of the Scheme, and that the Equity Shares so issued and allotted shall rank pari passu with the then existing Equity Shares of the Company.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect the Scheme and make any modifications, variations or revisions thereto or to suspend, withdraw, terminate or revive the Scheme from time to time and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable, and



to settle all questions, difficulties or doubts that may arise, without the Board being required to seek any further consent / approval of the Members to the end and intent that the Members shall be deemed to have given such consent / approval expressly by the authority of this Resolution."

NOTES:

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act 1956, in respect of the special business under Item Nos. 5, 6, 7, 8 and 9 above, is annexed hereto.
2. Pursuant to 205A(5) and 205C of the Companies Act, 1956, Unclaimed final dividend for the year 2004-05 is due for transfer to Investors' Education and Protection Fund (IEPF) established by Govt. of India. All Shareholders, whose dividend is unpaid for the year 2004-05, are requested to lodge their claim with M/s C.B. Management Services Private limited, P- 22, Bondel Road, Kolkata- 700 019. the RTA of the Company or at the Corporate and Administrative office the Company at C-19-20, 7th Phase, Industrial Area, Adityapur, Jamshedpur, by submitting an application at the earliest date. Kindly note that no claims will lay against the Company or the IEPF once the dividend amount is deposited in IEPF.
3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective must be received at the Company's Registered Office not less than Forty-Eight Hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, M/s. C B Management Services (P) Ltd. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and M/s. C B Management Services (P) Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. C B Management Services (P) Ltd.
5. Members may avail of the facility of dematerialization by opening Depository Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get equity share certificates held by them dematerialized.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from 28.06.2012 to 02.07.2012 (both days inclusive) for the purpose of ascertaining entitlement of Dividend.
If the Final Dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on July 07, 2012 as under:
 - a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on June 27, 2012;
 - b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on June 27, 2012.
7. Reserve Bank of India has initiated NECS for credit of dividend directly to the bank account of Members. Members are requested to register their Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code), in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s. C B Management Services (P) Ltd.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with



their respective Depository Participants and in respect of shares held in physical form with M/s. C B Management Services (P) Ltd/ at the Corporate & Administrative Office of the Company.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents, M/s. C.B.Management Services (P) Ltd.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to C B Management Services (P) Ltd. for consolidation into a single folio.
11. Members/ Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting.
12. Members may please note that the Dividend Warrants are payable at par at the designated Branches of the Bank printed on the reverse of the Dividend warrants for an initial period of 3 months only and thereafter the Dividend Warrant on revalidation is payable only at limited centers/ branches. The members are therefore advised to encash Dividend Warrants within the initial validity period.
13. Shareholders holding shares in electronic form may kindly note that their Bank account details as furnished by the Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such shareholders for deletion of/ change in such bank details.
14. Shareholders who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change, with complete details of Bank Account.
15. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies of the Annual Report to the meeting.
16. During the Year under review

As required under Clause 49 of the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed in the forthcoming Annual General Meeting is given below:

**APPOINTMENT / RE-APPOINTMENT**

Name of Director	Mr. Malkeet Singh Saini	Mr. Sanjay Kukreja
Date of Birth	25.05.1951	24.06.1977
Date Of appointment	20-01-2008	04-02-2012
Qualification	L.L.B	M.B.A
Professional Experience / Expertise	Over 33 years of experience in different fields of Law.	Eleven years experience in business services and manufacturing verticals.
List of Companies in which out Side Directorships held as on 31st March, 2012	1. RSD Finance Ltd.	1. Titagarh Wagons Ltd. 2. Spanco Telesystems and solutions Ltd.
Chairman of the Committees of the Board of the Companies on which he is a Director as on 31st March, 2012	3	NIL
Members of the Committee of the Board of Companies on which he is a director as on 31st March, 2012	6	NIL
Share Holding in JMT Auto Limited as on 31st March, 2012	NIL	NIL

By order of the Board of Directors

Place : Kolkata
Date : 25.05.2012**(Nimesh Anand)**
Company Secretary



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO.5 :

RECOMMENDATION FOR REVISION OF REMUNERATION PAYABLE TO MR. RAJEEV SINGH DUGAL, MANAGING DIRECTOR

Taking into Account the prevailing trends in the manufacturing sectors in terms of Compensation package, the Members of the Company at the 24th Annual General Meeting held on 14th July, 2011 approved the Partial Modification to the resolution no. 5 passed by Members at the 23rd Annual general Meeting, approving the re-appointment and terms of remuneration of Mr. Rajeev Singh Dugal as Managing Director of the company for the remaining period of his tenure of Office on the following terms and conditions with effect from 1st July, 2011.

Category A

I) SALARY

In the grade of Rs. 1,60,000/- to 5,00,000/- with the Basic Salary of Rs. 1,80,000/- per month, with effect from 1st July,2011, with the authority to the Board/ Committee thereof to fix his salary within the said maximum amount from time to time. The annual increment, effective from April 01, each year will be decided by the Board on merit and take into account Company's performance.

II) PERQUISITS AND ALLOWANCES

In addition to the Salary, commission or performance linked remuneration, Mr. Rajeev Singh Dugal shall also be entitled to the following perquisites and Allowances like:-

- (i) Accommodation(Furnished or otherwise) or House Rent Allowance and or house maintainence allowance in lieu thereof, together with Re-imburement of expenses and /or allowances as may be applicable from time to time :- 30% of salary
- (ii) MRA(Management Responsibility Allowance):- 35% of salary
- (iii) Medical Reimbursement /Allowance / Personal Accidental Insurance:- 25% of salary
- (iv) Club fees:- Fees of Clubs subject to a maximum of two clubs.
- (v) Education of Children,LTC/LTA/Washing and other allowances:- 30% of salary
- (vi) Electricity, gas water, and other Perquisites :- 20% of salary

In accordance with the rules of the Company or as may be agreed by the Board or Committee thereof and Mr. Rajeev Singh Dugal, subject to a maximum of 140% of the basic Salary, provided that the total Remuneration payable to Mr. Rajeev Singh Dugal as the Managing Director shall not exceed the limits stipulated under the Companies Act, 1956.

- (vii) The Managing Director shall be entitled to a provision of motor car maintained by the Company with Driver and telecommunication facilities (expanding from telephone at residence to cover broadband, internet, fax, etc. apart from the telephone at residence).
- (viii) Such remuneration by way of commission in addition to the salary and perquisites payable, calculated with reference to the net Profits of the Company in a particular financial year, as may be determined by the Board at the end of each financial year, subject to overall ceiling limits as stipulated in Section 198 and 309 of the Companies Act, 1956. The Commission payable to Mr. Rajeev Singh Dugal shall range between 50% to 150% of the annual salary as determined by the Board at the end of each financial year.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income tax Rules, wherever applicable. In the absence of any such Rules, perquisites and Allowances shall be calculated at the actual cost.



Category B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act.

Gratuity payable and Encashment of leave as per rules of the Company shall not be included for the Computation of limits for the remuneration or perquisites aforesaid should not exceed half a month's salary for each completed year of service.

Note:-- For the purpose of Perquisites stated in category 'A' above, "Family" means the spouse and dependent children of Mr. Rajeev Singh Dugal.

Category C

MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, if in any financial year during the currency of the tenure of Mr. Rajeev Singh Dugal, the Company has not made any profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites within the limits specified in Schedule XIII of the Companies Act, 1956 as modified from time to time."

"RESOLVED FURTHER THAT, Mr. Rajeev Singh Dugal, be and is hereby authorized to make necessary application to the Registrar of Companies and filing of statutory forms or other related documents and to do such acts and things as may be necessary in this regard."

ITEM NO.6

RECOMMENDATION FOR REVISION OF REMUNERATION PAYABLE TO MR. JASJIT SINGH DUGAL, WHOLE TIME DIRECTOR

Category A

I) SALARY

In the grade of Rs. 12,000/- to 1,00,000/- with the basic Salary of Rs. 50,000/- per month, with effect from 1st July, 2011 and with the authority to the Board/ Committee thereof to fix his salary within the said maximum amount from time to time. The annual increment, effective from April 01, each year will be decided by the Board on merit and take into account Company's performance.

II) PERQUISITS AND ALLOWANCES

In addition to the Salary, Mr. Jasjit Singh Dugal shall also be entitled to the following perquisites and Allowances like:-

- (i) Accommodation(Furnished or otherwise) or House Rent Allowance and or house maintenance allowance in lieu thereof, together with Re-imbusement of expenses and /or allowances as may be applicable from time to time :- 30% of salary
- (ii) Medical Reimbursement /Allowance / Personal Accidental Insurance:- 25% of salary
- (iii) Education of Children,LTC/LTA/Washing and other allowances:- 30% of salary
- (iv) Electricity, gas water, and other perquisites:- 20% of salary
- (v) In accordance with the rules of the Company or as may be agreed to by the Board or Committee thereof and Mr. Jasjit Singh Dugal, subject to a maximum of 105 % of the basic Salary, provided that the total Remuneration payable to Mr. Jasjit Singh Dugal as the whole time Director shall not exceed the limits stipulated under the Companies Act, 1956
- (vi) The Whole time Director shall be entitled to a provision of motor car maintained by the Company with Driver and telecommunication facilities (expanding from telephone at residence to cover broadband, internet, fax, etc. apart from the telephone at residence).



- (vii) Such remuneration by way of commission in addition to the salary and perquisites payable, calculated with reference to the net Profits of the Company in a particular financial year, as may be determined by the Board at the end of each financial year, subject to overall ceiling limits as stipulated in Section 198 and 309 of the Companies Act, 1956. The Commission payable to Mr. Jasjit Singh Dugal shall range between 50% to 100% of the annual salary as determined by the Board at the end of each financial year.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income tax Rules, wherever applicable. In the absence of any such Rules, perquisites and Allowances shall be calculated at the actual cost.

Category B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act.

Gratuity payable and Encashment of leave as per rules of the Company shall not be included for the Computation of limits for the remuneration or perquisites aforesaid should not exceed half a month's salary for each completed year of service.

Note:-- For the purpose of Perquisites stated in category 'A' above, "Family" means the spouse and dependent children of Mr. Jasjit Singh Dugal.

Category C

MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, if in any financial year during the currency of the tenure of Mr. Jasjit Singh Dugal, the Company has not made any profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites within the limits specified in Schedule XIII of the Companies Act, 1956 as modified from time to time.

"RESOLVED FURTHER THAT, Mr. Rajeev Singh Dugal, be and is hereby authorized to make necessary application to the Registrar of Companies and filing of statutory forms or other related documents if any required, and to do such acts and things as may be necessary in this regard."

ITEM NO.7

APPROVAL OF APPOINTMENT OF MR. SANJAY KURKEJA AS A DIRECTOR

Mr. Sanjay Kukreja was appointed as an Additional Director of the Company w.e.f. 04.02.2012 up to the date of this AGM. The Company has received a notice pursuant to Section 257 of the Companies Act, 2012 from a member signifying his intention to propose Mr. Sanjay Kukreja as a candidate for the office of Director. Mr. Sanjay Kukreja is therefore appointed to the office of the Director, whose office shall be liable to retirement by rotation.

ITEM NO.8

AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The resolution under item 8 is proposed to amend the Articles of Association of the Company to enable the formulation and implementation of Employee Stock Option Scheme.

Item No. 9

APPROVAL OF THE JMT ESOPS PLAN 2012

With a view to (i) To attract, motivate and retain high performers for ensuring long-term growth and success of the company; (ii) Reward the performance of the Eligible Persons who have excelled in performance with equity ownership (iii) To encourage a sense of involvement and mutuality of interest by aligning the interests of the company and its



employees and; (iv) Motivate senior employees to drive Company performance, it is proposed to formulate and implement an Employee Stock Option Scheme in the Company titled "The JMT ESOPs Plan 2012" (the " Plan") by the creation and issue of 4,00,000 (Four Lac only) Stock Options each of which would upon exercise be converted into one Equity Share of Rs. 10 each of the Company (the "Equity Shares").

The Remuneration Committee (the "Committee") of the Company's Board will administer the Plan, subject to the Board's overall superintendence and control.

The Company's Board has appointed VC Corporate Advisors Private Limited as consultants to oversee the implementation of the Plan and ensure compliance with the requirements of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 as amended up to date. (the "Guidelines").

In accordance with the requirements of the Guidelines, the information pertaining to the Scheme is furnished below:

Item	Particulars
Total No. of Stock Options to be granted	4,00,000(Four Lac only)
Equivalent Equity Shares to be granted	4,00,000(Four Lac only)
Identification of classes of employees entitled to participate in the Plan	<p>Only Eligible Persons are entitled to participate in the Plan. In this context</p> <p>(a) Eligible Persons means collectively the Directors and Eligible Employees, but does not include Excluded Persons;</p> <p>(b) Director means a member of the Board whether whole time or not</p> <p>(c) Eligible Employee means an Employee who qualifies for issue of Options under this Plan based on the evaluation process finalized by the Administrator of the Plan in its sole discretion and will include:</p> <ul style="list-style-type: none"> ● All present and future permanent employees of the Company ● All present and future directors of the Company, , unless they are prohibited from participating in the ESOS under any law or regulations for the time being in force <p>(d) Employee means a permanent employee of the Company working in India or out of India. An Employee shall continue to be an employee during the period of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its holding company, any Subsidiary, or any successor.</p> <p>(e) Excluded Persons mean: (i) any Promoter or any person in the Promoter Group irrespective of whether such a Promoter or a person in the Promoter Group is an Employee or a Director and (ii) any Director who either by itself or through his relative or through any body corporate, directly or indirectly holds more than 10% (Ten percent) of the outstanding equity shares of the Company.</p> <p>(f) Promoter means a promoter of the Company as defined under the Guidelines</p> <p>(g) Promoter Group means the Promoter Group in relation to the Company as defined under the Guidelines.</p>



Requirements of vesting and period of vesting and maximum period	Vesting of the Stock Options may commence after the expiry of a period of 12 calendar months from the date on which the options were granted, and may extend up to such time as may be decided at the discretion of the Committee (the "Vesting Date"). The vesting may occur in tranches, subject to the terms and conditions of vesting, as may be stipulated by the Committee, in its discretion.
Exercise Price or pricing formula	The Exercise Price of the Stock Options shall be as determined by the Committee, in its discretion.
Exercise Period and Process of Exercise	<p>Exercise Period shall mean the time period commencing from the Vesting Date and terminating on such date as may be determined by the Committee from time to time provided that in no event shall the Exercise Period exceed 60 (Sixty) calendar months from the Vesting Date.</p> <p>The Stock Options will be exercisable by the Optionees by a written application to the Company to exercise the Stock Options, in such manner, and on execution of such documents, as may be prescribed by the Committee, in its discretion.</p> <p>Options will lapse if not exercised within the Exercise Period.</p>
Method of valuing the Stock Options	Fair Value
Appraisal process for determining the eligibility of the employees to the Scheme	The Committee shall, include Company's performance, the performance and/or merit of the Eligible Persons, as indicated by their annual performance appraisals, the minimum period of service/directorship put in/served by them, their designation and grade, their present and potential contribution to the success of the Company, its subsidiaries and/or its holding company and other appropriate criteria, determine the eligibility of the Eligible Persons to the Plan.
Maximum number of Stock Options to be issued per employee and in aggregate	<p>The Committee may from time to time grant Stock Options to one or more Eligible Persons which may include recurring Stock Options to the same Eligible Persons. The aggregate number of Stock Options that may be granted under the Plan shall not exceed 4,00,000 (Four lac only).</p> <p>The number of Options offered to each Eligible Employees will be based on their grade and level, as well as such other factor(s) as may be considered relevant by the Remuneration Committee. However, Options to be granted to a single Eligible Employee shall not exceed 5% of the total paid up equity share capital of the Company at any time during the tenure of the Plan.</p>

Disclosure and Accounting Policies

The Company shall comply with the accounting policies as prescribed under the Guidelines and all other disclosure requirements and accounting policies prescribed from time to time under applicable laws and regulations.

Method of valuation of Options

The Company will be valuing the options at fair value as per the Guidelines. However, in case, in future, the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors report and also the impact of this difference on



profits and the Earnings Per share of the Company shall also be disclosed in the Directors' report.

The Options to be granted under the Scheme shall not be treated as an offer or invitation made to the public for subscription in the securities of the Company.

The Special Resolutions at Item 9 are included for the purpose of approval of the Plan for the benefit of the Eligible Persons who are either Directors and/or Eligible Employees of the Company.

The Special Resolutions at Item 9 are included for the purpose of extending the benefit of the Plan to Eligible Persons who are either Directors and/or Eligible Employees of the holding company of the Company, if any, and/or to the current and/or future subsidiaries of the Company.

A copy of the said Plan is available for inspection by shareholders at the Company's registered office between 10.00 a.m. and 5.00 p.m. on all working days.

Special Resolutions as set out above are recommended for shareholders' approval.

None of the Directors of the Company is in any way concerned or interested in the resolutions, except to the extent of any Stock Options that may be granted to the Directors.

Place : Kolkata
Date : 25.05.2012

By order of the Board of Director

**Nimesh Anand
Company Secretary**



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have immense pleasure in presenting their 25th Annual Report along with the Audited Results of the company for the year ended 31st March, 2012.

OPERATING AND FINANCIAL REVIEW

(₹ in lakhs.)

PARTICULARS	Year ended 31.03.2012	Year ended 31.03.2011
Gross Turnover	39,252.44	31,574.10
Earnings before Interest, Depreciation & Tax and amortization (EBITDA)	6,344.60	5,021.28
Finance Cost	2,035.17	1,749.69
Depreciation	1,955.71	1,817.90
Tax Expenses	745.27	471.89
Net Profit After Tax	1,608.45	981.80

DIVIDEND

The Board has recommended a dividend @ 10.0% (Re 1.00 per share) for the year ended 31st March 2012 in tune to the increased profit of the Company subject to the approval of the shareholders at the Annual General Meeting.

The dividend will be paid to members whose names appear in the Register of Members as on July 2, 2012; in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners.

The dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals and the shareholders aspirations.

RESERVE AND SURPLUS

Reserves and surplus of the Company increased from Rs.10233.71 lakhs in 2010-11 to Rs. 11674.87 lakhs in the 2011-12. The Company has a Net worth of Rs.13114.39 as on 31st March, 2012 in comparison to Rs. 11673.23 as on 31st March, 2011.

STOCK EXCHANGE REQUIREMENTS

The Equity shares of the Company are being traded at Bombay Stock Exchange, Phiroze Jeejebhoy Towers, Dalal Street, Mumbai and at National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai.

CREDIT RATING

In order to comply with BASEL - II Guidelines your Company has got the rating done by M/s CRISIL LIMITED.

CREDIT RATING AGENCY	LONG TERM/ MEDIUM TERM BANK FACILITIES	SHORT TERM BANK FACILITIES
CRISIL	CRISIL BBB/Stable	CRISIL A3+



FIXED DEPOSITS

As in the previous year your Company has not accepted any Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 from the Shareholders / Public during the year under review.

ENVIRONMENT PROTECTION AND POLLUTION CONTROL

As required by Pollution control laws, the Company has already submitted Environmental Statement for the Fy 2011-12 to the State Pollution Control Board.

The Company continues to accord priority to Environment, Occupational Health and Safety with a commitment to achieve and sustain the highest international standards by keeping emission level as low as possible.

WASTE WATER MANAGEMENT

The Company has taken all possible steps towards implementation of Rain Water Harvesting System Implementation and Waste Management Services working in tandem with Aquakraft Water Solutions.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 the Directors hereby confirm:

1. That in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departure.
2. That the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profits for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts have been prepared on a going concern basis.

DIRECTORS

Shri Malkeet Singh Saini, Director of the company, who retires by rotation and being eligible, offer himself for reappointment at the ensuing Annual General Meeting.

None of the Directors are disqualified for being appointed as the Directors as specified in Section 274(1)(g) of the Companies Act, 1956.

AUDITORS

M/s. Deloitte Haskins & Sells, Statutory Auditors of the company will retire at the ensuing Annual General meeting of the Company and are eligible for re-appointment. Shareholders are requested to re-appoint the auditors.

The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

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

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

The relevant data regarding the above is given in the Annexure-I hereto and forms part of this report.

EMPLOYEES

None of the employees fall within the category mentioned in section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE

The Company is committed to maintain high standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

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

RELATED PARTIES

Note No. 35 to the Notes to Financial Statement of the Accounts sets out the nature of transactions with the related parties. Transactions with the Related Parties are carried out at the arm's length. The details of such transactions are placed before the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

In terms of societal and environmental contribution, the Company has contributed to many philanthropic activities like free eye check up camps, donating money and clothes to the poor and needy, blood Donation camps, spreading education among the low privileged section of the society planting trees across all its units and developing new gardens at its working sites. The Company also contributes financially to mitigate the hardships by providing material help to the orphanages. The Company trains employable local youth and provides training to them under earn and learn scheme.

ENVIRONMENT, HEALTH AND SAFETY

In terms of its responsibility towards environment, the initiatives undertaken by the Company include planting of trees in the vacant land of the plants, creating new gardens, Rain Water Harvesting, usage of transparent sheets for natural sunlight inside the plant, use of turbo ventilators for ventilation purpose and for minimizing the carbon footprints, use of propane gas in the heat treatment plants for reducing the carbon emissions, minimizing effluents through better monitoring and corrective measures, reduction of quantum of input material, whether it is steel, or usage of inert gases for welding through Value Analysis/Value Engineering activities.

The Company follows all statutory safety norms. Safety is accorded prime importance in the organization. The Company has the Safety committee in each plant, which oversees the workforce's safety, through ensuring safe conditions and actions. Safety audits and evacuation drills are conducted regularly and all staff members are encouraged to take part in the same and regular training for the awareness of the employees.

Your Company has a personal Accident Insurance Policy (group) for ensuring welfare and security to the employees and their families.

OTHERS

Your Directors wish to inform that during the Financial Year 2011-12 in the month of May 2011 a Search & Seizure was conducted by Income tax department . As on date the assessment order is still pending and the case is under process.

ACKNOWLEDGEMENTS

The Board of Directors place on record their gratitude for the co-operation, patronage and support received from Financial Institutions, Bankers, Government Bodies and employees at all levels.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 25 .05.2012

Rajeev Singh Dugal
Managing Director

ANNEXURE TO DIRECTOR'S REPORT

Annexure - 1

INFORMATION UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS' RULES), 1988 AND FORMING PART OF THE DIRECTORS' REPORT.

CONSERVATION OF ENERGY

The Company's commitment to energy conservation continues. Energy conservation measures include optimum utilization of energy intensive machines, introduction of energy efficient technologies etc. All measures have resulted in cost savings for the Company. In order to conserve energy and natural resources the Company has taken constant efforts to conserve energy and natural resources and reduced consumption of Power, Fuel, Oil, Water and other energy sources by way of the following: -

1. Optimization of lightening fixtures in administrative areas.
2. Installation of Auto Power Cut-Off for electrical energy consumption.
3. Energy saving in utility by proper machine planning.
4. Close monitoring of fuel consumption.
5. Emphasis on non-conventional energy sources.
6. Creating overall awareness to avoid wastage of water and turning power-off when not in use.

FORM A

(A) Power and Fuel Consumption

1.	Electricity		Current Year	Previous Year
	Purchase units (KWH)	(In Lakhs)	489.46	424.22
	Total Amount	(₹ In Lakhs)	2274.60	1846.45
	Average Cost per Unit	(₹)	4.65	4.35
2.	(a) Furnace Oil		Current Year	Previous Year
	Quantity (Litre)	(In Lakhs)	10.43	11.27
	Total Cost	(₹ In Lakhs)	401.08	305.34
	Average Cost per Litre	(₹)	38.45	27.09
	(b) Propane Gas		Current Year	Previous Year
	Quantity (K.G.)	(In Lakhs)	21.53	5.79
	Total Cost	(₹ In Lakhs)	1119.49	234.17
	Average Cost per K.G.	(₹)	52.00	40.46
	(c) Others / Internal Generation		Current Year	Previous Year
	Units (KWH)	(In Lakhs)	13.74	23.27
	Units/Litre of Diesel Oil	(KWH)	3.13	3.11
	Average Cost per unit.	(₹)	11.87	10.67

(B) Consumption per unit of production

(In ₹)

	Product	Current Year	Previous Year
	Electricity (KWH)	2.31	3.28
	Furnace Oil (Litre)	0.05	0.09
	Propane Gas (K.G.)	0.10	0.04



FORM B

I. Research and Development

- Better fixturing & stacking of case carburizing of rings.
- Safe implementation on certain gear parameters.
- Development of Critical Part drawings and programming through Auto CAD/CAM facilities.

II. Benefits derived as a result of the above R & D :

- Percentage of defects brought down drastically.
- Rejection brought to zero level.
- Development of critical parts with higher precision.

III. Future plan for action :

- Improvement of machine utilization.
- Continuous up gradation of technology.
- Inroads into forging with forging plant of its own
- Enter into export market of similar kind of products.

IV. Expenditure on R & D :

a. Capital	} The development work is carried on by the concerned departments continuously. No separate record of the expenditure incurred on R & D.
b. Recurring	
c. Total	
d. Total R & D Expenditure as a percentage of total turnover.	

TECHONOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief made towards Technology Absorption, Adaptation and Innovation

- Constructive measures have been taken to improve productivity through better utilization of the measures, efficient plant layout, highly skilled work force, improving cutting tools relevant to the latest international standards.
- Considering higher batch sizes for product manufacturing with uninterrupted power to eliminate wastage. Different statistical tools are being used for continuous process improvement for achieving 100 % waste elimination.
- Continuous efforts are made to develop precision forgings gear blanks to reduce raw material cost as well as total manufacturing cost as a part of continuous improvement strategy.

2. Benefits derived as a result of the above efforts

- Overall raw material and energy consumption per ton of the product has been further reduced.
- Overall cutting tool cost has been reduced to a considerable extent by achieving better tool life.
- Combination of few operations has helped to achieve the target cost of the product.

3. Imported Technology:

a. Technology Imported	:	Nil
b. Year of Import	:	NA
c. Has the technology been fully absorbed	:	NA

(C) Sales comprises of F.O.B. value of export (including Deemed Export of Rs. 1279.45 lakhs (previous year Rs. 765.91 Lakhs). During the year 2011-12, Total F.O.B Value of export was Rs. 6201.97 lakhs (previous year Rs. 4035.47 lakhs).

**(D) FOREIGN EXCHANGE EARNINGS AND OUTGO**

1. Activities relating to Exports, initiatives to increase exports, Development of new Export Markets for Products and Services and Export plans:
The Company has taken initiative to export in the Global market and its product has been well accepted.
2. Total Foreign Exchange used and earned:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Earning (FOB Value of Export) :	4922.52	3269.56
b. Expenditure :	1.04	0.38

For and on behalf of the Board of Directors

Place : Kolkata
Date : 25.05.2012

Rajeev Singh Dugal
Chairman & Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC SCENARIO

Global growth is likely to slow, until at least the middle of the next decade to approximately 3 percent per year on average—a rate somewhat below the average of the last two decades. A recovery in advanced economies will be more than offset by a gradual slowdown in emerging ones as they mature, with the net result that global growth will slow. But the biggest risk ahead for the global economy is not this slower overall growth in output but a slowdown in average output per capita, which will determine how fast living standards can be supported and raised.

Advanced economy growth is expected to slow down from an already meager 1.6 percent in 2011 to 1.3 percent in 2012. For 2013-2016, the outlook suggests some recovery in advanced economies, bringing these countries back to the pre-recession growth trend of a little more than 2 percent. From 2017-2025 emerging and developing countries are projected to grow at 3.3 percent. Many economies will begin to show signs of maturing, at which point the rapid catch-up growth abates.

INDIAN AUTO COMPONENTS INDUSTRY

India - The Global Auto Hub

Canada is looking for substantial investment opportunities in Indian auto components market through the comprehensive economic partnership agreement (CEPA) which is being discussed and negotiated by the two Governments. The agreement is likely to get finalized by 2013. If fructified, the agreement would facilitate an annual increase of economic output in two countries by almost US\$ 6 billion and boost the two-way trade by 50 per cent.

UK sees immense potential in the Indian auto ancillary sector, especially in the city of Rajkot with over 500 manufacturers aggregating a net turnover of around Rs 1,500 crore (US\$ 294.5 million). Peter Beckingham, British Deputy High Commissioner for Western India, also indicated possible ventures between UK and Rajkot companies in near future.

Furthermore, 60 French automobile component suppliers are contemplating on business opportunities to set up a vendor park near Sanand in Ahmedabad district. The proposed vendor park would accommodate tier-1 and tier-2 auto-component suppliers who would supply spares to the recent auto entrants in the State and even to others.

Indian auto component industry is robustly driven by the growth in demand for automobiles. The sector has become a lucrative business proposition for global players, majorly owing to two factors. First, needless to say, the demand for automobiles is increasing day by day in the country. India, a market with high potential for the automobiles sector, is expected to witness a three-fold increase in demand for automobiles by 2020. Secondly, all major global auto-makers are establishing their bases here due to highly positive business environment, favourable policies and government support.

According to recent study, India would become the third largest auto industry by volumes after China and the US by 2015. This would give immense support to the growth of ancillary sector as well.

The original equipment manufacturers (OEMs) account for 41 per cent of the auto components consumed in the Indian aftermarket.

The study estimated current size of Indian components business at Rs 24,800 crore (US\$ 4.87 billion), 49.7 per cent of which is formed by two-wheeler segment. Passenger vehicles, commercial vehicles and three-wheelers follow with 24.7 per cent, 23.1 per cent and 2.5 per cent of the share respectively.

A large market in Indian spares business is dominated by organized, semi-organized and a number of small, unorganized players. He thus acknowledged the need for a process of accreditation to ensure better customer service.



GOVERNMENT INITIATIVES

The Government of India is in the process of forming a National Automotive Board (NAB) which would become a formal set-up to look into the issue of recall of vehicles and hence improve manufacturing standards. The prospective body, to oversee technical and safety aspects of vehicles, will have representatives from all the nodal ministries and automotive bodies such as the Automotive Research Association of India (ARAI).

Sources: ACMA

OUTLOOK AND GROWTH

The budget appears bleak for the auto component industry on account of two factors - one is the anticipated hike in excise duties for both auto components and various automobile sectors and the other is nil change or increase in import duty on steel and aluminum.

Increase in fiscal deficit, rising subsidies and possible passing of food security bill is expected to trigger hike in excise duties across the board including automobiles and auto components.

Further to bring a level playing between diesel and petrol prices, we expect the government to charge additional tax on diesel passenger vehicles. These measures will indirectly impact the auto component industry that caters to the automobile demand.

Nonetheless, with the government focusing on returning back to 8-9% GDP growth, continued thrust on infrastructure investment is expected which would benefit the commercial vehicle industry directly and auto component industry indirectly. However on overall basis, the budget outlook for auto component industry is negative.

Auto component manufacturers dependent on the M&HCV and 2W segments likely to experience relatively lower growth over the short term; the expected recovery in PV segment volumes in 2012-13E to reflect in improved revenue growth of ancillaries supplying to this segment. Since a majority of revenues of the auto component industry are derived from supplies to the domestic OEMs, the growth prospects of the former are largely determined by performance of the user OEMs.

Sources: ICRA LIMITED

OPPORTUNITY AND CONCERNS

Rs 1,600 billion (US\$ 30.77 billion) Indian auto component industry derives its growth impetus from the growth in automobile industry. Industry body Society of Indian Automobile Manufacturers (SIAM) expects overall automobile sales to grow by 10-12 per cent in 2012-13 on the back of supportive Government policies, launch of new models and intensifying enthusiasm for cars among Indian consumers. Therefore, it could be expected that increase in demand for automobiles would eventually drive growth for auto parts sector.

As per industry estimates, Indian auto component industry derives 60 per cent of its turnover from sales to domestic original equipment manufacturers (OEMs), 25 per cent from sales to the domestic replacement market and around 15 per cent from exports.

The valuations of companies in Europe are quite attractive now. Indian companies can make acquisitions there, get access to new technology and clients and move manufacturing units here as factory production is more expensive in Europe. For companies having the strategic perspective to expand, this is a good time to look for an European buy. The acquisition will give Indian companies a good global platform, advanced technology and production base in that part of the world and in proximity to clients.

Sources: ACMA The Automotive Component Manufacturers Association of India)



FINANCIAL PERFORMANCE OF THE COMPANY

JMT AUTO LIMITED - THE YEAR IN BRIEF

FINANCIAL OVERVIEWS

Gross Turnover

The Company has consistently shown a considerable increase in its Turnover evident from the figures below :-

TURNOVER	Rs. In crore			
	Q1 (ending on 30.06.2011)	Q2 (ending on 30.09.2011)	Q3 (ending on 31.12.2011)	Q4 (ending on 31.03.2012)
DOMESTIC	82.94	86.06	87.70	89.96
EXPORTS	12.17	12.92	18.72	18.80

Your Company has achieved a Gross Turnover (including Excise Duty & Sales Tax) of Rs. 410.00 crore in the Fy 2011-12, which exceeds last year's corresponding turnover of Rs 327.00 crore by 25%.

SEGMENT-WISE PERFORMANCE

The company's sales are primarily to domestic automobile component segment, however also has a share in the export segment during the year under review, the company achieved domestic sales of Rs. 313.67 crores as against Rs. 258.14 crores in the previous year and export sales of Rs. 49.77 crores as against Rs. 33.63 crores in the previous year.

RESERVE & SURPLUS

The Company's Reserve & Surplus has increased by 14% from Rs 102.33 crore in the Fy 2010-11 to Rs 116.74 crore in the Fy 2011-12.

ENVIRONMENT CONSERVATION

The Company puts in lot of efforts in conserving the natural environment around its operations and its engineers are also developing many innovative practices in protecting and preserving valuable natural resources. Technology is being used fully to minimize the pollution levels at all its manufacturing divisions also. Substantial investments have been done to conserve and recycle precious water at these locations and the company is totally committed to its policy of environmental protection.

INFRASTRUCURAL & TECHNOLOGY UPGRADATION:

The company is consistently making investment in bringing in State of the Art Technology in the field of Gear Cutting, Heat Treatment & Gear Finishing processes. A consistent thrust on technology up-gradation is being maintained to ensure technology level in line with global customers demand.

TAPPING NEW BUSINESS

The company has been exploring various avenues for development of new customers in Domestic and Export market by participating in Exhibition / National Auto Expo show / states sellers/buyers meets and other programmes. With our new installed technology, now we are focusing to bag orders from world class OEMs in Auto and other Segments.



SWOT ANALYSIS

STRENGTH

- Independent & Integrated Manufacturing Facilities enables us to give all services under one roof to our clients. This also enables to supply samples on a very quick basis to our clients, once they give us designs.
- Strong Willingness to update technology ensures customer satisfaction and loyalty. This has also given us an edge over our competitors, as we are always couple of steps ahead of them.
- Largest facility in Heat treatment in Eastern India.
- Access to a wide variety of products in the precision machining.
- High stress on quality control (in all aspects) - our focus starts even before we procure any raw material, excellent raw material leads to high quality finished products
- Trained & Skilled Manpower force has enabled us to deliver quality products to our clients on time.

WEAKNESSES

- Need to upgrade technology and bring in more automation including cold forging facilities.
- Huge demand for skilled manpower, at times leads to shortages leading to technical snags.
- Inability to ramp up fast leading to loss of sales.
- Huge Working capital requirement - leading to higher borrowing costs.

OPPORTUNITIES

- As company is getting diversified, it is leading to opportunities in various sectors like
 - Automobile Sector: As trade & infrastructure in India grows, it is leading to higher demand for New Commercial Vehicles & Spares for existing ones, opening up a bigger opportunity for us every year. e.g.: Tata Motors has put in a new line for World trucks (air conditioned commercial vehicles), this has led to bigger opportunity for us.
 - Oil & Natural Gas Sector: As countries in Asia, search & drill for more energy, it will lead to increasing demand for components - huge opportunity will come from this area for our company. e.g.: One of our customer is opening shop in Singapore, they will increasingly look at us to source their requirements for Asia pacific region.
 - Agriculture: Indian government's focus in Agriculture will remain strong, as it needs to feed it's ever increasing population (already 1.2 billion) - productivity can only be increased through higher automation - which will lead to strong demand in this sector. e.g.: TAFE is increasing its production from 6,000 tractors per month to 12,000 tractors per month, JMT sees a major upside from this.
 - Engine & Earth Moving Sector: India lacks most of the countries, its size in terms of infrastructure. Successive governments have put their focus on its development and lot has been achieved over past few years, though there's lot more to do. This will lead to higher demand for equipment in India, leading to opportunity for us. e.g.: Caterpillar has invested in new assembly lines which will double the present capacity of 1200 Engines, similarly KOBELCO has selected JMT Auto for its range of products in their new plant at Chennai.
- Decreasing interest rates in foreseeable future: Interest rates in India have peaked, and its expected to go down over the next 24 months, this will lead to huge savings for the company, as it cost of borrowing comes down. More often cut in interest rates also lead to increase activity in all the sectors mentioned above.



THREATS

- Ability of some customers to build similar products in house.
- Changes in Government policies, and unstable central government in India.
- Changing Technology, leads to higher investments in new machines.
- Change in customer designs and requirement leads to more expenses in new product development

INTERNAL CONTROL SYSTEMS

The company's internal control system has been designed for:-

- (i) Accurate recording of transactions with internal checks and prompt reporting
- (ii) Adherence to applicable Accounting standards and policies
- (iii) Compliance with applicable statues, policies, listing requirements, management policies and procedures.
- (iv) Effective use of resources and safeguarding of assets.

The Internal control system provides for well documented policies/guidelines, authorizations and approval procedures. The company through its own Internal Audit Department carries out periodic audit at all locations and brings out any deviations from the internal control procedures. The observations arising out of audit are periodically reviewed and compliance is ensured. The summary of the Internal Audit observations is submitted to the Audit Committee of the Board of Directors. The status of the implementation of the recommendations is reviewed by the committee on a regular basis and concerns, if any, are reported to the Board.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the company's objectives, projections, estimates and expectations may be 'forward looking statements'. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include a downtrend in the forging industry - global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.

Place: Jamshedpur

Date : 25.05.2012

Rajeev Singh Dugal

Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2011-12

The Company has been following High standards of Corporate Governance Principles, Policies and Practices over the years.

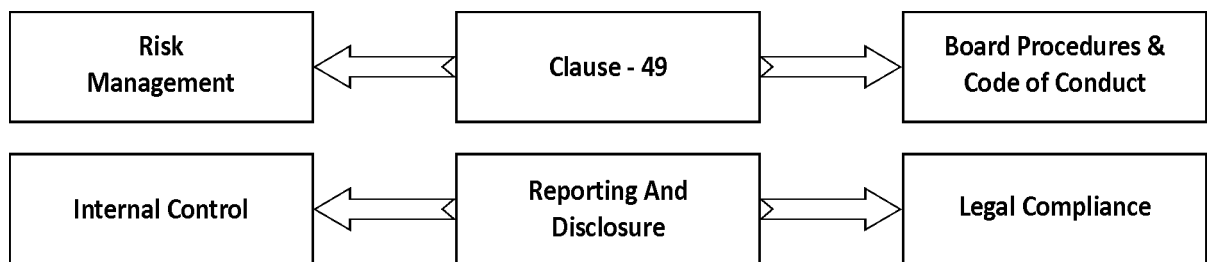
1. JMT’S GOVERNANCE POLICY

The company's philosophy on corporate governance is usually marked by the following fundamental principles:

- Ethical and Disciplined Corporate Behavior.
- Independent and Considered Judgment.
- Parity between Accountability and Responsibility.
- Transparency and effective and Adequate disclosures

The company believes that all its operations and actions must serve the underlying goal of enhancing overall enterprise value and safeguarding the shareholders' trust. In our commitment to practice sound governance principles, we are guided by the following core principles:-

1. Code of Conduct and Ethics for Directors and Senior Management
2. Improving Quality and Frequency of Information Flow to the Board, Audit Committee to enable them to discharge their functions effectively.
3. A Sound System of Risk Management and Internal Control
4. Transparency and Accountability.
5. Compliance with all Rules and Regulations.
6. Sound policy on prevention of Insider Trading.
7. Develop processes for various disclosure and reporting requirements



In view of the revised Clause 49 of the Listing Agreement with Stock Exchanges, the Company continuously follows the procedure of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at the different levels of the management of the Company.

2. BOARD OF DIRECTORS

The Company's philosophy is to maintain an optimum combination of Executive and Non-Executive Directors. The composition of the Board, Attendance at Board Meetings held during the year and at the last Annual General Meeting, Number of Directorships in other public Companies and Committees across various public companies of which the Director is a Member / Chairman are given below:-



Name of the Director	Designation	Status & Category	No. of Board meetings attended during 2011-12	Attendance at last AGM	No. of Outside Directorship	Committee Position - Member	Committee Position - Chairman
Mr. Rajeev Singh Dugal	Chairman-cum-Managing Director	Executive Non-Independent	05	Yes	01	Nil	Nil
Mr. Jasjit Singh Dugal	Whole-Time Director	Executive Non-Independent	05	Yes	Nil	03	Nil
Mr. Sushil Kumar Khowala	Director	Independent Non-Executive	05	No	Nil	03	03
Mr. Malkeet Singh Saini	Director	Independent Non-Executive	05	Yes	01	06	03
Mr. Sanjay Kukreja	Director	Independent -Non-Executive	Nil	N.A	02	Nil	Nil

Present Board comprises of five members. Two of the members are Executive Directors (ED) and three Directors on the Board are Independent Directors, who have no business and /or professional relationship with the Company. W.e.f 04.02.2012 Mr. Brahma Vasudevan Independent Non-Executive Director of the Company resigned from the Board and Mr. Sanjay Kukreja was appointed as additional director u/s 260 of the Companies Act, 1956 to act as Non- Executive Independent Director. The Non-Executive Directors with their diverse knowledge, experience and expertise bring independent judgment in the deliberations and decisions of the Board. There is no Nominee or Institutional Director on the Board of the Company.

BOARD MEETINGS AND ATTENDANCE

The Company's Corporate Governance Policy requires the Board to meet at least four times in a year. As against this, during the financial year ended 31st March, 2012 five meetings of the Board were held duly. The intervening period between two Board meetings was well within the maximum time gap of four months prescribed under clause 49 of the Listing Agreement.

During the year 2011-12, 5 (Five) Board meetings were held on 28.05.2011, 30.07.2011, 12.11.2011, 04.02.2012, and 27.03.2012

BOARD AGENDA

The annual calendar of meetings is agreed upon at the beginning of each year. Meetings are governed by a structured agenda. The Board members in consultation with the chairman may bring up any matter for the consideration of the Board. All major issues included in the agenda are backed by comprehensive background information to enable the Board to take informed decisions.

COMMITTEES OF THE BOARD

The Board of Directors has constituted three (3) committees of the Board- the Audit Committee, Shareholders' Grievance Committee and Remuneration Committee. The Board determines the terms of reference of the Board Committees from time to time. The respective Committee Chairman convenes meetings of the Board Committees. Minutes of the Committee meetings are placed before the Board for perusal and noting. The quorum for meetings of all the Committees is either two members or one-third of the members of the Committees, whichever is higher. Each committee has the authority to engage outside experts, advisers and counsel to the extent it considers appropriate to assist it in its work.



3. AUDIT COMMITTEE

The role of the Audit Committee has been strengthened and all major changes in financial policies are reviewed or approved by this Committee.

COMPOSITION

The Audit Committee constituted in line with the composition as prescribed by the code of Corporate Governance and it consists of the following directors:

1. Mr. Sushil Kumar Khowala (Chairman) - Non Executive Independent Director
2. Mr. Malkeet Singh Saini - Non Executive Independent Director
3. Mr. Jasjit Singh Dugal - Whole Time Executive Director

All the members of the Audit Committee are financially literate. Mr. Sushil Kumar Khowala, Non Executive Independent Director of the Company is the Chairman of the Audit Committee. The Chief Financial officer attends the meeting of Audit Committee and the Company Secretary acts as the Secretary to the Audit Committee. The committee also invites Senior Accounts Managers, as it consider appropriate to be present at the meeting of the committee. The terms of reference of Audit Committee are quite comprehensive and include all that is mandated under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The Chairman of the Audit committee Mr. Sushil kumar Khowala was present in the AGM to provide clarifications relating to audit.

DUTIES AND RESPONSIBILITIES

- (i) Serve as an Independent and objective party to monitor the Company's Financial Reporting Process and Internal Control Systems.
- (ii) Review and appraise the audit efforts of Company's Statutory Auditors and Internal Auditors.
- (iii) Provide an open avenue of communication among the Statutory Auditors, Financial and Senior Management, Internal Auditors and the Board of Directors.

POWERS

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

ACTIVITIES

(a) DOCUMENTS/REPORTS REVIEW

- The Committee at the meetings reviews the Quarterly/Annual Financial Statements.
- It reviews the regular internal reports to the management prepared by the Internal Auditors including significant findings and follow-up actions and also management's response.
- Discusses with the Statutory Auditors before the commencement of Audit, the nature and scope of Audit, and also post audit discussion to ascertain areas of concern.
- Reviews the disclosure of Company's financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviews with the management the Quarterly/Annual financial statements before submission to the Board focusing primarily on:-
 - a) Any changes in accounting policies and practices.
 - b) Major accounting entries.
 - c) Significant adjustments arising out of audit.
 - d) Compliance with Accounting Standards.



- e) Compliance with Stock Exchanges and legal requirements concerning financial statements.
- f) Any related party transactions.
- Reviews the Company's financial and risk management policies.
- Reviews the adequacy of accounting records maintained in accordance with the provisions of the Companies Act, 1956.

II STATUTORY AUDITORS

- a) Recommends to the Board of Directors, the selection of the Statutory Auditors and approves the fees paid to them. The Committee also discusses annually with the Auditors, all significant relationships that the Auditors have with the Company to determine their independence.
- b) Reviews the performance of the Statutory Auditors.
- c) Periodically holds consultation with the Statutory Auditors about the Internal Controls and the Accuracy of the Organization's Financial Statements.

III FINANCIAL REPORTING PROCESS

- a) Reviews the Integrity of the Organization's Financial Reporting Processes, both external and internal.
- b) Considers and approves major changes to the Company's auditing and accounting principles and practices as suggested by the Management or Internal Auditors.

AUDIT COMMITTEE MEETINGS AND ATTENDANCE

Four meetings of the Audit Committee were held during the year on 27.05.2011, 30.07.2011, 12.11.2011 & 04.02.2012 and the same were attended by Head of Finance, Senior Manager Finance. The Attendance of each member of the committee is given below.

Members	No. of Meeting Attended
Mr. Sushil Kumar Khowala	04
Mr. Malkeet Singh Saini	04
Mr. Jasjit Singh Dugal	04

4. REMUNERATION COMMITTEE

The Remuneration Committee of the Company, inter alia, recommends to the Board, Compensation payable to the Executive Directors and the senior most level of management immediately below the Executive Directors for appointments on the Board and Senior Management positions. It evaluates performance of the Board, Executive Directors and Non-Executive Directors on predetermined parameters.

The Committee recommends the induction of Directors in various Committees Reviews the HR policies and assists the Board in the implementation of the policy on "Prohibition of Insider Trading and Fraudulent and Unfair Practices".

Thus, the Remuneration Committee of the Company constituted by the Board of Directors has a wide scope including deciding the remuneration of the Executive Director, retirement benefit to be paid to him, service contract, notice period, severance fees and dealing with matters pertaining to Employees' Stock Option Scheme as approved by the Board of Directors.

COMPOSITION

The Remuneration Committee comprises of :

1. Mr. Sushil Kumar Khowala - Non Executive Independent Director
2. Mr. Malkeet Singh Saini - Non Executive Independent Director
3. Mr. Brahma Vasudevan - Non Executive Independent Director (Resigned)
4. Mr. Sanjay Kukreja - Non Executive Independent Director

One meeting of the Remuneration Committee was held during the year on 30.07.2011. The Attendance of each member of the committee is given below.

Members	No. of Meeting Attended
Mr. Sushil Kumar Khowala	01
Mr. Malkeet Singh Saini	01
Mr. Brahma Vasudevan	01

REMUNERATION POLICY

The Company follows a market linked remuneration policy, which is aimed at attracting and retaining the best talent. Compensation is also linked to individual and team performance as they support the achievement of corporate goals. The Company does not, at present, have an Employee's Stock Option Plan.

REMUNERATION TO DIRECTORS

DETAILS OF REMUNERATION PAID TO ALL DIRECTORS IN THE FINANCIAL YEAR 2011-12

DIRECTOR	SITTING FEES (₹)	SALARY & PERQUISITES (₹)	TOTAL (₹)
Mr. Rajeev Singh Dugal, Managing Director	N.A	38,21,757.53	38,21,757.53
Mr. Jasjit Singh Dugal, Executive Director	N.A	9,36,000.00	9,36,000.00
Mr. Sushil Khowala, Independent Non Executive Director	25,000.00	N.A	25,000.00
Mr. Brahma Vasudevan, Independent Non Executive Director	Nil	N.A	Nil
Mr. Malkeet Singh Saini Independent . Non Executive Director	25,000.00	N.A	25,000.00
Mr. Sanjay Kukreja Independent Non Executive Director	Nil	N.A	Nil
GRAND TOTAL	50,000.00	47,57,757.53	48,07,757.53

There are no stock options available/issued to any Directors of the Company and this does not form a part of their contract with the Company. The Non Executive Independent Directors of the Company namely Mr. Sushil Kumar Khowala, Mr. Sanjay Kukreja and Mr. Malkeet Singh Saini do not hold any shares of the company as on 31.03.2012.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholder's Grievance Committee comprises of:

1. Mr. Sushil Kumar Khowala - Non Executive Independent Director
2. Mr. Malkeet Singh Saini - Non Executive Independent Director
3. Mr. Jasjit Singh Dugal - Whole Time Executive Director

Mr. Sushil Kumar Khowala, Non Executive Independent Director of the company is the Chairman of the Committee. The Committee inter alia approves issue of duplicate certificates and oversees and reviews all matters connected with the transfer of securities of the Company. The Committee also looks into redressal of shareholders' complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc. The Committee



oversees performance of the Registrar and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading Regulations), 1992. The Board has delegated the power of approving transfer of securities to the Managing Director and the Company Secretary.

6. COMPLIANCE OFFICER

During the financial year 2011-12, CS Nimesh Anand was the Compliance Officer for complying with the requirements of the SEBI (Prohibition of Insider trading) Regulations, 1992 and the Listing Agreement with the Stock Exchanges in India.

STATUS OF COMPLAINTS FOR THE PERIOD 2010-11

1. Number of complaints received from the investors comprising of Non-receipt of Dividend Warrants, Non-Receipt of Securities sent for transfer /transmission. Complaints received from SEBI etc.	15
2. Number of complaints resolved	15
3. Number of complaints not resolved to the satisfaction of the investors as 31st March, 2012	Nil
4. Complaints Pending as at 31 st March, 2012	Nil
5. Number of share transfer pending for approval as at 31st March, 2012	Nil

During the year ended 31st March, 2012, the Shareholder's Grievance Committee hold 07(Seven) meetings on 30.04.2011, 31.05.2011, 30.06.2011, 31.07.2011, 12.11.2011, 05.01.2012 and 31.03.2012 the same was duly approved by the members of the committee.

7. DISCLOSURES

- Materially significant related party transactions, which may have potential conflicts with the interests of the Company at large. - **None, except for the transactions specified in Note No. 35 of Notes to Financial Statement.**
- Details of non-compliances, penalties, strictures by Stock Exchanges/ SEBI/ Statutory Authorities on any matter related to capital markets during the last three years.- **None**
- Pecuniary relationships or transactions with Non-Executive Directors.- **None**

8. CODE OF CONDUCT

The Code of Conduct which has been formulated and implemented for all Board members and Senior Management of the company is in compliance with Clause 49 of the Listing Agreement. All Board members and senior management personnel has affirmed compliance of the "Code of Conduct for members of the Board and Senior Management" for the period in terms of Clause 49(ID)(I) of the Listing Agreement with the Stock Exchanges.

A declaration signed by the Managing Director is given below:

I hereby confirm that:

The Company has obtained affirmation from all the members of the Board and Senior Management that they have complied with the Code of Business Conduct and ethics for Directors and Senior Management in respect of the financial year 2011-12.

Sd/-

Rajeev Singh Dugal
Chairman & Managing Director

CEO / CFO CERTIFICATION

The CEO / CFO certification as required under Clause 49 is annexed hereto which forms part of this report.

GENERAL BODY MEETINGS

Location, date and time of the Annual General Meetings held during the preceding 3 financial years are as follows:-

YEAR	AGM/EGM	LOCATION	DATE
2008-2009	AGM	Sitaram Seksaria Auditorium, Bharatiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017	25.08.2009
2009-2010	AGM	The Golden park 13, Ho-Chi Minh Sarani Kolkata-700071	29.07.2010
2010-11	AGM	Kalakunj Auditorium, Kala Mandir 48, Shakespeare Sarani, Kolkata - 700 017	14.07.2011

No Postal Ballot was conducted during the year. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

SPECIAL RESOLUTIONS PASSED IN THE LAST 3 AGM'S

- Shifting of Index & Register of Members from Registered office to the office of Registrar & Share Transfer Agent at P-22 Bondel Road, Kolkata.
- Re-appointment of Mr. Rajeev Singh Dugal as the Managing Director of the company.
- Re-appointment of Mr. Jasjit Singh Dugal as the Whole Time Director of the company.

MEANS OF COMMUNICATION

- The Company publishes as per the Listing Agreement, the quarterly results in two widely circulated newspapers from Kolkata, namely:
English Newspaper : Business Standard/ The Financial Express
Bengali Newspaper : Kalantar
- Shareholding pattern and Quarterly Financial Results are accessible on NSE and BSE website
- Presentations were also made to the analysts, institutional investors, fund managers etc. from time- to- time.
- Management's Discussions & Analysis forms part of this Annual Report, which is posted to the shareholders of the Company.

**GENERAL SHAREHOLDERS' INFORMATION**

(i) AGM date, Time and Venue	2nd July 2012 At 10.00 hours at Kalakunj Auditorium, Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017
(ii) As required under clause 49IV(G), particulars of directors seeking appointment/ reappointment are annexed to the notice of the Annual General Meeting to be held on 02.07.2012	
(iii) Financial Year	The Financial year of the company is from April 1 to March 31, each year.
(iv) Key Financial Reporting Dates for the year 2012-13 1. For the quarter ending June 30, 2012. 2. For the quarter ending Sept 30, 2012 3. For the quarter ending Dec 31, 2012 4. For the year ending March 31, 2013	On or before 14.08.2012 On or before 14.11.2012 On or before 14.02. 2012 On or before 30.05. 2013
(v) Date of Book Closure	<i>The Share Transfer Books and the Register of Members shall remain closed from 28.06.2012 to 02.07.2012 (Both days Inclusive) notice to this effect has been sent to all Stock Exchanges where the shares of the company are listed as per the Listing Agreement.</i>
(vi) Dividend Payment Date	07.07.2012

LISTING ON STOCK EXCHANGE

A. Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal street, Mumbai 400001 B. National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex Bandra East Mumbai-400051.	
Stock code: Trading Symbol-	BSE : JMT Auto – 513691 NSE : JMTAUTO LIMITED Series : EQ
International Security Identification No. (ISIN) in NSDL and CDSL	INE 988E01010

The listing fees for the year 2012 -13 have been paid to the above Stock Exchanges in time as per the listing Agreement.

The Company has paid custodial fees for the year 2012-2013 to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on the basis of number of beneficial accounts maintained by them as on 31st March, 2012.

CREDIT RATING

CREDIT RATING AGENCY	LONG TERM/ MEDIUM TERM BANK FACILITIES
CRISIL	CRISIL BBB/Stable/CRISIL A3+

MARKET INFORMATION
BOMBAY STOCK EXCHANGE LIMITED

High, Low (based on closing prices) and average volume and average number of trades during each month in last financial year 2011-12.

MONTH	Bombay Stock Exchange			National Stock Exchange		
	HIGH (₹)	LOW (₹)	VOLUME OF SHARES TRADED	HIGH (₹)	LOW (₹)	VOLUME OF SHARES TRADED
11-Apr	80.00	68.15	79930	82.00	68.10	18837
11-May	78.00	64.05	17499	78.00	63.00	38294
11-Jun	76.90	67.10	6382	76.00	66.30	22324
11-Jul	76.85	66.00	4725	78.80	64.50	39707
11-Aug	74.80	56.10	35632	72.95	52.50	48658
11-Sep	72.75	56.00	28761	69.85	56.45	12031
11-Oct	68.85	48.20	254848	67.00	48.50	158734
11-Nov	68.95	51.00	9118	69.00	51.25	9117
11-Dec	60.10	50.10	4171	62.00	46.20	17053
12-Jan	64.70	50.10	9497	65.00	47.00	24182
12-Feb	68.00	55.10	12024	66.90	55.00	41337
12-Mar	64.90	52.40	32761	63.00	52.40	19272

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2012

RANGE OF SHARES	SHARES	FOLIOS	% SHARES	% FOLIOS
1-500	900781	7511	6.26	95.99
501-1000	143713	168	1.00	2.14
1001-2000	88654	57	0.62	0.73
2001-3000	63535	24	0.44	0.31
3001-4000	40272	11	0.28	0.14
4001-5000	55914	12	0.39	0.15
5001-10000	104459	13	0.73	0.17
10001-50000	460240	18	3.20	0.23
50001-100000	177672	3	1.23	0.04
MORE THAN ABOVE	12359964	7	85.86	0.10
TOTAL	14395204	7824	100.00	100.00

REGISTRAR AND SHARE TRANSFER AGENTS

Members are requested to correspond with the Company's Registrar & Share Transfer Agents for both connectivity (Physical and Electronic)

M/S C B Management Services Pvt. Ltd.

P- 22, Bondel Road

Kolkata - 700 019

Telephone: 033-40116722/40116726

Fax: (033) 2287 0263

E-mail: rta@cbmsl.com/tkb.official@gmail.com

SHARE TRANSFER SYSTEM

Shares lodged for transfer at the Registrar's address are normally processed within 30 days, from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 21 days. Grievances received from members and other miscellaneous correspondence regarding change of address, mandates, etc. are processed by the Registrars within 30 days.

SHAREHOLDERS' SERVICES, ENQUIRIES & COMPLAINTS

It has been our endeavor to provide prompt, efficient and satisfactory services to our esteemed shareholders. We have taken special care in answering the queries of shareholders within the shortest possible time frame. We provide shareholder services in the following time frame:

Nature of Query	No. of days for Disposal
Share Transfers	30 days
Demat of Shares	15 days
Dividend Revalidation	15 days
Issue of New Shares on surrender of old	30 days
Change of address/ Bank Mandate	7 days
General Queries	10 days

SHAREHOLDING PATTERN

CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
A. PROMOTERS HOLDING		
1. INDIAN		
Individuals/HUF	1322399	9.18
Bodies Corporate	6022555	41.84
Sub-Total	7344954	51.02
2. FOREIGN		
Total Shareholding of Promoter & Promoter Group	7344954	51.02
B. PUBLIC SHAREHOLDING		
1. Institutions		
Mutual Funds and UTI	4800	0.03
Foreign Institutional Investors		
2. Non-Institutions		
a. Bodies Corporate	991996	6.88
b. Individuals		
Holding nominal share capital up to Rs.1 lac	1257498	8.74
Holding nominal share capital in excess of Rs.1 lac	299298	2.08
C. Any other		
Non-resident Indians	101831	0.71
Foreign Bodies Corporate/ OCB	4387491	30.48
Clearing Members	7336	0.05
Sub -Total	7050250	48.98
C. Shares held by custodians & against which Depository receipts have been issued	-	-
GRAND TOTAL	14395204	100.00

**DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The shares of the Company are compulsorily traded in dematerialized form as per SEBI guidelines with effect from 25th January, 2002.

The Company's shares are traded in the depository systems of both NSDL and CDSL. As on 31st March, 2011, 95.05 % of the equity capital exists under the electronic form. The equity shares of the Company are actively traded on BSE and NSE.

PLANT'S LOCATIONS

The Company has the following manufacturing and operating divisions:

Sl. No.	Work Unit Description	Location /Address
(i)	Works Unit-I	A-20, Phase-1, Industrial Area, Adityapur, Jamshedpur-832109
(ii)	Works Unit-II&III	C-19 &20, D-2-3, D-8-12, NS-29-34, 7th Phase, Industrial Area, Adityapur, Jamshedpur-832109
(iii)	Work Unit-IV (Foundry)	Notandih, Kandra Chauka, Main Road, Dist: Seraikela, Kharsawan
(iv)	Works Unit-V (Forging)	A-45, A-46, A-47, A-48(P) & M-2 At Large Sector, Gamharia.
(v)	Works Unit-VI	NS-57, 7th PHASE, Industrial Area, Adityapur, Jamshedpur- 832109
(vi)	Works Unit-VII (Lucknow)	Village - Naubasta, Kalan, Lucknow, On Line Mark (Deva to Naubasta Marg), Uttar Pradesh
(vii)	Work Unit at Dharwad	1. Plot No. 222, KIADB, Belur, Industrial Growth Centre Dharwad-580011, Karnataka 2. Plot No. 224-A, KIABD, Belur Industrial Growth Centre, Belur, Dharwad-580011, Karnataka 3. Block No. 2, KIABD, Belur Industrial Estate, Growth Centre, Garag Road, Mummigatti Dharwad-580007, Karnataka

INVESTORS' CORRESPONDENCE

Transfer of shares and communication regarding share certificates, dividends and change of address and any other queries relating to the shares of the Company.	(i) JMT Auto Limited 224, A.J.C. Bose Road, Krishna Building, 9 th Floor, Room No. 902, Kolkata-700017 Tele : 033-30581043
	(ii) JMT AUTO LIMITED C-19 & 20, 7th Phase, Industrial Area Adityapur, Jamshedpur- 832109 Phone No. 657 6626340/6626333. Fax : (0657) 2200 749 E-mail : jmt.cs@jmtauto.com . jmtauto@jmtauto.com
	(iii) Registrar & Share Transfer Agent C B Management Services Pvt. Ltd. P- 22, Bondel Road, Kolkata - 700 019 Telephone: 033-40116722/40116726 Fax : (033) 2287 0263 E-mai : rta@cbmsl.com , tkb.official@gmail.com

**TRANSFER OF UNPAID /UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

During the Financial year 2011-12, unpaid / unclaimed dividend for the year 2003-04 amounting to Rupees Four Lacs forty two thousand eight hundred thirty one only (Rs. 4,42,831.00 only) was transferred to the Investor Education and Protection Fund established by Central Government pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

Further in the year 2012-13 also amount remained unclaimed and unpaid for a period of seven years from the date they become due for payment is required to be transferred to Investor Education and Protection Fund and no claim shall lie against the Fund or the Company in respect of individual amounts which are transferred to Investor Education and Protection Fund. In the view of this members are requested to claim the amount belonging to them, lying in the Unpaid Dividend accounts by making a request addressing to:

1.) M/s C.B. Management Services (P) Limited
Registrar and Share transfer Agents
P-22, Bondel Road
Kolkata-700019

Or

2.) Company Secretary
JMT Auto Limited
Room No. -9, 9th Floor
Krishna Building
224, AJC Bose Road
Kolkata-700017

DATES FOR TRANSFER OF UNPAID DIVIDEND TO IEPF

Year	Nature of Dividend	Date of Declaration	Date after which Unpaid amount be transferred to IEPF within 30 days
2004-05	Final	10th Aug 2005	10th Aug 2012
2005-06	Final	20th July 2006	20th July 2013
2006-07	Final	25th Aug 2007	25th Aug 2014
2007-08	Final	12th Sep 2008	12th Sep 2015
2008-09	Final	25th Aug 2009	25th Aug 2016
2009-10	Final	29th July 2010	29th July 2017
2010-11	Final	14th July 2011	14th July 2018

SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

The Securities and Exchange Board of India has directed vide circular no. D&CC/FITTC/CIR - 16/2002 dated December 31, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories' viz. NSDL and CDSL and in physical form with the total issued/ paid up capital.

In compliance with this requirement, the company has submitted a certificate duly certified by a qualified practicing company secretary, to the stock exchanges where securities of the company are listed within 30 days of the end of each quarter and the certificates were also placed before the Board of Directors of the company from time to time.



Certification by Chairman cum Managing Director and Chief Financial Officer of the Company

To,
The Board of Directors
JMT Auto Limited,
224, A.J.C. Bose Road,
Krishna Building,
9th Floor, Room No.902,
Kolkata-700017

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement, We, Mr. Rajeev Singh Dugal, Chairman cum Managing Director and Mr. Harjinder Singh- Chief Financial officer of the company, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2012 and to the best of our knowledge, belief and information:
 - i) These statements do not contain any materially untrue statements or omit any material facts 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, belief and information no transactions entered into by the Company during the financial year 2011-12 are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and that we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
- (d) We have indicated to the auditors and the Audit Committee:
 - i. Significant changes in the internal control during the year
 - ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (e) We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board members and senior management personnel have affirmed compliance of Code of Conduct for the year 2011-12.

For JMT AUTO LIMITED

Place : Kolkata
Date : 25-05-2012

Rajeev Singh Dugal
Chairman cum Managing Director

Harjinder Singh
Chief Financial Officer



AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

CERTIFICATE

To the Members of JMT Auto Limited

We have examined the compliance of conditions of Corporate Governance by JMT Auto Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreements 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 the Corporate Governance. It is neither an audit nor 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 with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of JMT Auto Ltd nor the efficiency with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 302009E)

Place : Kolkata
Date : 25th May, 2012

A. Bhattacharya
Partner
(Membership No. 054110)

AUDITORS' REPORT TO THE MEMBERS OF JMT AUTO LIMITED

1. We have audited the attached Balance Sheet of JMT Auto Limited (the "Company") as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both 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.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. 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 the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We report that:
As indicated in Note 35 to the Financial Statement the Central Government's approval under section 297 of the Companies Act, 1956 is awaited in respect of certain transactions (purchase and sale of goods and services indicated therein) aggregating to Rs 84.95 lakhs. (previous year - Rs. 127.67 lakhs).
5. Further to our comments in the Annexure referred to in paragraph 3 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 purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (v) *Subject to the matter described in paragraph 4 above*, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, 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 31st March, 2012;
 - (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
6. On the basis of the written representations received from the Directors as on 31st March, 2012 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 302009E)

A. Bhattacharya
Partner

(Membership No. 054110)

Kolkata, May 25, 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, clauses (vi), (x), (xii), (xiii), (xiv), (xviii), (xix) and (xx) of CARO are not applicable.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
- a) The Company has taken loans aggregating Rs300 lakhs from one party during the year. At the year-end, the outstanding balance of such loans taken aggregated Rs300 lakhs and the maximum amount involved during the year was Rs300 lakhs (number of parties one).
- b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.
- c) The payments of principal amounts and interest in respect of such loans are regular/as per stipulations.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases for which comparable quotations are not available and in respect of which we are unable to comment.



- (vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management needs to be strengthened to make it commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2012 on account of disputes.
- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xii) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xiv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 302009E)

A.Bhattacharya
Partner
(Membership No. 054110)

Kolkata, May 25, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

₹ In Lakhs

	Note	As at 31.03.2012	As at 31.03.2011
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	03	1,439.52	1,439.52
(b) Reserves and Surplus	04	<u>11,674.87</u>	<u>10,233.71</u>
		13,114.39	11,673.23
(2) Non-Current Liabilities			
(a) Long Term Borrowings	05	6,036.65	3,473.46
(b) Deferred Tax Liabilities (net)	06	2,037.11	1,860.99
(c) Long-Term Provisions	07	<u>39.92</u>	<u>58.64</u>
		8,113.68	5,393.09
(3) Current Liabilities			
(a) Short-Term Borrowings	08	9,076.82	8,943.90
(b) Trade Payables	09	6,065.10	5,466.54
(c) Other Current Liabilities	10	2,239.51	2,976.64
(d) Short-Term Provisions	11	<u>261.05</u>	<u>105.52</u>
		17,642.48	17,492.60
TOTAL		<u>38,870.55</u>	<u>34,558.92</u>
(II) ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	12A	20,936.96	17,732.85
(ii) Intangible Assets	12B	11.99	24.36
(iii) Capital Work-in-Progress		<u>727.55</u>	<u>593.69</u>
		21,676.50	18,350.90
(b) Non-Current Investments	13	1.15	1.15
(c) Long-Term Loans and Advances	14	<u>822.27</u>	<u>557.50</u>
		22,499.92	18,909.55
(2) Current assets			
(a) Inventories	15	10,309.59	10,497.14
(b) Trade Receivables	16	4,309.03	3,322.37
(c) Cash and Cash Equivalents	17	523.73	427.83
(d) Short-Term Loans and Advances	18	1,221.90	1,399.85
(e) Other Current Assets	19	<u>6.38</u>	<u>2.18</u>
		16,370.63	15,649.37
TOTAL		<u>38,870.55</u>	<u>34,558.92</u>

The Notes referred to above form an integral part of the Financial Statements
In terms of our report attached

For and on Behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Executive Director

A. Bhattacharya
Partner

Harjinder Singh
Chief Financial Officer

Nimesh Anand
Company Secretary

Jamshedpur, May 25th 2012

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

₹ In Lakhs

	Note	Year Ended 31.03.2012	Year Ended 31.03.2011
I Revenue from Operations (gross)	22	39,252.44	31,574.10
Less: Excise Duty		2,907.85	2,397.41
Revenue from Operations (net)		36,344.59	29,176.69
II Other Income	23	658.83	201.78
III Total Revenue (I + II)		37,003.42	29,378.47
IV EXPENSES			
(a) Cost of Materials Consumed	24	15,897.65	12,723.79
(b) Changes in Inventories of Finished Goods and Work in Progress	25	(16.64)	(227.08)
(c) Employee Benefits Expense	26	1,236.47	1,119.52
(d) Finance Costs	27	2,035.17	1,749.69
(e) Depreciation and Amortization Expense	12	1,955.71	1,817.90
(f) Other Expenses	28	13,541.34	10,740.96
Total Expenses (IV)		34,649.70	27,924.78
V Profit Before Tax (III - IV)		2,353.72	1,453.69
VI Tax Expense			
(1) Current Tax {net off excess provision of earlier years Rs Nil (Previous Year Rs. 67.94 Lakhs)}		569.14	269.61
(2) Deferred Tax		176.13	202.28
Total tax expense		745.27	471.89
VII Profit for the Year (V - VI)		1,608.45	981.80
VIII Earnings per Equity Share:	37		
(1) Basic		11.17	6.82
(2) Diluted		11.17	6.82

The Notes referred to above form an integral part of the Financial Statements
In terms of our report attached

For and on Behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Executive Director

A. Bhattacharya
Partner

Harjinder Singh
Chief Financial Officer

Nimesh Anand
Company Secretary

Jamshedpur, May 25th 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

₹ In Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
A. Cash Flow from Operating activities:		
Net Profit/(Loss) before taxes	2,353.72	1,453.69
Adjustments for:		
Depreciation and amortisation for the current period	1,955.71	1,817.90
Finance costs	2,035.17	1,749.69
Bad Debts written off	391.22	120.31
Interest income	(29.31)	(45.03)
Unrealised exchange loss / (gain)	(120.49)	18.89
(Gain)/Loss on Disposal of Fixed Assets	0.17	2.34
Sundry Balance and Excess provision written off (net)	(19.62)	(7.28)
Operating profit/(loss) before working capital changes	6,566.57	5,110.51
Adjustments for (increase)/decrease in operating assets		
Inventories	187.55	(289.01)
Trade receivables	(1,322.60)	(876.85)
Short-term loans and advances	177.95	(278.74)
Long-term loans and advances	(210.56)	(18.89)
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	637.67	1,863.70
Other current liabilities	(2.81)	(260.85)
Short-term provisions	(3.22)	17.24
Long-term provisions	(18.72)	24.16
Cash from/ (used in) operations	6,011.83	5,291.27
Direct taxes (paid)/refunded	(493.47)	(305.59)
Net cash used in operating activities	5,518.36	4,985.68
B. Cash Flow from Investing activities:		
Purchase of fixed assets	(5,213.64)	(3,133.42)
Sale of fixed assets	3.60	11.10
Capital Subsidy Received	-	500.00
Purchase/sale of Investments(net)	-	(0.15)
Fixed Deposit placed with banks having original maturity over three months	(133.18)	(76.96)
Fixed Deposit placed with banks matured having original maturity over three months	162.99	33.50
Interest received from investments / agencies (Bank etc.)	25.12	44.60
Net cash used in investing activities	(5,155.11)	(2,621.33)
C. Cash Flow from Financing activities:		
Proceeds from long term borrowings	6,798.27	1,817.05
Repayment of long term borrowings	(6,024.99)	(3,638.81)
Net (decrease)/increase in overdraft/cash credit facilities	1,149.99	1,398.76
Finance costs paid	(2,076.59)	(1,834.10)
Dividend Paid (Including Corporate Dividend Tax)	(84.21)	(42.11)
Net cash from financing activities	(237.53)	(2,299.21)
Net increase or decrease in cash or cash equivalents	125.72	65.14
Cash and cash equivalents as at 1st April ¹	301.40	236.26
Cash and cash equivalents as at 31st Mar ¹	427.12	301.40
Earmarked Balances with Banks	96.61	126.43
Cash and Bank balances at the end of the year	523.73	427.83

Notes : 1. Includes cash on hand, balance in current accounts with banks and fixed deposit having original maturity of less than three months

2. Figures in brackets represent outflows

In term our report attached

For and on Behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Executive Director

A. Bhattacharya
Partner

Harjinder Singh
Chief Financial Officer

Nimesh Anand
Company Secretary

Jamshedpur, May 25th 2012



Notes to Financial Statements

1. Corporate Information

JMT Auto Limited incorporated as Public Limited Company is into the business of manufacturing of Auto Components. The core competency of the Company is into manufacturing of Gear and Transmission parts. The Manufacturing facilities are located in Jamshedpur, Jharkhand and Dharwad, Karnataka. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

2. Summary of significant accounting policies

Basis of accounting and preparation of financial statements and use of estimate

- 2.1 The financial statements are prepared under historical cost convention on going concern and on accrual basis and are in compliance with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.
- 2.2 The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Revenue Recognition

Sales of goods

Revenue from sale of goods is recognized on transfer of all significant risks and rewards to the buyer, which generally coincides with delivery.

Sale of Services

Revenue from sale of services recognised on basis of completion of service

Other income

Interest income is accounted on accrual basis.

2.4 Fixed Asset (Tangible and Intangible)

- a) Fixed Assets (comprising both tangible and intangible) are stated at cost of acquisition / construction inclusive of duties (net of CENVAT), taxes, incidental expenses and erection / commissioning expenses up to the date the asset is ready for intended use.

2.5 Depreciation

- a) Depreciation (including amortization) is provided using straight-line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956, except for certain items of Plant and Machinery, which are depreciated @ 20% on Straight Line method. Leasehold Land is being amortized over the tenure of respective leases.
- b) Additions / deletions during the year are depreciated pro-rata from the date of such addition / deletion except assets costing below Rs. 5000/- which are fully depreciated in the year they are put to use.
- c) Intangible Asset (Computer Software) is amortized over a period of five years.
- d) Intangible assets are amortised over their estimated useful life as follows:

Software- 5 Years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.



2.6 Foreign Currency Transaction

- a) Foreign Currency transactions during the year are recorded at the rates of exchange prevailing on the date of transactions.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is amortized over the life of the contract.

2.7 Government grants, subsidies and export incentives

Government grants

Government grants in the nature of promoters' contribution are credited to Capital Reserve.

Export Incentives

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.8 Inventories

Inventories other than raw material, stores and spares are valued at lower of cost and net realizable value. Cost is determined under weighted cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

2.9 Investment

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.10 Retirement Benefits

(a) Short term benefits

The undiscounted amount of short - term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

(b) Post Employment Benefit plans

Contributions under Defined Contribution plans payable in keeping with the related schemes are recognized as expense for the year. For Defined Benefit plans, the cost of providing benefits is determined using the projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in full in the statement of profit and loss for the period in which they occur, past service cost is recognized immediately to the extent that the benefits are already vested , and otherwise is amortized on a straight - line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

(c) Other Long - term Employee Benefits (unfunded)

The cost of providing long - term employee benefits is determined using projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognized immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognized in the Balance Sheet represents the present value.

2.11 Income Taxes

- (a) Tax expense comprises of Current and Deferred Tax. Current Tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Indian Income Tax Act, 1961.



- (b) Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Profit and Loss Account and the cumulative effect thereof is reflected in the Balance Sheet. The major component of the respective balances of Deferred Tax Assets and Liabilities are disclosed in the Financial Statements. Deferred tax assets are reviewed at each Balance Sheet date to reassess realization.

2.12 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is an asset that takes necessarily substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to Profit and Loss Account.

2.13 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.14 Impairment of Asset

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

2.15 Provisions and Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote.

2.16 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

**03 Share Capital**

₹ In Lakhs

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
(a) Authorised:		
15,000,000 (31.03.2011: 15,000,000) Equity Shares of Rs. 10 each	1,500.00	1,500.00
	1,500.00	1,500.00
(b) Issued, Subscribed and Fully Paid up:		
14,395,204 (31.03.2011: 14,395,204) Equity Shares of Rs. 10 each	1,439.52	1,439.52
Refer Notes (i) to (iii) below		
3 (i) Reconciliation of number of Equity Shares		
Balance as at the beginning of the year	14,395,204	14,395,204
Balance as at the end of the year	14,395,204	14,395,204
3 (ii) Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company		

Name of the Share holder	<u>As at 31.03.2012</u>		<u>As at 31.03.2011</u>	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RSD Finance Limited	5,195,101	36.09%	5,113,293	35.52%
Bach Limited	4,387,491	30.48%	4,387,491	30.48%
Rajeev Singh Dugal	1,319,521	9.17%	1,315,968	9.14%

3. (iii) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

04 Reserves and Surplus

₹ In Lakhs

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
Capital Reserve		
Opening Balance	525.50	25.50
Add: Addition during the year*	—	500.00
Closing Balance	525.50	525.50
Securities Premium Reserve (at the beginning and end of the year)	4,198.21	4,198.21
General Reserve (at the beginning and end of the year)	1,097.94	1,097.94

	₹ In Lakhs	
Surplus in the Statement of Profit and Loss	As at 31.03.2012	As at 31.03.2011
Opening Balance	4,412.06	3,514.47
Add: Profit for the year	1,608.45	981.80
Less:		
Proposed Dividend on Equity Shares for the year	143.95	71.98
Tax on proposed equity dividend	23.34	12.23
Closing Balance	5,853.22	4,412.06
Total Reserve and Surplus	11,674.87	10,233.71

*Capital Subsidy Received from the state government

05 Long Term Borrowings

	₹ In Lakhs	
	As at 31.03.2012	As at 31.03.2011
I. Secured		
Term Loans		
(1) From Banks		
i) State Bank Of India (SBI)* (1)	140.00	472.37
ii) IDBI Bank Limited (IDBI) * (1)	2,029.97	2,548.11
iii) Bank of India (BOI)* (2)	1,413.60	26.81
iv) HDFC Bank Limited (3)	3.69	9.51
(2) From Others		
- Tractors and Farm Equipment Limited (TAFE) (4)	277.60	416.66
- L&T Finance Ltd (5)	1,150.00	—
- Tata Capital Limited * (5)	720.00	—
- Tata Motors Finance Limited (TMF) (3)	1.79	—
Total Secured Borrowings	5,736.65	3,473.46
II. Unsecured		
Loan from related party		
(1) RSD Finance Ltd (6)	300.00	—
Total Long Term Borrowing	300.00	—
Total Borrowings	6,036.65	3,473.46

Notes:

- Term Loans from Banks (SBI and IDBI) are secured by a first pari passu charge over entire fixed assets of the Company both present and future except for the assets exclusively financed out of the loans from other banks and others along with second pari passu charge on entire current assets of the Company.
Loans from SBI will be payable in quarterly instalments (ranging between 1 and 7) with effect from 1st April, 2012 and carrying variable rate of interest, presently ranging between 13.75% and 14.75%.



Loans from IDBI are repayable in quarterly instalments (ranging between 16 and 18) with effect from from 1st April, 2010 and carrying variable rate of interest, presently ranging between 13.75% and 16.00%.

2. Term Loan from Banks (BOI) are secured by First pari passu charge on Plant & Machinery Purchased out of Bank of India Finance and 2nd pari passu charge on the remaining Block of assets of the Company.

Loan is repayable in 20 quarterly instalments beginning 30th September, 2012 and carrying variable rate of interest, presently at 13.50%.

3. Loans from HDFC Bank Limited and TMF are secured by way of hypothecation on the Vehicles financed by them. Loan from HDFC Bank Limited is repayable in 36 monthly instalments commenced from 7th December, 2010 and carrying fixed rate of interest of 10%.

Loan from TMF is repayable in 36 monthly instalments commenced from 7th August, 2011 and carrying fixed rate of interest of 13.5%

4. Term Loan from Others (Tractors and Farm Equipment Limited) is secured by hypothecation of certain Machinery. Loans are repayable in 36 quarterly instalments commenced from 1st October, 2011 and carrying fixed rate of interest of 10%.

5. Term Loans from L&T Finance is to be secured by a first pari passu charge over moveable and immoveable fixed assets of the Company both present and future. Term loans from Tata Capital is to be secured by 1st pari passu charge with other banks/FIs on entire Fixed assets of the Company but excluding the assets specifically charged/ proposed to be charged to other Banks or Financial Institutions. Further the above Term Loan from Tata Capital Ltd. is to be covered by irrevocable and unconditional corporate guarantee of M/s. RSD Finance Limited and M/s Precision Automotive Co. Pvt. Ltd (Group Companies).

Loan from L&T Finance are repayable in 24 quarterly instalments commencing from 13th May, 2013 and carrying fixed rate of interest of 13%.

Loan from Tata Capital is repayable in 18 quarterly instalments commencing from 15th December, 2012 and carrying variable rate of interest, presently at 13.50%.

6. Loan from RSD Finance Ltd is repayable in lump sum in March 2015 and carrying fixed rate of interest at 12% p.a. on quarterly basis.

* The loans are also covered by the personal guarantee of a Director of the Company

06 Deferred Tax Liabilities (net)

₹ In Lakhs

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
Deferred Tax Liability		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	2,050.89	1,869.26
Gross Deferred Tax Liability	2,050.89	1,869.26
Deferred Tax Asset		
Provision for Gratuity	7.34	7.43
Provision for Leave Encashment	6.44	0.84
Gross Deferred Tax Asset	13.78	8.27
Total	2,037.11	1,860.99

07 Long-Term Provisions

	As at 31.03.2012	As at 31.03.2011
(a) Provision for employee benefits		
(i) Gratuity	21.94	42.55
(ii) Compensated Absenses	17.98	16.09
Total Provisions	39.92	58.64

08 Short Term Borrowings

	As at 31.03.2012	As at 31.03.2011
I. Secured		
Loan Repayable on Demand From Banks		
(1) State Bank of India		
i) Cash Credit	-	2,621.56
(2) IDBI Bank Limited * (1)		
i) Cash Credit	1,296.14	973.15
ii) Pre Shipment Credit Facility (PCFC)	507.38	1,649.24
iii) Short Tem Loan	500.00	600.00
(3) Bank of India (BOI)*		
i) Cash Credit (2)	2,780.98	3,099.95
(4) Axis Bank * (3)		
i) Cash Credit	275.52	-
ii) Working Capital Demand Loan	2,700.00	-
II. Unsecured		
(1) Loan Repayable on Demand From Bank	1,016.80	-
HDFC Bank PCFC		
Total Short Term Borrowing	9,076.82	8,943.90

Notes:

- All the above facilities from IDBI are secured by first pari passu charges on all current assets and second charge on entire fixed asset of the Company, both present and future.
- Working capital facilities from BOI are secured by first pari passu charge on entire current assets of the company both present and future second pari passu charge on the remaining block of assets of the company.
- Working Capital facilities from Axis Bank Ltd. are secured by first pari passu charge on all the current assets of the company and second pari passu charge on all the fixed assets, present and future, of the company.

Further the above facilities from BOI and Axis Bank are covered by irrevocable and unconditional corporate guarantee of M/s. RSD Finance Limited and M/s Precision Automotive Co. Pvt. Ltd (Group Companies).

* The loans are also covered by the personal gurantee of a Director of the Company

09 Trade and other payables

₹ In Lakhs

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
Trade Payables		
Acceptances*	649.42	999.88
Other than Acceptances	5,415.68	4,466.66
Total Trade Payables	<u>6,065.10</u>	<u>5,466.54</u>

*Includes Rs. 545.26 lakhs and Rs. 104.16 lakhs (Previous year Rs. 999.88 lakhs and Nil) discounted from SIDBI and IDBI.

The Company has not received information from vendors regarding their status under the Micro, small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.

10 Other Current Liabilities

₹ In Lakhs

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
(a) Current maturities of long-term debt	1,760.68	2,579.24
(b) Interest accrued and not due on borrowings	29.45	-
(c) Interest accrued and due on borrowings	39.46	27.49
(d) Unpaid dividends **	18.25	20.72
(e) Advances received from customers	25.42	10.07
(f) Other Payable		
i). Statutory Dues (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	37.88	128.24
ii). Payables on purchase of fixed assets	287.31	160.27
iii). Other credit balances	41.06	50.61
Total Other current liabilities	<u>2,239.51</u>	<u>2,976.64</u>

** There are no amount due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

11 Short-Term Provisions

₹ In Lakhs

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
(a) Provision for employee benefits		
(i) Compensated Absences	1.27	4.50
(b) Provision for Taxes	92.48	16.81
(net of advance tax Rs 818.57 Lakhs (As at 31 March 2011 Rs 285.00 Lakhs)		
(c) Proposed Dividends	143.95	71.98
(d) Provision for Corporate Tax On Dividend	23.35	12.23
Total Provisions	<u>261.05</u>	<u>105.52</u>



₹ In Lakhs

12A Tangible Assets

	Gross Block - at Cost			Depreciation / Amortisation			Net Block			
	Gross Block as at April 1, 2011	Additions	Deletions/ Adjustments	Gross Block as at March 31, 2012	Accumulated Depreciation/ Amortisation as at April 1, 2011	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Accumulated Depreciation/ Amortisation as at March 31, 2012	Net book value as at March 31, 2012	Net book value as at March 31, 2011
Own Assets										
Leasehold Land	192.18	158.03	-	350.21	14.83	1.72	-	16.55	333.66	177.35
Freehold Land	54.66	14.20	-	68.86	-	-	-	-	68.86	54.66
Building	4,770.36	675.03	-	5,445.39	722.88	164.56	-	887.44	4,557.95	4,047.48
Plant and Machinery	22,857.60	4,224.72	-	27,082.32	9,605.31	1,733.23	-	11,338.54	15,743.78	13,252.29
Furniture and Fittings	177.86	25.09	-	202.95	82.04	12.06	-	94.10	108.85	95.82
Vehicles	92.45	8.22	9.24	91.43	43.72	7.53	5.47	45.78	45.65	48.72
Office Equipments	88.42	26.96	-	115.38	50.59	14.77	-	65.36	50.02	37.83
Computers	163.44	18.97	-	182.41	144.75	9.47	-	154.22	28.19	18.70
Total	28,396.97	5,151.22	9.24	33,538.95	10,664.12	1,943.34	5.47	12,601.99	20,936.96	17,732.85
Previous Year	25,616.31	2,799.76	19.10	28,396.97	8,862.62	1,807.16	5.66	10,664.12	17,732.85	

12B Intangible Assets

Computer Software - Acquired	53.68	-	-	53.68	29.32	12.37	-	41.69	11.99	24.36
Total	53.68	-	-	53.68	29.32	12.37	-	41.69	11.99	24.36
Previous Year	53.68	-	-	53.68	18.58	10.74	-	29.32	24.36	

Note:

- (i) Freehold land includes Land amounting to Rs 12.65 Lakhs held in the name of individual directors in view of the constraints of local legislation.
- (ii) Legal formalities relating to conveyance of building acquired during the year having book value (Gross) Rs 46.98 Lakhs (March 31, 2011 : NIL) are pending completion.

13 Non-Current Investments

₹ In Lakhs

Trade	As at 31.03.2012	As at 31.03.2011
Unquoted Equity Investments other than Subsidiary		
Nicco Jubilee Park Limited		
10,000 (As at 31 March, 2011: 1,0000) equity shares of Rs 10 each fully paid up	1.00	1.00
Less: Provision for other than temporary diminution	<u>(1.00)</u>	<u>(1.00)</u>
Jaimex International Private Limited		
10,000 (As at 31 March, 2011: 1,0000) equity shares of Rs 10 each fully paid up	1.00	1.00
Less: Provision for other than temporary diminution	<u>(1.00)</u>	<u>(1.00)</u>
Adityapur Auto Cluster		
10,000 (As at 31 March, 2011: 1,0000) equity shares of Rs 10 each fully paid up	1.00	1.00
Government and Trust Securities		
National Savings Certificate	0.15	0.15
	<u>1.15</u>	<u>1.15</u>
Aggregate amount of unquoted investments	3.15	3.15
Aggregate provision for diminution in value of investments	2.00	2.00

14 Long-Term loans and Advances

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
Loans and advances (Unsecured, considered good)		
(a) Capital advances	365.33	311.12
(b) Security deposits	456.94	246.38
Loans and advances	<u>822.27</u>	<u>557.50</u>

15 Inventories

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
(a) Raw materials (At or under cost) (Includes in transit: Rs. 63.41 Lakhs, March 31, 2011: Rs. 55.49 Lakhs)	1,735.27	2,075.48
(b) Work - in - Progress (At lower of cost or net realisable value)	7,484.36	7,301.94
(c) Finished goods (At lower of cost or net realisable value)	442.57	608.36
(d) Stores and spares (At or under cost)	647.39	511.36
Total Inventories	<u>10,309.59</u>	<u>10,497.14</u>

Note: Details of inventory of work-in-progress

₹ In Lakhs

Particulars	As at 31 March, 2012	As at 31 March, 2011
Gears	2,691.09	2,307.57
Excavator Components	1,138.24	1,212.59
Assembly Components	2,368.97	2,563.68
Shaft Components	1,277.53	1,100.04
Axle Components	5.63	72.80
Engine Components	2.90	45.26
	7,484.36	7,301.94

16 Trade Receivables

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
(Unsecured, considering good)		
(1) Outstanding for a period exceeding six months from the date they are due for payment*	448.91	611.49
	448.91	611.49
(2) Other Debts	3,860.12	2,710.88
	3,860.12	2,710.88
Total Current Trade Receivables	4,309.03	3,322.37

*Includes amount due from private companies in which director is a director/member

Name	Amount in ₹	
Omega Automotive Pvt. Ltd.	440,725	(Previous Year: 228,173)
Prestige Equipments Pvt Ltd.	Nil	(Previous Year: 32,762)

17 Cash and cash equivalents

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
Cash and Cash equivalents		
(a) Cash on hand	3.87	3.05
(b) Cheque on hand	300.00	-
(c) Balances with banks		
(i) In Current Account	89.39	277.63
(ii) EEFC Account	1.43	0.00
(iii) In earmarked accounts		
- Unpaid dividend accounts	18.25	20.72
- Balances held as security against borrowings, guarantees and other commitments	110.79	126.43
Total cash and cash equivalents	523.73	427.83
Note: Balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements are	427.12	301.40

18 Short Term Loans and Advances

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
(Unsecured, considered good)		
(a) Loans & advances to related parties*	—	28.57
(b) Security Deposit	11.96	11.16
(c) Loans and advances to employees	25.86	12.49
(d) Balances with government authorities		
- Balance with Central Excise	541.04	435.07
- Balance with Sales Tax	53.15	61.47
(e) Other Advances**	589.89	851.09
Loans and advances	1,221.90	1,399.85

*Includes amount due from private companies in which director is director/member

Name	Amount in ₹	
Precision Automotive Co. Pvt. Ltd.	Nil	(31 March 2011: 1,629,927)
PACO Allen Auto Pvt. Ltd.	Nil	(31 March 2011: 1,226,598)

** Other Advances includes :

Particulars	As at 31.03.2012	As at 31.03.2011
Export Incentive	21.67	-
Advances paid to Creditors	416.87	476.09
Receivable from Government - Subsidy Income	151.35	375.00

19 Other Current Assets

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
Interest accrued on deposits, loans and advances	6.38	2.18
Total Other current assets	6.38	2.18

20 Contingent Liabilities

₹ In Lakhs

	As at 31.03.2012	As at 31.03.2011
Contingent Liabilities not provided for		
- Claims made against the Company but not acknowledged as debts		
1) Jharkhand State Electricity Board towards fuel surcharge and delayed payment surcharge	16.85	46.20
2) In respect of bills discounted with Bank	71.94	95.95

21 Capital and other commitments

₹ In Lakhs

a) Capital Commitments	As at 31.03.2012	As at 31.03.2011
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances):	483.79	1681.71
b) Other Commitments		
Export obligation against import of capital goods under EPCG Scheme	946.89	992.73

22 Revenue from operations

₹ In Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
(a) Revenue from Operations		
(i) Sale of products (Refer Note (i) and (ii) below)	36,998.49	29,661.02
(ii) Sale of Services	2,168.51	1,836.41
(b) Other operating income		
(i) Export Incentive	85.43	76.67
Total Revenue from Operations (gross)	39,252.43	31,574.10

Note (i)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
A) Sale of products comprises:		
Gears	16,413.45	14,213.25
Assembly Components	8,001.77	7,329.22
Shaft Components	4,547.90	1,847.33
Excavator Components	4,194.64	3,257.64
Engine Components	1,466.64	1,267.28
Axle Components	442.83	216.12
Others	1,931.26	1,530.18
Total - Sale of Product	36,998.49	29,661.02
B) Sale of services comprises :		
Job Work on Auto Components	2,168.51	1,836.41
Total - Sale of services	2,168.51	1,836.41

Note (ii)

The sales amount excludes Value Added Tax (VAT)/Central Sales Tax (CST) amounting to Rs. 1762.84 Lakhs (31 March, 2011 : 1223.19 Lakhs)

23 Other Income

₹ In Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
(a) Interest Income		
(i) On Fixed Deposits	9.82	5.97
(ii) Others (Security Deposit)	19.49	39.06
(b) Discount Received	64.38	20.06
(c) Insurance Claim	16.60	4.59
(d) Liabilities no longer required written back	19.62	7.28
(e) Rent Received	1.56	0.36
(f) Subsidy Income	311.97	88.89
(g) Gain on one time settlement of loan	-	26.73
(h) Net Exchange Fluctuation (other than considered as finance cost)	209.15	-
(i) Miscellaneous Income	6.24	8.84
Total	658.83	201.78

24 Cost of Materials Consumed

₹ In Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
Raw Material		
Inventory at the beginning of the year	2,075.49	1,750.93
Add: Purchases	15,557.43	13,048.35
	<u>17,632.92</u>	<u>14,799.28</u>
Less: Inventory at the end of the year	1,735.27	2,075.49
Total	<u>15,897.65</u>	<u>12,723.79</u>

24.1 Details of raw material consumed

	Year Ended 31.03.2012	Year Ended 31.03.2011
Details of Raw Materials		
Forging	802.63	759.22
Bright Bars	14,318.54	11,455.88
MS Pipe	776.48	508.69
	<u>15,897.65</u>	<u>12,723.79</u>

24.2 Consumption of Imported and Indigenous Raw -Material

	Year Ended 31.03.2012	Year Ended 31.03.2011
Details of Raw Materials		
Raw Materials and Components		
Imported	65.36	10.22
Indigenous	15,832.29	12,713.57
	<u>15,897.65</u>	<u>12,723.79</u>

25 Changes in inventory of Finished Goods and Work in Progress

₹ In Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
Inventory at the end of the year		
Work in progress	7,484.37	7,301.94
Finished Goods	442.57	608.36
	<u>7,926.94</u>	<u>7,910.30</u>
Inventory at the beginning of the year		
Work in progress	7,301.94	7,193.22
Finished Goods	608.36	490.00
	<u>7,910.30</u>	<u>7,683.22</u>
	<u>(16.64)</u>	<u>(227.08)</u>

26 Employee Benefits Expense

₹ In Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
(a) Salaries and wages, including bonus	1,122.63	1,015.89
(b) Contribution to provident and other funds	53.91	49.88
(c) Staff welfare expenses	59.93	53.75
Total	<u>1,236.47</u>	<u>1,119.52</u>

26.1 Employee Benefits
(a) Post Employment Defined Contribution Plans

During the year an amount of Rs. 53.91 lakhs (Previous Year Rs. 74.15 Lakhs) has been recognized as expenditure towards Defined Contribution Plans of the Company.

(b) Post Employment Defined Benefit Plans
Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Fund, managed by the Life Insurance Corporation of India (LIC) makes payment to vested employees at retirement, death, incapacitation or termination of employment of an amount equivalent to the respective employee's eligible salary for fifteen days for each year of completed service subject to a maximum limit as laid down in the Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note no. 2.10 of notes to financial statements based upon which, the Company makes contributions to the Gratuity Fund.

The following Table sets forth the particulars in respect of the aforesaid Gratuity Fund of the Company for the year ended 31st March 2012:

₹ In Lakhs

Particulars	Gratuity	
	Current Year	Previous Year
A. Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligations (DBO)		
1 Present Value of DBO at beginning of year	76.46	54.15
2 Current Service cost	10.02	9.59
3 Interest cost	6.06	4.47
4 Plan amendments	-	-
5 Actuarial (gains)/ losses	(14.34)	14.65
6 Benefits paid	(5.93)	(6.41)
7 Present Value of DBO at the end of year	72.27	76.45
B. Reconciliation of Opening and Closing balances of the Fair Value of Plan Assets		
1 Fair Value of Plan assets at beginning of year	33.91	33.81
2 Actual return on plan assets	3.27	2.94
3 Actual Company contributions	19.85	3.56
4 Actuarial gains/ (loss)	(0.77)	-
5 Benefits paid	(5.93)	(6.41)
6 Fair Value of Plan assets at the end of year	50.33	33.90
C. Reconciliation of the Present Value of the DBO and the Fair Value of the Plan Assets		
1 Present value of DBO at the end of the year	72.27	76.46
2 Fair value of plan assets	50.33	33.91
3 Funded status [Surplus/ (Deficit)]	(21.94)	(42.55)
Net asset/(liability) recognized in balance sheet as at the Balance Sheet date	(21.94)	(42.55)

₹ In Lakhs

Particulars	Gratuity	
	Current Year	Previous Year
1 Net asset/(liability) recognized in balance sheet at beginning of period	(42.55)	(20.34)
2 Employer (Expense)/credit	0.76	(25.77)
3 Employer contributions	19.85	3.56
4 Net asset/(liability) recognized in balance sheet at end of the period	(21.94)	(42.55)
5 Current Assets/(Liabilities) recognized in balance sheet at end of the period	-	-
6 Non - Current Assets/(Liabilities) recognized in balance sheet at end of the Year (Note 7 to Financial Statement)	(21.94)	(42.55)
D. Expense recognized in the Profit and Loss Account		
1 Current Service cost	10.02	9.59
2 Interest cost	6.06	4.47
3 Expected return on plan assets	3.27	2.94
4 Past Service Cost	-	-
5 Actuarial Losses / (Gains)	(14.34)	14.65
Total expense recognized		
* Recognized under the line item 'Contribution to Provident and Other Funds' in Note 26.	0.76*	25.77*
E. Category of Plan Assets:		
Funds with Life Insurance Corporation of India	50.33	33.91
F. Actual Return on Plan Assets	3.27	2.94
G. Principal Actuarial Assumptions		
1 Discount Rate	9%	8%
2 Expected return on plan assets	8%	8%
3 Salary Escalation	5%	5%
Mortality Rate	(LIC 1994-96) Ultimate	(LIC 1994-96) Ultimate
4 Withdrawal Rate	2%	2%
H Experience adjustments**		
1 Present Value of DBO at the end of year	72.27	76.45
2 Fair value of plan assets as at the end of the year	50.33	33.91
3 (Surplus)/Deficit in the plan	(21.94)	(42.55)
4 Experience adjustments on plan liabilities (loss)/(gains)	10.18	4.22
5 Experience adjustments on plan assets ((loss)/gain)	(0.77)	0.24
6 Actuarial Gain/(Loss) due to change on assumptions	4.16	-

** Experience adjustments have been given only for two years as the actuarial valuation has been done for the first time in financial year 2010.

Notes:

- (i) The estimate of future salary increases taken in to account, inflation, seniority, promotion and other relevant factors.
- (ii) The expected return of plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets, the Company's policy for Plan asset management and other relevant factors.

27 Finance Costs

	₹ In Lakhs	
	Year Ended 31.03.2012	Year Ended 31.03.2011
(a) Interest		
(i) Term Loan	672.04	677.76
(ii) Working Capital Facilities	1,127.05	1,048.01
(b) Other Borrowing Cost		
(i) Loan processing fees	112.88	32.81
(ii) Amortization of forward premium	-	21.41
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	123.20	(30.30)
Total Finance Cost	<u>2,035.17</u>	<u>1,749.69</u>

28 Other Expenses

	₹ In Lakhs	
	Year Ended 31.03.2012	Year Ended 31.03.2011
(i) Stores Consumed	2,867.68	2,321.75
(ii) Power and fuel	4,900.18	3,953.38
(iii) Rent	9.56	8.80
(iv) Machine Hire Charges	69.64	46.10
(v) Repairs - Building	105.72	63.48
(vi) Repairs - Machinery	180.00	139.98
(vii) Repairs - Others	116.92	100.21
(viii) Insurance	41.90	38.45
(ix) Rates & Taxes	53.00	57.38
(x) Traveling & Conveyance	91.57	63.53
(xi) Freight Inwards	553.58	423.24
(xii) Freight Outwards	260.08	224.28
(xiii) Job Work Charges	3,291.48	2,477.55
(xiv) Discount Allowed	95.54	92.41
(xv) Auditors' Remuneration (Note 28.2 below)	12.37	10.61
(xvi) Bad/Doubtful Debts Written off	391.22	120.31
(xvii) Net loss on foreign currency transactions and translation (other than considered as finance cost)	-	97.14
(xviii) (Gain) / Loss on sale of Assets (net)	0.17	2.34
(xix) Bank Charges	79.49	102.48
(xx) Miscellaneous Exp	421.24	397.54
Total Other Expenses	<u>13,541.34</u>	<u>10,740.96</u>

28.1 Miscellaneous Expenses includes Donations contributed to political parties amounting to Rs NIL (PY 10,000)

28.2 Paid / Payable to Auditors (net of Service Tax)	Year Ended 31.03.2012	Year Ended 31.03.2011
As Auditors		
a) For Statutory Audit	6.00	5.00
b) For Limited Reviews	4.00	3.00
c) Other Certification Fees	2.00	2.00
d) Reimbursement of expenses	0.37	0.61
Total	<u>12.37</u>	<u>10.61</u>

28.3 Consumption of Imported and Indigenous Stores and Spare Parts

Stores and Spares Parts	Year Ended 31.03.2012	Year Ended 31.03.2011
Imported	183.08	94.94
Indigenous	2,684.60	2,226.81
	<u>2,867.68</u>	<u>2,321.75</u>



₹ In Lakhs

29. Opening, Closing, Turnover and Production of Goods

Group of Goods	UOM	Opening Stock		Closing Stock		Turnover		Production	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
i) Gears	Nos	49,274 (46,276)	228.03 (169.04)	55,377 (49,274)	217.19 (228.03)	2,611,523 (2,394,623)	16,413.45 (14,213.25)	2,617,626 (2,397,621)	
ii) Shaft Components	Nos	10,119 (7,999)	53.70 (52.88)	7,411 (10,119)	37.31 (53.70)	593,341 (332,883)	4,547.90 (1,847.33)	590,633 (335,003)	
iii) Axle Components	Nos	1,641 (423)	6.27 (3.94)	178 (1,641)	0.62 (6.27)	29,303 (16,824)	442.83 (216.12)	27,840 (18,042)	
iv) Excavator Components	Nos	13,563 (14,656)	85.97 (78.07)	17,653 (13,563)	55.31 (85.97)	503,641 (371,412)	4,194.64 (3,257.63)	507,731 (370,319)	
v) Engine Components	Nos	7,729 (5,615)	24.49 (22.07)	1,333 (7,729)	2.36 (24.49)	303,183 (273,103)	1,466.64 (1,267.28)	296,787 (275,217)	
vi) Assembly Components	Nos	5,909 (4,713)	54.95 (20.27)	7,254 (5,909)	31.33 (54.95)	2,554,585 (2,871,056)	8,001.77 (7,329.22)	2,555,930 (2,872,252)	
vii) Others	Nos	65,607 (60,722)	154.95 (143.73)	40,134 (65,607)	98.45 (154.95)	14,610,923 (6,671,604)	1,931.26 (1,530.19)	14,585,450 (6,676,489)	
Total		153,842 (140,404)	608.36 (490.00)	129,340 (153,842)	442.57 (608.36)	21,206,499 (12,931,505)	36,998.49 (29,661.02)	21,181,997 (12,944,943)	

Note : Figures in brackets are for the previous year.

30. Derivative instruments and unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	Currency	Amount Foreign Currency In Lakhs			₹ In Lakhs
		As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
i) Receivables	USD	37.54	28.67	1,920.69	1,269.39
ii) Creditors	USD	0.45	0.22	23.24	10.06
	CHF	0.19	0.02	11.16	0.88
	JPY	10.52	28.58	6.57	15.67
	GBP	0.08	0.08	6.44	5.72
	EUR	0.02	2.50	1.95	159.55
	SGD	0.04		1.59	
iii) Loans (PCFC)	USD	29.72	36.71	1,520.69	1,649.24
iv) Loans (Buyers Credit)	EUR	5.66	0.02	387.07	26.80
	JPY	1,389.56	1.02	867.50	438.54
	USD	10.65	0.78	544.91	184.17

31. C.I.F. Value of Imports

₹ In Lakhs

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
a) Capital Goods	1,699.25	303.97
b) Raw material and Components	70.53	24.25
c) Consumable Stores	260.64	134.25
	<u>2,030.42</u>	<u>462.47</u>

32. Expenditure in foreign currency

₹ In Lakhs

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Travelling	1.04	0.38
	<u>1.04</u>	<u>0.38</u>

33. Earning in foreign currency

₹ In Lakhs

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
F.O.B value of exports	4,922.52	3,269.56
	<u>4,922.52</u>	<u>3,269.56</u>

34. Segment Reporting

A) Segments have been identified in line with the Accounting Standards (AS) 17 on Segment Reporting prescribed under the Companies Act, 1956, taking into account the nature of products and services, the different risks and returns, the organizational structure and the internal financial reporting system. It has manufacturing location in India only. Based on the dominant source and nature of risk and returns of the Company, its internal organizational structure and its system of internal financial reporting, geographical segment based in the location of the customers has been identified as the primary segment. The Company has following two geographical segments:

- i) Domestic
- ii) Export

Information about Geographical Segments

₹ In Lakhs

	DOMESTIC	EXPORT	Total of Reportable Segments
1. Segment Revenue			
a) External Sales	(31,367.54) (25,813.59)	(4,977.04) (3,363.10)	(36,344.58) (29,176.69)
b) Inter Segment Sales	-	-	-
c) Total Revenue	<u>(31,367.54)</u> (25,813.59)	<u>(4,977.04)</u> (3,363.10)	<u>(36,344.58)</u> (29,176.69)
Segment Result	(3,640.75) (3,209.54)	(1,069.49) (721.40)	(4,710.24) (3,930.94)
Other Income (Unallocated)			(658.83) (201.78)
Unallocated Corporate Expenses			503.03 465.12
Depreciation (Unallocated)			477.15 464.22
Interest Expense			2,035.17 1,749.69
Profit Before Tax			<u>(2,353.72)</u> (1,453.69)
Tax Expenses			745.27 471.89
Net Profit for the Year			<u>(1,608.45)</u> (981.80)
2. Other Information			
Segment Assets	27,558.58 25,080.13	5,311.92 3,861.35	32,870.50 28,941.48
Unallocated Corporate Assets			6,000.05 5,617.44
Total Assets			<u>38,870.55</u> 34,558.92
Segment Liabilities	(7,666.75) (6,404.75)	(2,548.79) (2,355.96)	(10,215.54) (8,760.71)

			₹ In Lakhs
	DOMESTIC	EXPORT	Total of Reportable Segments
Unallocated Corporate Liabilities			(15,540.62) (14,124.98)
Total Liabilities			<u>(25,756.16)</u> (22,885.69)
Capital Expenditure (Unallocable)			5,285.06 3,393.43
Depreciation (Unallocable)			477.15 464.22
Non Cash Expense other than depreciation	287.78	103.44	391.22

- B)** The Company is a manufacturer of Automotive Components parts and managed organisationally as a single unit hence there are no reportable business segment .

35. Related Party Transactions

Related party disclosures as required under Accounting standard - 18 on "Related Party Disclosure" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006

Name of the related party	Relationship
Precision Automotive Co. (P) Ltd,	Associate Companies
RSD Finance Limited,	Associate Companies
S R P Oil (P) Ltd.,	Associate Companies
Prestige Equipments (P) Ltd.	Associate Companies
Bach Ltd.	Investing Parties
Mr. Rajeev Singh Dugal	Chairman & Managing Director
Mr. Jasjit Singh Dugal	Executive Director

Related party transaction:

	₹ In Lakhs	
	Year Ended 31.03.2012	Year Ended 31.03.2011
1) Associate Companies:		
a) Purchase of material / finished goods	117.97	111.84
b) Sale of finished goods and Job working	7.97	0.81
c) Services availed including Job charges	38.14	28.37
d) Machine hire charges	17.85	18.28
e) Total of transactions during the year	197.26*	159.30*
f) Loans Taken	300.00	10.00
g) Loans repaid	172.93	222.75
h) Interest Expense	6.48	22.22
Balance at the end of the year		
i) Other payables	-	202.90
j) Receivables	4.82	17.35
k) Loans Outstanding (Including interest accrued)	300.00	201.29

*includes transactions (purchase / sale of goods and services) aggregating Rs. 84.95 Lakhs (Previous Year Rs. 127.67 Lakhs) with certain parties; the Company's application to the Central Government for approving the said transactions (under section 297 of the Companies Act, 1956) is awaited.



2) Key Management Personnel	Year Ended 31.03.2012	Year Ended 31.03.2011
a) Managerial Remuneration	47.58	23.30

36. Leases

The Company has taken machineries on non-cancellable operating lease and lease rent amounting to **Rs. 16.56** (Previous Year Rs.16.56 Lakhs) has been charged to profit and loss account. The future minimum lease payments are as under

	Year Ended 31.03.2012	Year Ended 31.03.2011
a) Not later than one year	16.56	16.56
b) Later than one year and not later than 5 years	-	16.56

37. Earnings per share

	Year Ended 31.03.2012	Year Ended 31.03.2011
Net Profit for the Year (₹ In Lakhs)	1,608.45	981.80
Average number of equity shares (Face value ₹ 10/- each) for Basic EPS (No. in Lakhs)	143.95	143.95
Average number of equity shares (Face value ₹ 10/- each) for Diluted EPS (No. in Lakhs)	143.95	143.95
Basic earnings per share (₹)	11.17	6.82
Diluted earnings per share (₹)	11.17	6.82

- 38.** The Board of Directors at its meeting held on May 25, 2012 has recommended a final dividend of Re 1 per equity share.
- 39.** The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Rajeev Singh Dugal
Chairman & Managing Director

For Deloitte Haskins & Sells
Chartered Accountants

Jasjit Singh Dugal
Executive Director

A.Bhattacharya
Partner

Harjinder Singh
Chief Financial Officer

Nimesh Anand
Company Secretary
Jamshedpur, May 25th 2012

JMT AUTO LIMITED

Registered office : 224, AJC Bose Road, Krishna Building, 9th Floor, Room No. 902, Kolkata – 700 017

ATTENDANCE SLIP

Regd. Folio No.	:	
Name	:	
Address	:	
No. of Shares held	:	

I hereby record my presence at the 25th Annual General Meeting of the Company at “Kala Mandir (Kala Kunj) 48,Shakespeare Sarani,Kolkata-700017 on Monday, the 2nd day of July, 2012 at 10.00 A.M.

SIGNATURE OF THE SHAREHOLDER/ PROXY

NOTES:- 1. Shareholder/ proxy wishing to attend the meeting must bring the Attendance slip to the meeting and handover at the entrance duly signed.

JMT AUTO LIMITED

Registered office : 224, AJC Bose Road, Krishna Building, 9th Floor, Room No. 902, Kolkata – 700 017

PROXY

I/We
..... Of
..... being a member/members of the above name company, hereby appoint
..... of
..... as my/ our Proxy to.

Attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 2nd July, 2012.

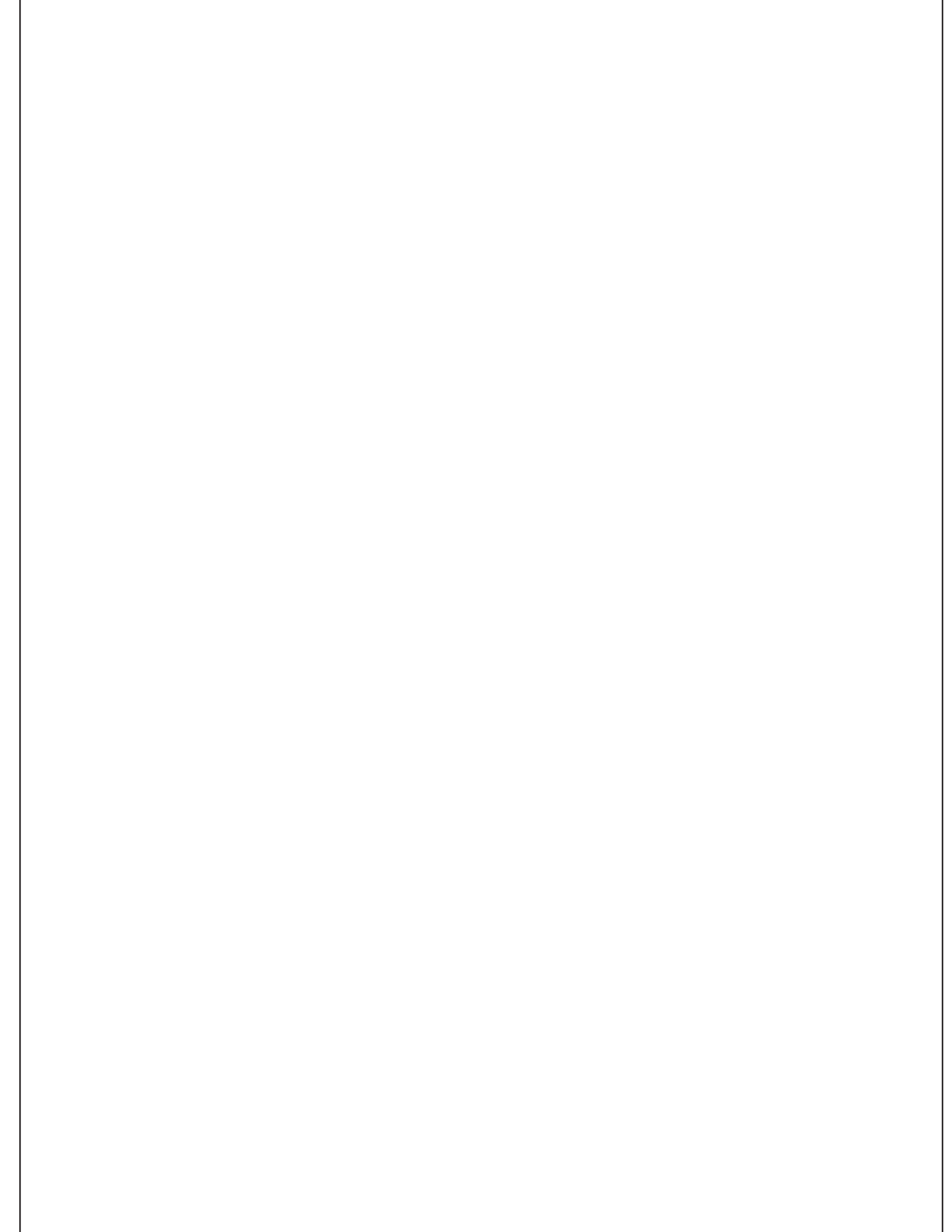
Regd. Folio :-

No. of Shares held:-

Signature _____

Affix Revenue Stamp

Note: The proxy must be returned so as to reach the Registered office of the company at 224, AJC Bose Road, Krishna Building, 9th Floor, Room # 902, Kolkata – 700 017 not less than FORTY EIGHT HOURS before the time for holding aforesaid meeting.





JMT AUTO LIMITED



JMT's Achievement



JMT AUTO LIMITED

BOOK POST



REGISTERED OFFICE

224, A.J.C. Bose Road, Room No.- 902
Krishna Building, 9th Floor, Kolkata-700017, West Bengal

WORK UNIT - I

A-20, Phase-1
Industrial Area, Adityapur
Jamshedpur- 832109, Jharkhand

WORK UNIT - II & III

C-19 & 20, D-2-3, D-8-12, NS-29-34
7th Phase, Industrial Area, Adityapur
Jamshedpur-832109, Jharkhand

WORK UNIT - IV (FOUNDRY)

Notandih, Kandra Chauka, Main Road
Dist. : Seraikela, Kharsawan, Jharkhand

WORK UNIT -V (FORGING)

A-45, A-46, A-47, A-48(P) & M-2 At
Large Sector, Gamharia
Jharkhand

WORK UNIT VI

NS-57, 7th Phase, Industrial Area
Adityapur, Jamshedpur- 832109
Jharkhand

WORK UNIT VII LUCKNOW

Village - Naubasta, Kalan, Lucknow
On Line Mark (Deva to Naubasta Marg)
Uttar Pradesh

WORK UNITS AT DHARWAD

Plot No 222 Kiadb
Belur Industrial Growth Center
Belur Dharwad- 580011, Karnatka

Plot No 224-A Kiadb
Belur Industrial Growth Centre
Belur Dharwad- 580011, Karnataka

Block No -2 Kiadb
Belur Industrial Estate
Garag Road Mummigatti
Dharwad- 580 007, Karnataka

If undelivered, Please return to :

JMT AUTO LIMITED

C-19 & 20, D-2-3, D-8-12, NS-29-34
7th Phase, Industrial Area, Adityapur
Jamshedpur - 832 109