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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 that 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.

The 23rd Annual General Meeting will be held on Thursday, the 29th day of July, 2010 at "The Golden park" 13, Ho-Chi Minh Sarani, Kolkata-700 071 at 10.00 A.M.

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.

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



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 customers need 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.

JMT BELIEVES IN THE POWER OF

- PEOPLE
- IDEAS
- INTEGRITY
- INNOVATION
- EXECUTION
- AND A PASSION FOR LONG-TERM GROWTH AND BUSINESS SUCCESS.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajeev Singh Dugal	Chairman & Managing Director
Mr. Jasjit Singh Dugal	Executive Director
Mr. Brahma Vasudevan	Independent Director
Mr. Sushil Kumar Khawala	Independent Director
Mr. Malkeet Singh Saini	Independent Director

Mr. Harjinder Singh	Chief Financial Officer
Mr. Lalit Lohia	Company Secretary

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

State Bank of India	Bankers
IDBI Bank Limited	

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

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

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

**NOTICE**

The 23rd Annual General Meeting of JMT AUTO LIMITED will be held at The Golden Park, 13, Ho-Chi Minh Sarani, Kolkata-700071 on Thursday, the 29th day of July, 2010 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 2010, the Balance Sheet as on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares of the Company for the year ended 31st March, 2010.
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. Appointment of Auditors

"RESOLVED THAT M/s Deloitte Haskins & Sells, Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting, to examine and audit the accounts of the Company for the financial year 2010-11.

RESOLVED FURTHER THAT the Auditors be paid for the financial year 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, travelling and living expenses."

SPECIAL BUSINESS

5. 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 22nd Annual General Meeting held on August 25, 2009, approving the re-appointment and terms of remuneration of Mr. Rajeev Singh Dugal as 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 1st November, 2009 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 Mr. Jasjit Singh Dugal, Whole Time Director 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."

**NOTES: -**

- The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business is annexed hereto.
- A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received by the Company at the Registered Office not less than forty-eight hours before the commencement of this Annual General Meeting. Proxies shall not have any right to speak at the meeting.
- Members are requested to notify any change in their address /mandate/ bank details immediately to the Company at the Registered Office or to the Registrars M/s. C B Management Services (P) Ltd., P- 22, Bondel Road, Kolkata- 700 019. Members holding shares in demat form are required to intimate details regarding change of address etc., if any, to the depository participants where they have their depository accounts.
- 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.
- Since Company's shares are in compulsory dematerialized trading, to ensure better investor service and elimination of risk of holding shares in physical form, it is requested that the shareholders holding shares in physical form to get their shares dematerialized at the earliest.
- Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification.
- The Register of Members and Share Transfer Books of the Company shall remain closed from **24.07.2010 to 29.07.2010 (both days inclusive)** for the purpose of ascertaining entitlement to Dividend and for holding this Annual General Meeting.
- Members/ Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting
- The dividend on Equity Shares as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid on or after 3rd August, 2010.
- 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.
- In order to provide protection against fraudulent encashment of the warrants, shareholders holding shares in physical form are requested to intimate the Company, under the signature of the Sole/First Joint holder, the following information to be incorporated on the Dividend Warrants:
 - (i) Name of the Sole/ First Joint Holder and the Folio Number
 - (ii) Particulars of Bank Account, viz
 - (a) Name of the Bank
 - (b) Name of the Branch
 - (c) Complete address of the Bank with Pin Code Number
 - (d) Account type, whether Savings (SB) or Current Account (CA)
 - (e) Bank Account number allotted by the Bank



- 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.
- 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.
- Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- All Shareholders are requested to bring their copy of Annual Report to the meeting.

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

APPOINTMENT /REAPPOINTMENT

Name of Director	Mr. Malkeet Singh Saini
Date of Birth	25.05.1951
Date of Appointment	20.10.2008
Qualification	LLB
List of Companies in which outside directorships held as on 31st March, 2010	1
Chairman of the committees of the Board of the Companies on which he is a Director as on 31st March, 2010	3
Member of the committees of the Board of the Companies on which he is a Director as on 31st March, 2010	6
Shareholding in JMT Auto Limited as on 31st March, 2010	NIL

By the order of the Board of Directors

Place: Kolkata
Date: 29.06.2010

Lalit Lohia
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No.5**

The Members of the Company at the 22nd Annual General Meeting held on 25th August, 2009 approved the re-appointment of Mr. Rajeev Singh Dugal as Managing Director of the company for a period of five years on the following terms and conditions:-

- (a) Salary: Rupees one Lac per month.
- (b) Perquisites, Allowances, Benefits, Facilities & Amenities such as Furnished Residential accommodation or House Rent Allowance, Medical Reimbursement, Leave Travel Assistance / Allowance, Membership Fees of clubs Hospitalization and Accidental Insurance and any other perquisites etc., as per the Policy / Rules of the Company provided that the aggregate value of such perquisite shall not exceed Rs. 6 (six) lacs per annum.
- (c) He shall also be entitled to (i) Company maintained car with chauffeur, (ii) Telephone & Fax at Residence, (iii) Companies contribution to PF and Superannuation fund, (iii) Payment of gratuity and other retirement benefits, and (v) Encashment of leave.

The total remuneration including perquisites shall not exceed the limits as specified in Schedule XIII to the Companies Act, 1956.

The remuneration including the benefits and Amenities aforesaid shall nevertheless be paid and allowed as the minimum remuneration for any year in the event of absence or inadequacy of profits for such year.

The remuneration of Mr. Rajeev Singh Dugal, Managing Director of the Company has been recently revised w.e.f. 1st November, 2009. This increase was done taking into consideration the prevailing trends in the financial sector in terms of compensation packages. It is proposed to revise the Salary Scale of Mr. Rajeev Singh Dugal from the Present Scale of Rs.1,00,000.00 per Month to Rs. 1,25,000.00 per month w.e.f. 1st November, 2009. However, all other terms and conditions of the appointment will remain unchanged. The increased remuneration will be subject to the overall limits as provided under Section 198, 269, 309, 310, 311 and in terms of Section I of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Directors of the Company on recommendation made by the Remuneration Committee have approved the proposal of increase in his remuneration, subject to the approval of the members. Your Directors recommend the resolution for approval by the members of the Company.

The above variation in the terms of remuneration of Mr. Rajeev Singh Dugal, Managing Director of the company as mentioned in Item No. 5 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Rajeev Singh Dugal, Managing Director, is in any way concerned or interested in this resolution.

The members are requested to consider and approve the above proposal for increase in the salary of Mr. Rajeev Singh Dugal.

By order of the Board of Directors

**Place: Kolkata
Date: 29.06.2010**

**Lalit Lohia
Company Secretary**

**CHAIRMAN'S
STATEMENT**

Dear Shareholders,

JMT Auto Limited was equally victimized by the unprecedented events in the international arena which had left an indelible mark on the global financial and industrial landscape, more particularly the automotive industry.

Despite the negative environment, consequent to global recession, JMT has shown optimism and resilience in its forecast and performance for the year 2009-10. Stable political and economic environment compiled with easing credit & reducing interest rates on loans from the banking sectors provided the much needed impetus to the company.

Your Company has performed better than it did last year even though we were hit by very poor demand from the period September, 2008 to October 2009.

Our Sales in the 1st, 2nd, 3rd and the 4th Quarters are Rs.44.36 Crores, Rs.48.13 Crs, Rs.52.30 Crs and Rs.70.07 Crs. However estimated sales of Rs. 72 Crores in the 1st Quarter of the 2010-11 reflects an upcoming trend and the company is sure to touch its target of Rs.300 Crs by the end of the financial year 2010-2011.

However on the Export front, we have witnessed a revival from the month of March, 2010 for USA and other Western Countries.

Last year the new business which we entered into in the oil and natural gas sector did not take off due to depression /recession in the market. We are looking at a much brighter 2010-11, both in terms of Profitability and Sales. Downslide Sales to Timken (USA) has hit our sales again, especially the Dharwad Unit.

Commodity prices have gone up since August, 2009 which has driven prices of Petro products like Propane gas, LPG and Furnace Oil by 35% to 45 % over a short span of 6 months which has impacted our Bottom line.

Your company has qualified for MEGA project Policy for which Jharkhand Government owes Rs.5.00 Crores Capital Subsidy and VAT Subsidy of Rs. 8.00 Crores pending with the Jharkhand Government. This is part of the Jharkhand Industrial Policy and also an Estoppel promise by the state of Jharkhand. Your Company is quite positive that it will receive the same in the year 2010-11.

With the worst behind and a strong order book for the future your company hopes to do much better in 2010-11, 2011-12 and 2012-13.

Our dependency on the Commercial Vehicle Sector has also reduced and with growth in infrastructure we expect growth in Top and bottom Line at a rapid pace.

Place: Kolkata
Date: 29.05.2010

Rajeev Singh Dugal
Chairman & Managing Director

**HIGHLIGHTS**

(Rs. in Lacs)

DESCRIPTION	2009-10	2008-09	2007-08	2006-07	2005-06
SALES & JOB WORK	19093.64	18879.52	20107.61	16251.00	11173.98
EMPLOYEE COST	970.65	967.22	893.14	617.07	459.06
DEPRECIATION	1586.85	1603.00	1421.56	1113.95	711.52
FINANCE COST	1747.16	1723.32	1035.09	542.91	260.74
EBIDTA	4014.24	4020.40	3595.34	2669.16	2048.10
PROFIT/LOSS BEFORE TAX	680.23	694.08	1138.69	1012.30	1075.84
PROFIT/LOSS AFTER TAX	353.26	346.34	887.87	638.88	774.91
EPS	2.45	2.41	6.17	4.64	6.84
DIVIDEND	2.5%	1%	10%	10%	10%

(Rs. in Lacs)

DESCRIPTION	As on 31.03.2010	As on 31.03.2009	As on 31.03.2008	As on 31.03.2007	As on 31.03.2006
NET FIXED ASSET	17511.19	17337.51	16273.59	13366.05	8440.41
SHARE CAPITAL	1439.52	1439.52	1439.52	1409.52	1339.52
SHARE WARRANTS	---	---	---	32.45	---
RESERVES & SURPLUS	8836.11	8528.27	8198.79	7184.87	6097.98
NET WORTH	10275.63	9967.79	9638.31	8626.84	7437.50
BORROWINGS	15512.06	15220.85	13839.40	8219.60	3923.24
NET WORTH PER SHARE	71.38	69.24	66.96	60.97	55.52
DEBT: EQUITY RATIO	1.51	1.53	1.44	0.95	0.53

**DIRECTORS' PROFILE****MR. RAJEEV SINGH DUGAL**

Mr. Rajeev Singh Dugal is the main promoter of the Company. Presently, acting in the capacity of Chairman cum Managing Director of the company. An MBA from XLRI, Jamshedpur and looks after the day-to-day functioning, future development, searching and creating new market for the products of the company. He is having 24 years experience in the Auto Component manufacturing industry and his vision has brought him to be recognized as one of the upcoming entrepreneurs of Eastern India.

MR. JASJIT SINGH DUGAL

Mr. Jasjit Singh Dugal is presently acting as Whole time Director of the Company. He is also a member of Audit and Shareholder's Grievance Committee of the Company. He is having 34 years experience in machining segment of Engineering industry with vast knowledge in machining.

MR. SUSHIL KUMAR KHOWALA

Mr. Sushil Kumar Khowala has been on the Board of JMT in the capacity of Non Executive Independent Director since January 20, 2003 and he is also the Chairman of Audit, Remuneration and Shareholder's Grievance Committee of the Company. He is a member of the "The Institute of Chartered Accountants of India" and has over 19 years industrial expertise in different areas of Audit, Corporate Law & Taxation.

MR. MALKEET SINGH SAINI

Mr. Malkeet Singh Saini has been on the Board of JMT in the capacity of Non Executive Independent Director since 20th October, 2008 and he is also a member of Audit, Remuneration and Shareholder's Grievance Committee of the Company. He has done B.A(Hons) and L.LB from Ranchi university and is a lawyer by profession. He has over 32 years of experience in different fields of law.

MR. BRAHMAL VASUDEVAN

Mr. Brahmamal Vasudevan has been on the Board in the capacity of Non – Executive Independent Director of JMT since May 22, 2006. He is an MBA from Harvard University with 12 years Post- Qualification experience in the areas of Banking, Investment and Finance. He is also a member of the Remuneration Committee of the company.



Mr. Rajeev Singh Dugal, Managing Director of JMT Auto Ltd. receiving Award from Mr. Ranaveer Sinha Managing Director of Telco Construction Equipment Company Ltd. for significant contribution of JMT towards "Indigenization of Key Aggregates"



Mr. Rajeev Singh Dugal receiving Award from S. B. Borwankar, Head (Tata Motors Limited) for "10 years of excellence" from HVTL.



DIRECTORS' REPORT

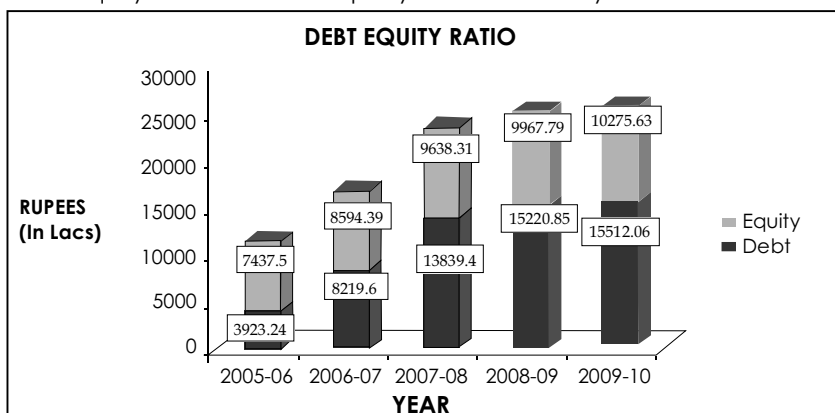
Your Directors have immense pleasure in presenting their Twenty Third Annual Report along with the Audited Results of the company for the year ended 31st March, 2010.

(Rs. in Lacs)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Gross Turnover	21486.63	21573.50
Earning before Interest, Depreciation & Tax and Amortization (EBITDA)	4014.24	4020.40
Interest and financial charges	1747.16	1723.32
Depreciation	1586.85	1603.00
Provision for Taxation	326.97	347.74
Net Profit After Tax	353.26	346.34
Profit/(Loss) Brought forward from Previous Year	3203.31	2873.82
Profit available for appropriation as under:	3556.57	3220.16
Dividend on Equity Shares	35.99	14.40
Corporate Tax on Dividend	6.12	2.45
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	3514.46	3203.31

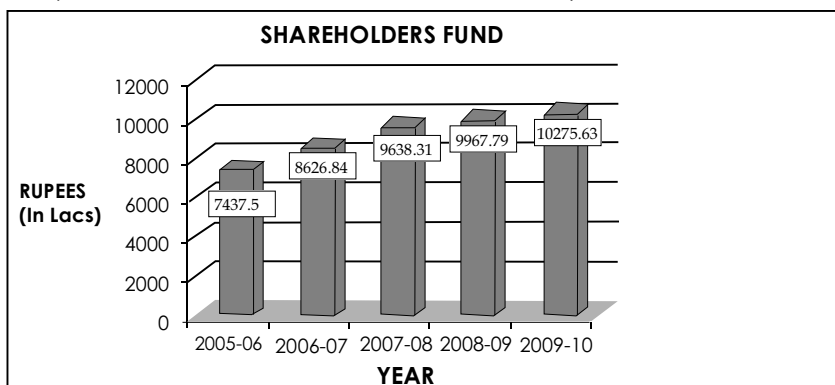
DEBT EQUITY RATIO

Debt Equity Ratio of the Company for the last five year are as follows:-



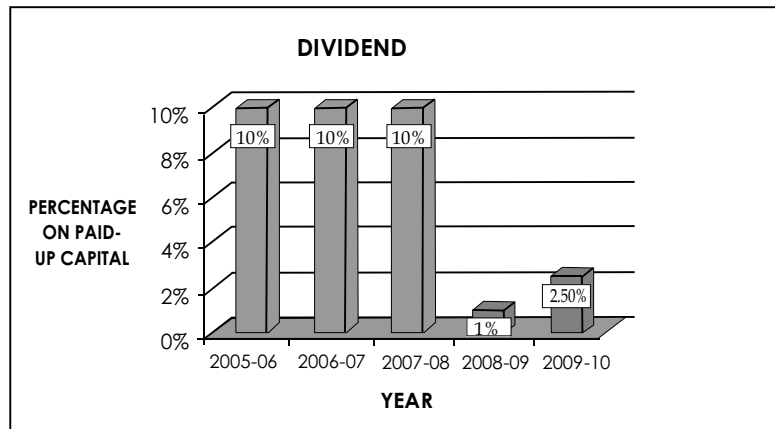
SHAREHOLDERS FUND

The position of Shareholders fund for the last five years are as follows:-



**DIVIDEND**

The Board has recommended a dividend @ 2.5% (Re 0.25 per share) for the year ended 31st March 2010 as that of the previous year subject to the approval of the shareholders at the Annual General Meeting with a view to conserve resources.

**STOCK EXCHANGE REQUIREMENTS**

The Equity shares of the Company are being traded at BSE and NSE

CREDIT RATING

CREDIT RATING AGENCY	LONG TERM/ MEDIUM TERM BANK FACILITIES	SHORT TERM BANK FACILITIES
CARE	CARE BBB -	PR3

FIXED DEPOSITS

As in the previous year your Company has not received any Fixed Deposits 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 Year 2009-10 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 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 that:

1. that in 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, 2010 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.

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.

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(1A) of the Companies Act, 1956.

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: 29.05.2010

Rajeev Singh Dugal
Chairman & Managing Director

**ANNEXURE TO DIRECTORS' 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 and it 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) (Figure in Lacs)	304.65	259.35
	Total Amount (Rs.) (Figure in Lacs)	1257.66	1107.50
	Average Cost Per Unit (Rs.)	4.13	4.27

2.	(a) Furnance Oil	Current Year	Previous Year
	Quantity (Ltr) (Figure in Lacs)	11.89	10.36
	Total Cost (Rs.) (Figure in Lacs)	286.18	271.66
	Average Cost Per Litre (Rs.)	24.08	26.22

	(b) Propane Gas	Current Year	Previous Year
	Quantity (K.G.) (Figure in Lacs)	12.58	14.12
	Total Cost (Rs.) (Figure in Lacs)	436.66	456.07
	Average Cost (K.G.) (Rs.)	34.71	32.31

	(c) Others/Internal Generation	Current Year	Previous Year
	Units (KWH) (Figure in Lacs)	11.38	23.12
	Units/Litre of Diesel Oil (KWH)	3.08	3.14
	Average Cost Per K.G. (Rs.)	10.05	9.09

(B) Consumption per unit of production

Product	Current Year	Previous Year
Electricity (KWH)	3.53	3.03
Furnace Oil (Litre)	0.14	0.12
Propane Gas (K.G.)	0.15	0.17

**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, gears, 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 | : | N.A |
| c. | Has the technology been fully absorbed: | | N.A |

- (c) Sales comprises of F.O.B. value of export (including Deemed Export of Rs. 445.82 Lacs (previous year Rs.788.34 Lacs). During the year 2009-10, Total F.O.B Value of export was Rs. 1265.54 Lacs (previous year Rs.2598.49 Lacs) .

**(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 initiatives to export in the Global market and its products have been well accepted.
2. Total Foreign Exchange used and earned :

(Rupees in Lacs)

Particulars	Current Year	Previous Year
a. Earning (FOB Value of Export) :	819.72	1810.15
b. Expenditure :	0.47	4.32

For and on behalf of the Board of Directors

Place: Kolkata
Date: 29.05.2010

Rajeev Singh Dugal
Chairman & Managing Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company had adopted the JMT's Code of Conduct for its employees including the Managing Director and Whole-time Directors as well as the Non-Executive Directors.

I confirm that the company has in respect of the financial year ended 31st March, 2010 received from the Senior Management team of the Company and the members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the cadre of Deputy General Manager and above, including the Company Secretary, as on the 29th day of May, 2010.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 29.05.2010

Rajeev Singh Dugal
Chairman & Managing Director



Mr. Rajeev Singh Dugal at the inauguration session of installation of 9 AXIS Integrex e-420 H II series machiners for machining 3000 mm long components.



Mr. Rajeev Singh Dugal inaugurating 9 AXIS Integrex e-420 H II series machiners after its installation.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY - GLOBAL AND INDIAN

The global economy continues to weather the most difficult climate in generations. World GDP is expected to contract by a record 2.5 percent in 2009, as the financial crisis continues to spill over into the real economy, engendering massive declines in consumer demand, rising unemployment, and mounting protectionist pressures worldwide. Developing countries have not been spared from its fallout. As per the Global Competitiveness Index 2009–2010 rankings and their comparison to last year position, all of the countries in the top 10 positions remain the same as that of last year, with some shifts in rank. Whereas India has been ranked at 49 in the year 2009-10 in comparison to 50 of the last year and China has been ranked at 30 in the year 2009-10 in comparison to 29 of the last year.

As per the advance estimates of GDP for 2009-10 released by the Central Statistical Organization (CSO), the Indian economy is expected to grow at 7.2 per cent in 2009-10, with the industrial and the service sectors growing at 8.2 and 8.7 per cent respectively. The India's GDP growth rate for the last 5 years are as follows:-

India's real GDP statistics –

Indicator	2005	2006	2007	2008	2009
Real GDP growth (% growth)	9.21	9.82	9.37	7.35	5.36

In its annual monetary policy review for 2010-11, RBI increased its policy rates as follows:-

- Repo rate and Reverse repo rate increased by 25 bps to 5.25% and 3.75% respectively, with immediate effect
- Cash reserve ratio (CRR) increased by 25 bps to 6% to apply from fortnight beginning from 24 April, 2010.
- RBI revised its growth forecast upwards for 2010-11 at 8% with an upward bias compared to 2009-10 figure of 7.5%.
- RBI's inflation projection for March – 11 is at 5.5% compared to FY March-10 estimate of 8.5% with an upward bias.

COMMERCIAL VEHICLE INDUSTRY

The emergence of a global economic crisis in the latter half of 2008 led to a severe impact on Indian commercial vehicle industry in the year 2009-10. In the second half of fiscal year 2009, capacity utilization levels were less than 50%. However, Auto Component makers rose on hopes of strong fourth quarter result. All segments of the sector posted strong double-digit numbers with total sales going up by 45% in January, against the same month last year. Total sales of all auto mobile companies are up by 44.4% while two-wheeler sales grew by 43.43%.

GOVERNMENT MEASURES

The government has supported auto vehicle industry in the following manner through its recent union budget:-

- **Increased Export Promotion** - The manufacturers & EOUs of auto industry expect specific direct & indirect benefits for exports by SMEs and continuation of tax holiday for themselves.
- **Rapid Implementation of Goods & Services Tax (GST)** - The entire Indian auto industry is keeping its fingers crossed for the transparent, easy and simple indirect tax regime of GST which should be uniformly implemented across the states within this financial year.
- **Incentives to be provided to Specialized Service Companies Undertaking R&D** – R&D for auto industry is crucial and important and budget expectations include specific tax breaks for R&D service providers.

However, few points of union budget could force auto makers to increase prices further in the year 2010-11:-

- Increase of excise duties on large cars and sport utility vehicles by 2%.
- Mandatory compliance of Euro IV emission norms from 1st April 2010, (across 13 major cities of the country).

**JMT AUTO LIMITED - THE YEAR IN BRIEF**

The deep and severe global recession, which started in 3rd Quarter of year 2008-09, lasted for four quarters, till the end of September 2009. Due to such continued recession, turnover for the first two quarters of year 2009-10 were relatively less than the year 2008-09. However, turnover slightly improved from 3rd Quarter and boom period was finally backed from the month of January, 2010. JMT's turnover for the 4th Quarter of year 2009-10 was far better than year 2008-09.

Year 2009- 10 will be remembered as one of the most memorable year for JMT's Exports, because in this year it gained the status of "Export House" by the Ministry of Commerce. However on the Export front, JMT have witnessed a revival from the month of March, 2010 for USA and other Western Countries.

Despite the negative environment, consequent to global recession, JMT has shown optimism and resilience in its forecast and performance for the year 2009-10. Stable political and economic environment compiled with easing credit & reducing interest rates on loans from the banking sectors provided the much needed impetus to the company.

The company registered a turnover of Rs. 214.86 Crores in the year 2009-10 comprising sales in respect of Engine components, Gear Box Components, Components carrier, Carrier Housing, Gear rings, Gears, Shafts, Idler Bearings, Covers, Drums, Sleeves, Carrier Assembly, Engine Gears, Fly Wheel Assemblies, Seal Wear Ring, Bushes, Oil Pump Gear, Seat Valve, Lever Rocker, Pin & Pipe.

JMT'S SECTOR WISE PRODUCTION PROFILE

SL.NO.	SECTOR	MAJOR PRODUCTION ITEM
1	Automobile Sector	Castings, Engine Components, Gear Box Components, Axle Components, Carrier Housing Assembly, Gear Box Housing Assembly.
2	Excavation & Off-Road Sector	Housing, Gear Ring, Gear Internal, Gears, Shafts, Idler Bearings, Covers, Drums & Sleeves.
3	Agricultural Sector	Gears, Shafts, Sleeves, Carrier Assembly.
4	Engine Gears	Engine Gears, Fly Wheel Assemblies, Tube Components.
5	Bearings, Cups & Cones	Seal Wear Ring
6	Hyd. Parts	Gears, Shafts and Bushes.
7	Others	All items mentioned under point 1 to 6
8	Exports	Pump Drive Sharp, Frac Valve, Seat Valve, Plug Connector Code, Oil Pump Gear, Turbine Shaft, Shaft Planet Gears, Carriers, Rocker Lever Assembly, Gear Crank Shaft, Shaft Accessories Drive, Gear Cum Idler.

BUSINESS OPPORTUNITIES AND THREATS

JMT dependency on the Commercial Vehicle Sector has also reduced and with growth in infrastructure, the company expects growth in Top and bottom Line at a rapid pace.

New business entered by the company in the last year specially the oil and natural gas sector did not take off due to depression /recession in the market. Commodity prices have gone up since August, 2009 which has driven prices of Petro products like Propane gas, LPG and Furnace Oil by 35% to 45 % over a short span of 6 months which has impacted our Bottom line.

JMT has qualified for MEGA project Policy for which Jharkhand Government owes Rs.5.00 Crores Capital Subsidy and VAT Subsidy of Rs. 8.00 Crores pending with the Jharkhand Government. This is part of the Jharkhand Industrial Policy and also an Estoppel promised by the state of Jharkhand. Your Company is quite positive that it will receive the same in the year 2010-11.

Keeping in view, strong order book for the future and company initiative to increase exports through installation of Mazak Horizontal CNC Lathe Integrex E -420 HS 2 -3000U in the year 2009-10, days are not ahead when JMT Auto Ltd. will register a turnover of Rs.300.00 Crores in the year 2010 -11.

**RISKS AND CONCERNS**

The Company makes responsible approaches towards Risk management on an integrated basis to cover all aspects of operations to diminish each or a combination of known risks that could affect its business.

POWER RISK – Inconsistent supply of electric power from the State government created heavy risk of failure in production. Switch over to private power supply by Jamshedpur Utility and Services company Limited (JUSCO) which is quite stable and consistent has enabled us in effective capacity utilization.

MATERIAL RISKS – In order to mitigate risk arising from the purchase of raw materials strictly from sources approved by our major customers, the company procures the same at competitive prices. In case of massive drop in prices the company receives compensation upto certain limits.

REGULATORY RISKS: The industry is subjected to various regulatory requirements being legislated by the government from time to time, including safety and emission norms.

TECHNOLOGY RISKS: The Company will face strong competition from domestic and overseas players in the coming years and has therefore to meet the challenges of technology advancements and changing customer preferences. Several future strategies are in the process of implementation in order to enhance competencies in project management, lean product development process, portfolio and pipeline as well as technology management.

ENVIRONMENTAL RISKS: The Company is presently fully equipped to meet the environmental legislation prescribed by the government for CV's components manufacturers and is also taking advance action in anticipation of future legislations.

OPERATIONAL RISKS: Multiplying the manufacturing locations have provided the advantage of getting closer to the customers and suppliers but at the same time the company foresees operational issues relating to supply chain, labour practices etc. Risk in commodity prices and fuel prices also have an impact on the business.

PHYSICAL RISKS: The Company has a comprehensive insurance coverage and breakdown coverage for all its electronic equipments to protect all its assets from such damages.

EXCHANGE RISKS: Risks on account of Company's foreign exchange exposure is mitigated by hedging and Bill Discounting.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The year 2009-10 has witnessed Company's constant efforts in strengthening Human Resources, providing them better working atmosphere with advanced infrastructure, which helps them exploring their talent. As usual the establishment has been contributing a lot to the State by generating new employment opportunities. With the end of this year the employee's strength has reached 700.

The Company is providing intensive in-house training the employees of all levels for improving competence, production, enhancing safety and social values. Achieving high morale and motivation is the ultimate goal of each training program. The management expects to continue the customized development program of employees during the current year also and enjoys cordial relations with its employees at all levels.

Industrial Relations during the year continued to be cordial and peaceful. The Management Team place on record excellent co-operation and contribution made by the employees at all levels of the organization to the continued growth of the Company.

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 statutes, 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.

POLICIES OF THE COMPANY

ENVIRONMENT POLICY

The Company commits to protect the environment by conducting operations in an environmentally safe manner. In our endeavor to protect the environment we emphasize the following objectives:

- Complying with all applicable legal requirements to which the Company subscribes which relates to its environment aspect
- Preventing pollution at its source by minimizing emission effluents and waste in the designees operations and maintenance of the Company.
- Continually improving through negating the negative impact of its activities, product and services.
- Reviewing the environment objectives and targets as decided by the Company.

QUALITY POLICY

The Company is committed to manufacture products of pre-eminent quality that satisfy customers' needs consistently by way of strict conformance to specification, up gradation of technology, on-time delivery and reviewing of the existing system to achieve continual improvement of the Quality Management System.

T.P.M POLICY

The Company is committed to create an environment that can assure zero defect, zero breakdown, zero accidents, zero losses and total customer satisfaction by supplying products of high quality consistently and total employee participation through total employee ownership concept.

SAFETY POLICY

For their safe future and for the development of the company, it is the prime responsibility of all the employees to adopt the policy of safety by heart & soul & fulfill the following responsibilities:-

- Establishing a safe and healthy work environment.
- Ensure compliance with mandatory safety.
- Ensure orderly house keeping and proper maintenance to control the risk of damage to plant and equipments.
- Insisting of safe work procedures being followed by employees and visitors.

5' S POLICIES

The company follows the policy of 5' S as follows:

- a) SEIRI - Segregation.
- b) SECTION – Reorganise or Rearrange.
- c) SEISO – Cleanliness.
- d) SHIKETSU- Maintenance and Standard.
- e) SHITSUKU- Self Discipline and Training.

OTHER POLICY

KAIZEN

KAIZEN is the combination of **KAI + ZEN**.

KAI is a Chinese Word which means "**CHANGING**"

ZEN is Japanese Word which means "**QUALITY**" OR "**FOR GOODNESS**"

OR **CONTINUOUS CHANGING FOR QUALITY.**

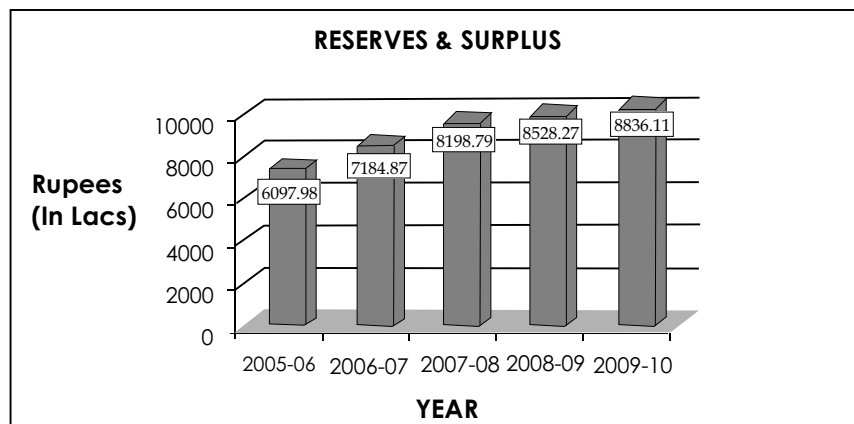
"FOR QUALITY DO KAIZEN & STEP FORWARD IN THE DIRECTION OF CONTINUOUS IMPROVEMENT"



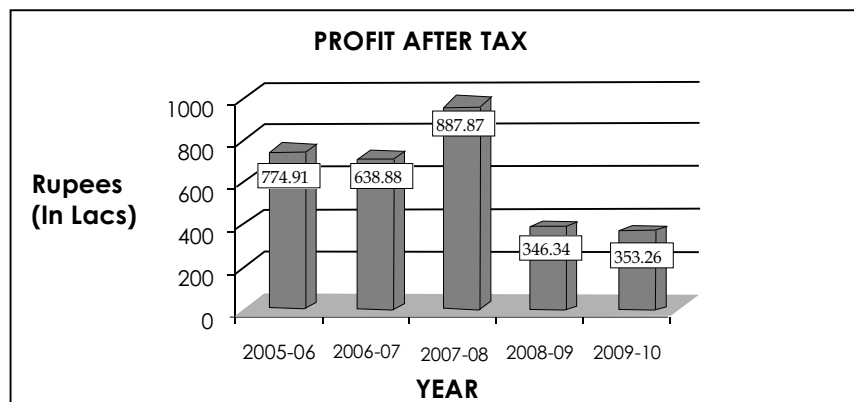
FINANCIAL PERFORMANCE

RESERVES & SURPLUS

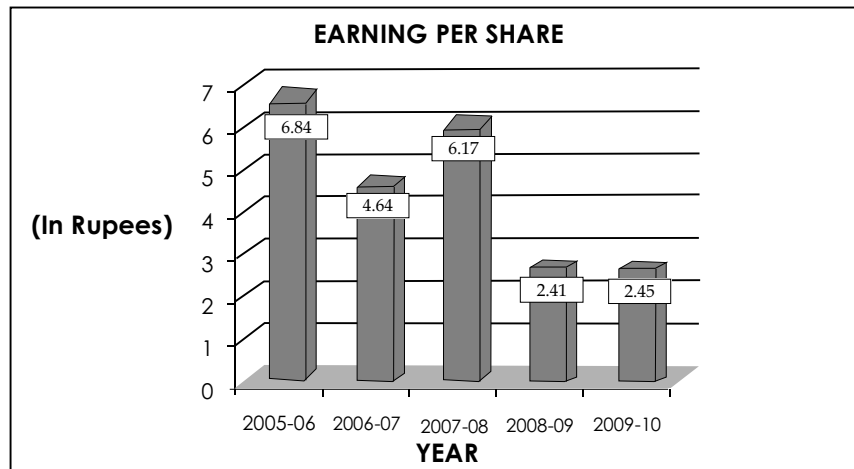
The Reserves and Surplus of the company increased from Rs. 8528.27 lacs in 2008-09 to Rs. 8836.11 lacs in 2009-10. The Company has a net worth of Rs. 10,275.63 lacs in 2009-10 in comparison to Rs. 9967.69 lacs as on 31st March, 2009.



The Company's Profit After Tax (PAT) was Rs.353.26 Lacs as against Rs.346.34.Lacs in the previous year

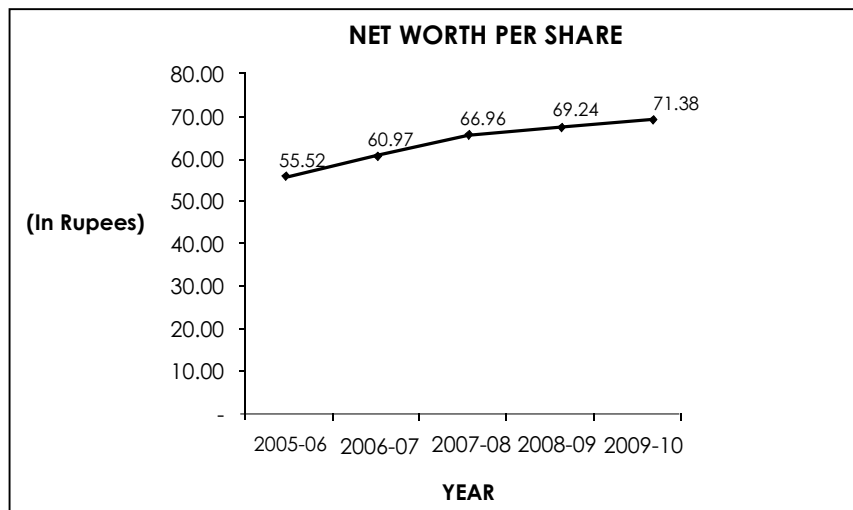


Earning per Share (EPS) is Rs. 2.45 as against Rs. 2.41 in the previous year.





The Net worth per share of the company is as follows:



OUTLOOK

With the worst behind and a strong order book for the future your company hopes to do much better in 2010-11, 2011-12 and 2012-13.

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.



**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2009-10**

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

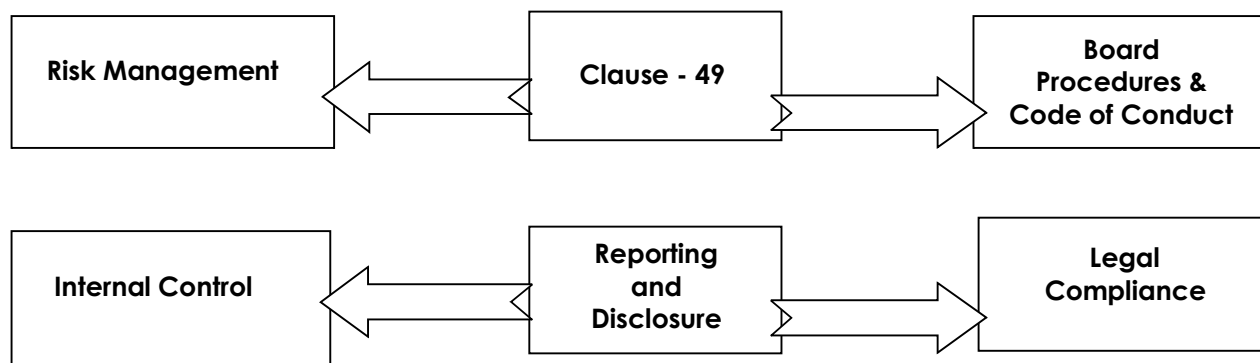
JMT'S GOVERNANCE POLICY:

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.

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 Director	Designation	Status & Category	No. of Board meetings attended during 2009-10	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	08	Yes	01	Nil	Nil
Mr. Jasjit Singh Dugal	Whole-Time Director	Executive Non-Independent	08	No	Nil	03	Nil
Mr. Brahma Vasudevan	Director	Independent Non-Executive	Nil	Yes	Nil	01	Nil
Mr. Sushil Kumar Khawala	Director	Independent -Non-Executive	05	Yes	02	06	04
Mr. Malkeet Singh Saini	Director	Independent -Non-Executive	06	Yes	01	06	03

The 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. 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, 2010 eight 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 2009-10, 8 (Eight) Board meetings were held on 07.04.2009, 30.06.2009, 13.07.2009, 31.07.2009, 31.10.2009, 05.11.2009, 25.11.2009 and 30.01.2010.

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.

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 & 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 meetings 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 was present at the last Annual General Meeting to answer shareholders queries.

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 Audit Department.
- (iii) Provide an open avenue of communication among the Statutory Auditors, Financial and Senior Management, Internal Audit Department 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

(i) 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

Six meetings of the Audit Committee were held during the year on 06.04.2009, 10.07.2009, 29.07.2009, 30.10.2009, 25.11.2009 & 30.01.2010 and the same were attended by the Head of Finance, Senior Manager (Finance). The Attendance of each member of the committee is given below.

<u>Name</u>	<u>No. of Meetings Attended.</u>
Mr. Sushil Kumar Khowala	06
Mr. Malkeet Singh Saini	06
Mr. . Jasjit Singh Dugal	06

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. Brahmam Vasudevan - Non Executive Independent Director.

One meeting of the Remuneration Committee was held during the year on 30.01.2010. The Attendance of each member of the committee is given below.

<u>Name</u>	<u>No. of Meetings Attended.</u>
Mr. Sushil Kumar Khowala	01
Mr. Malkeet Singh Saini	01
Mr. . Brahmam 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 2009-10**

DIRECTOR	SITTING FEES (Rs.)	SALARY & PERQUESITES (Rs.)	TOTAL (Rs.)
Mr. Rajeev Singh Dugal, Managing Director	N.A.	16,68,898.00	16,68,898.00
Mr. Jasjit Singh Dugal, Executive Director	N.A.	1,44,000.00	1,44,000.00
Mr. Sushil Khowala, Independent Non Executive Director	22,000.00	N.A.	22,000.00
Mr. Brahmal Vasudevan, Independent Non Executive Director	Nil	N.A.	Nil
Mr. Malkeet Singh Saini Independent Non Executive Director	24,000.00	N.A.	24,000.00
GRAND TOTAL	46,000.00	18,12,898.00	18,58,898.00

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. Brahmal Vasudevan and Mr. Malkeet Singh Saini do not hold any shares of the company as on 31.03.2010.

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.

COMPLIANCE OFFICER

During the financial year 2009-2010, Mr. Lalit Lohia 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 and will continue holding the same designation.

**STATUS OF COMPLAINTS FOR THE PERIOD 2009-2010**

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.	29
2. Number of complaints resolved	29
3. Number of complaints not resolved to the satisfaction of the investors as 31st March, 2010	Nil
4. Complaints Pending as at 31st March, 2010	Nil
5. Number of share transfers pending for approval as on 31st March, 2010	Nil

During the year ended 31st March, 2010, the Shareholder's Grievance Committee hold 12 (Twelve) meetings on 30.04.2009, 30.05.2009, 30.06.2009, 31.07.2009, 31.08.2009, 30.09.2009, 30.10.2009, 30.11.2009, 31.12.2009, 30.01.2010, 27.02.2010, 31.03.2010 and the same was duly approved by the members of the committee.

DISCLOSURES

- a) 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 B (xvi) of Schedule U.**
- b) 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**
- c) Pecuniary relationships or transactions with Non-Executive Directors.- **None**

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 2009-10.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 29.05.2010

Rajeev Singh Dugal
Chairman & Managing Director

**CEO/CFO CERTIFICATION**

The CEO / CFO certification as required under Clause 49 is annexed hereto which forms a 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
2006-2007	AGM	The Golden Park 13, Ho-Chi Minh Sarani Kolkata - 700 071	25.08.2007
2007-2008	AGM	The Golden Park 13, Ho-Chi Minh Sarani Kolkata - 700 071	12.09.2008
008-2009	AGM	Sitaram Seksaria Auditorium Bharatiya Bhasa Parishad, 36A, Shakespeare Sarani Kolkata - 700 017	25.08.2009

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

- 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/ Arthik Lipi.

- 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 a part of this Annual Report, which is posted to the shareholders of the Company.

GENERAL SHAREHOLDERS' INFORMATION

(I) AGM Date, Time and Venue	29th July, 2010 at 10.00 A.M at The Golden Park, 13, Ho – Chi Minh Sarani, Kolkata – 700 071.
(ii) As required under clause 49IV(G), particulars of directors seeking appointment/ re-appointment are annexed to the notice of the Annual General Meeting to be held on 29th July, 2010.	
(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 2010-11	
1. For the quarter ending June 30, 2010.	On or before 14.08.2010
2. For the quarter ending Sept 30, 2010	On or before 14.11.2010
3. For the quarter ending Dec 31, 2010	On or before 14.02. 2011
4. For the year ending March 31, 2011	On or before 30.05. 2011
(v) Date of Book Closure	The Share Transfer Books and the Register of Members shall remain closed from 24.07.2010 to 29.07.2010 (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.
(vi) Dividend Payment Date	03.08.2010.

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 2010 -11 have been paid to the above Stock Exchanges in time as per the listing Agreement.

The Company has paid custodial fees for the year 2010-2011 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, 2010.

CREDIT RATING

CREDIT RATING AGENCY	LONG TERM/ MEDIUM TERM BANK FACILITIES	SHORT TERM BANK FACILITIES
CARE	CARE BBB -	PR3

**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 2009-10.

MONTH	HIGH (RS.)	LOW (RS.)	VOLUME OF SHARES TRADED	NO. OF TRADES
APRIL, 2009	29.00	20.05	14091	131
MAY, 2009	43.40	27.50	27072	202
JUNE, 2009	47.25	32.00	29793	124
JULY, 2009	36.35	29.65	20326	162
AUGUST, 2009	45.00	34.50	34554	245
SEPTEMBER, 2009	51.00	38.10	128265	327
OCTOBER, 2009	49.70	43.75	15614	127
NOVEMBER, 2009	60.05	42.00	48614	410
DECEMBER, 2009	77.75	55.50	35058	358
JANUARY, 2010	77.00	60.00	72241	683
FEBRUARY, 2010	69.00	53.15	270488	1409
MARCH, 2010	72.00	55.60	472590	4026

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2010

The Distribution of Shareholding as on March, 31 2010 is as follows:-

RANGE OF SHARES	SHARES	FOLIOS	% SHARES	% FOLIOS
1 - 500	1028439	8195	7.14	95.01
501 - 1000	185035	216	1.29	2.50
1001 - 2000	137471	89	0.95	1.03
2001 - 3000	119065	45	0.83	0.52
3001 - 4000	71845	19	0.50	0.22
4001 - 5000	74395	16	0.52	0.19
5001 - 10000	124479	17	0.86	0.20
10001 - 50000	470184	20	3.27	0.23
50001 - 100000	107256	2	0.74	0.02
MORE THAN ABOVE	12077395	7	83.90	0.08
TOTAL	14395204	8626	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)

C B Management Services Pvt. Ltd.

P- 22, Bondel Road
Kolkata – 700 019

Telephone: (033) 2280 6692-93-94/2486/2937
2282 3236-37-38

Fax : (033) 2287 0263

e-mail : cbmsl1@cal2.vsnl.net.in

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 following services within the shortest possible time frame as under :

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

The shareholding pattern in the Company as on March, 31 2010

CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
A. PROMOTERS HOLDING		
1. INDIAN		
Individuals/HUF	1216346	8.45
Bodies Corporate	5274736	36.64
Sub-Total	6491082	45.09
2. FOREIGN	-	-
Total Shareholding of Promoter & Promoter Group	6491082	45.09
B. PUBLIC SHAREHOLDING		
1. INSTITUTIONS		
Mutual Funds and UTI	13200	0.09
Foreign Institutional Investors	-	-
2. NON-INSTITUTIONS		



CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
a. Bodies Corporate	1612469	11.20
b. Individuals		
Holding nominal share capital up to Rs. 1 lac	1500659	10.42
Holding nominal share capital in excess of Rs. 1 lac	252832	1.76
c. Any other		
Non-resident Indians	118955	0.83
Foreign Bodies Corporate/OCB	4387491	30.48
Clearing Members	18516	0.13
Sub-Total	7904122	54.91
C. SHARES HELD BY CUSTODIANS & AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED	-	-
GRAND TOTAL	14395204	100.00

DEMATERIALISATION 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, 2010, 94.76% 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, Jharkhand, Tel : 0657 – 6626020
(ii)	Works (Unit II)	C-19 & 20, D-2-3, D-8-12, NS-29-34, 7th Phase, Industrial Area, Adityapur Jamshedpur-832109. Jharkhand Tel : 657 – 6515343/6626301-6340 Fax: 657 – 2200749/2200280
(iii)	Work Unit – III (Dharwad)	Plot No. 222, KIADB, Belur, Industrial Area Dharwad-580011. Karnataka Tel : 0836- 2486804. Fax: 0836 – 2486804.
(iv)	Work Unit – IV (Foundry)	Notandih, Kandra Chauka Main Road, Dist: Seraikela, Kharsawan, Jharkhand Tel : 9386411314.
(v)	Works (Forging Unit)	A-45, A-46, A-47, A-48(P) & M-2 At Large Sector, Gamharia. Jharkhand Tel : 657 -6626602.
(vi)	Works (Unit VI)	NS-57, 7th PHASE, Industrial Area, Adityapur, Jamshedpur- 832109. Jharkhand, Tel. : 0657-6515427
(vii)	Works (unit VII) Lucknow	Village – Naubasta, Kalan, Lucknow, On Line Mark (Deva to Naubasta Marg) Uttar Pradesh Tel. : 0522-3210741

**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,
9th Floor, Room No.902, Kolkata-700017
Phone No. 033- 30581043

(ii) JMT AUTO LIMITED
C-19 & 20, 7th Phase, Industrial Area
Adityapur, Jamshedpur- 832109
Phone No. 657-6626340-6626316
Fax : (0657) 2200 749
E-mail : jmt.cs@jmtauto.com.

(iii) Registrar & Share Transfer Agent
C B Management Services Pvt. Ltd.
P- 22, Bondel Road
Kolkata – 700 019
Telephone: 2280 6692-93-94/2486/2937
2282 3236-37-38 & 3643
Fax : (033) 2287 0263
E-mail : cbmsl@cal2.vsnl.net.in,
tkb.official@gmail.com

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 practising 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, Rajeev Singh Dugal, Chairman cum Managing Director and 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, 2010 and to the best of our knowledge, belief and information:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge, belief and information no transactions entered into by the Company during the financial year 2009-10 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 2009-10.

For JMT Auto Limited

**Place : Kolkata
Date - 29.05.2010**

**Rajeev Singh Dugal
Chairman & 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, 2010 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 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 : 29th May, 2010**

**A. Bhattacharya
Partner
(Membership No. 0541110)**

**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, 2010, the Profit and Loss Account 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 misstatements. 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. 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 Profit and Loss Account 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 Profit and Loss Account 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) *The Company has not obtained approval of the Central Government in respect of transactions with companies in which a director of the Company is interested within the meaning of Section 297 of the Companies Act, 1956. Such transactions aggregate to Rs 106.30 lakhs.*
 - (vi) *The Company has not obtained approval of the Central Government in respect of transactions with a company in which a director of the Company is interested within the meaning of Section 295 of the Companies Act, 1956. Such transactions aggregate to Rs 50 lakhs (loans given and received back).*
 - (vii) *Subject to the matters described in paragraphs 4 (v) and 4 (vi), 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, 2010;
 - (b) in the case of the Profit and Loss Account, 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.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 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)**

**Place : Kolkata
Date : 29th May, 2010**

**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 (x), (xii) and (xiii) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, excepting for certain items where the date of purchase and quantitative details of its fixed assets has not been mentioned; we are informed that the same is in the process of updation.
 - (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) In respect of loans, secured or unsecured, granted by the Company to 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 granted loans aggregating Rs. 50.00 Lakhs to one party during the year. At the year-end, the outstanding balances of such loans aggregated is Rs. Nil, and the maximum amount involved during the year was Rs. 40 Lakhs (number of party 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 receipts of principal amounts and interest have been regular/as per stipulations.
 - (d) There are no overdue amounts exceeding Rs 1 Lakh remaining outstanding as at the year end.
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 Rs 406.75 Lacs from 3 parties during the year. At the year-end, the outstanding balance of such loans taken aggregated Rs.407.70 and the maximum amount involved during the year was Rs. 407.70 (number of parties three).
 - (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) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year or in any earlier years.
- (viii) 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.
- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 in respect of automotive parts and accessories and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
- (x) According to the information and explanations given to us in respect of statutory dues:
- 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.
 - 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, 2010 for a period of more than six months from the date they became payable.
 - Details of 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, 2010 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount involved (Rs. in lacs)
Jharkand Sales Tax Act 1983	Sales Tax	Deputy Commissioner of Commercial Taxes (Appeals).	2002-03	1.49

- (xi) 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.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xiii) 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.
- (xiv) 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.
- (xv) 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.
- (xvi) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvii) According to the information and explanations given to us, during the year covered by our audit report, no debentures were issued by the Company during the year.
- (xviii) The Company has not raised any money through public issue during the year.
- (xix) 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**

**A. Bhattacharya
Partner
(Membership No. 0541110)**

**Place : Kolkata
Date : 29th May, 2010**


BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	Rs. in Lacs	As at 31.03.2010 Rs. in Lacs	Rs. in Lacs	As at 31.03.2009 Rs. in Lacs
I. SOURCES OF FUNDS					
a) SHARE HOLDERS' FUNDS					
i) Share Capital	A	1,439.52		1,439.52	
ii) Reserves and Surplus	B	8,836.11	10,275.63	8,528.27	9,967.79
b) LOAN FUNDS					
i) Secured Loans	C	14,822.49		14,976.66	
ii) Unsecured Loans	D	689.57	15,512.06	384.19	15,360.85
c) DEFERRED TAX LIABILITIES (refer note B(xiv), Schedule U)			1,658.71		1,446.31
			27,446.40		26,774.95
II. APPLICATION OF FUNDS					
a) FIXED ASSETS :	E				
i) Gross Block		25,670.00		24,247.70	
ii) Less: Depreciation		8,881.19		7,301.71	
iii) Net Block		16,788.81		16,945.99	
iv) Capital work - In-Progress		722.38		391.52	
b) INVESTMENTS	F		17,511.19 1.00		17,337.51 —
c) CURRENT ASSETS, LOANS AND ADVANCES					
i) Inventories	G	10,208.14		9,297.16	
ii) Sundry Debtors	H	2,579.48		2,438.72	
iii) Cash and Bank Balances	I	319.20		149.16	
iv) Other Current Assets	J	240.35		211.50	
v) Loans and Advances	K	1,327.86		1,529.16	
		14,675.03		13,625.70	
Less :					
d) CURRENT LIABILITIES AND PROVISIONS					
i) Current Liabilities	L	4,547.41		4,109.35	
ii) Provisions	M	193.41		78.91	
		4,740.82		4,188.26	
NET CURRENT ASSETS			9,934.21		9,437.44
			27,446.40		26,774.95
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	U				

The Schedules referred to above form an integral part of the Balance Sheet.
In terms of our report attached

on Behalf of the Board

For **Deloitte Haskins & Sells**
Chartered Accountants

A. Bhattacharya
Partner

Place : Kolkata
Dated : The 29th day of May, 2010

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Director

Lalit Lohia
Company Secretary


PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	<u>Schedule</u>	<u>Rs. in Lacs</u>	<u>Year Ended</u> <u>31.03.2010</u> <u>Rs. in Lacs</u>	<u>Rs. in Lacs</u>	<u>Year Ended</u> <u>31.03.2009</u> <u>Rs. in Lacs</u>
I. INCOME					
a) Gross Sales		20,495.29		20,342.06	
Less : Excise Duty & Others		2,392.99		2,693.98	
Net Sales			18,102.30		17,648.08
b) Job Works {Tax Deducted at Source Rs. 22.51 Lacs (Previous Year Rs. 23.49 Lacs)}			991.34		1,231.44
c) Other Income	N		206.82		245.31
			19,300.46		19,124.83
II. EXPENDITURE					
a) Operating Expenses	O		13,711.67		13,932.68
b) (Accretion) / Decretion of Stock	P		(239.38)		(544.87)
c) Payment and Benefit to Employees	Q		970.65		967.22
d) Administrative Expenses	R		608.88		461.32
e) Selling and Distribution Expenses	S		234.40		303.63
f) Interest and Finance Cost	T		1,747.16		1,707.77
g) Depreciation			1,586.85		1,603.00
			18,620.23		18,430.75
III. PROFIT					
PROFIT BEFORE TAX			680.23		694.08
TAXES					
(I) Current Tax {net of excess provision of earlier year Rs. 43.84 Lacs (Previous Year Nil)}		112.87		78.21	
(II) Deferred Tax {Refer to Note B(xiv) of Schedule U}		214.10		258.84	
(III) Fringe Benefits Tax		-	326.97	10.69	347.74
PROFIT AFTER TAXATION			353.26		346.34
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR			3,203.31		2,873.82
PROFIT AVAILABLE FOR APPROPRIATION			3,556.57		3,220.16
IV. APPROPRIATIONS					
- DIVIDEND ON EQUITY SHARES			35.99		14.40
- TAX ON DIVIDEND			6.12		2.45
BALANCE CARRIED TO BALANCE SHEET			3,514.46		3,203.31
			3,556.57		3,220.16
V. EARNINGS PER SHARE (FACE VALUE RS. 10/- EACH)					
BASIC and DILUTED {refer note B (xv), Schedule U}			2.45		2.41
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	U				

The Schedules referred to above form an integral part of the Profit & Loss Account.
In terms of our report attached.

on Behalf of the Board

For **Deloitte Haskins & Sells**
Chartered Accountants

A. Bhattacharya
Partner

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Director

Place : Kolkata
Dated : The 29th day of May, 2010

Lalit Lohia
Company Secretary


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year Ended 31.03.2010 Rupees in Lacs		Year Ended 31.03.2009 Rupees in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) Before Tax and Extraordinary Items		680.23		694.08
Adjustment for :				
Depreciation	1,586.85		1,603.00	
Interest Expenses	1,747.16		1,723.32	
Provision for doubtful debts	317.79		28.86	
Foreign Exchange loss/(gain)	(31.99)		(123.63)	
Loss on cancellation of forward contract	—		85.20	
(Gain) / Loss on Disposal of Fixed Assets	(2.76)		—	
Sundry Balance and Excess provision written off (net)	(10.74)		(9.56)	
Provision for diminution in value of Investments	—		1.00	
		3,606.31		3,308.19
Operating Profits before Working Capital Changes		4,286.54		4,002.27
Adjustment for :				
(Increase) / Decrease in Trade and Other Receivable	(194.52)		516.05	
(increase) / Decrease in Inventories	(910.98)		(648.70)	
Increase / (Decrease) in Trade Payable and Other Liabilities	736.89	(368.61)	(861.33)	(993.98)
Cash Generated from Operations		3,917.93		3,008.29
Direct Tax Paid		(59.43)		(169.71)
Net Cash from Operating Activities		3,858.50		2,838.58
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(1,766.52)		(2,470.14)	
Sale of Fixed Assets	8.75		—	
Purchase / sale of Investments (net)	(1.00)		—	
		(1,758.77)		(2,470.14)
Net Cash from Investing Activities		(1,758.77)		(2,470.14)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net increase in Borrowings	(151.21)		1,381.45	
Loan processing fees	(33.79)		(42.67)	
Loss on cancellation of Forward Contract	—		(85.20)	
Interest paid	(1,727.68)		(1,672.61)	
Dividend Paid (Including Corporate Dividend Tax)	(17.01)	(1,929.69)	(160.62)	(579.65)
Net Cash from Financing Activities		(1,929.69)		(579.65)
Net Increase / (decrease) in Cash & Cash Equivalents		170.04		(211.21)
Cash and Cash Equivalents - Opening Balance		149.16		360.37
Cash and Cash Equivalents - Closing Balance *		319.20		149.16

Notes : (1) Previous Year figures have been regrouped / rearranged wherever necessary.

Notes : (2) Figures in brackets represent outflows.

* Includes restricted balance Rs. 82.98 Lacs (Previous Year Rs. 119.40 Lacs)

on Behalf of the Board

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

A. Bhattacharya
Partner

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Director

Place : Kolkata
Dated : The 29th day of May, 2010

Lalit Lohia
Company Secretary

**SCHEDULE TO ACCOUNTS**

	As at 31.03.2010 Rs. in Lacs	As at 31.03.2009 Rs. in Lacs
<u>SCHEDULE - A</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs.10/- each	<u>1,500.00</u>	<u>1,500.00</u>
<u>ISSUED, SUBSCRIBED & PAID-UP</u>		
14,395,204 (Previous Year 14,395,204) Equity shares of Rs.10/- each fully paid up	<u>1,439.52</u>	<u>1,439.52</u>
	<u>1,439.52</u>	<u>1,439.52</u>

Notes:-

1. Out of the above subscribed and paid up Capital 18,000(Previous Year: 18,000) Equity Shares have been allotted as fully paid up for consideration other than in cash, pursuant to an agreement.
2. Out of the above subscribed and paid up Capital 631,794(Previous Year: 631,794) Equity shares have been issued as fully paid up Bonus Share by Capitalisation of the balance in the Profit & Loss Account.

SCHEDULE - B
RESERVES & SURPLUS

	(Rs. in Lacs)		
	As at 01.04.2009	Additions	Deduction
a) Capital Reserve	25.50	–	–
b) Share Premium	4,198.21	–	–
c) General Reserve	1,101.25	–	3.31*
d) Profit & Loss Account	3,203.31	311.15	–
	<u>8,528.27</u>	<u>311.15</u>	<u>3.31</u>
			<u>8,836.11</u>

* Adjustment arising from reinstatement of certain Defined Benefit Obligations relating to Employee Benefits {Note B(xi) (c) on Schedule U}

**SCHEDULE TO ACCOUNTS**

	As at 31.03.2010 Rs. in Lacs	As at 31.03.2009 Rs. in Lacs
<u>SCHEDULE - C</u>		
<u>SECURED LOANS</u>		
<u>FROM BANKS</u>		
A) Term Loans		
State Bank of India		
i) Rupee Loans ⁽¹⁾	2,727.10	3,038.61
IDBI Bank Limited		
Rupee Loan ⁽²⁾	3,323.50	1,504.28
B) Working Capital		
State Bank of India		
i) Demand Loan (in Foreign Currency) ⁽⁴⁾	933.66	1,199.31
ii) Cash Credit ⁽⁴⁾	4,637.35	4,990.09
iii) Short Term Loan ⁽⁴⁾	-	804.11
IDBI Bank Limited.		
Cash Credit ⁽⁵⁾	2,835.18	3,371.15
C) Others		
ICICI Bank Limited. ⁽⁶⁾	3.83	7.47
HDFC Bank Limited. ⁽⁶⁾	9.19	8.19
FROM OTHERS		
Body Corporate ⁽³⁾	352.68	53.45
	<u>14,822.49</u>	<u>14,976.66</u>

1. Term Loans are secured by a first charge over entire fixed assets of the Company and charge over factory land & building by way of equitable mortgage, extension of charge on all current assets of the Company and further secured by guarantee given by one of the directors of the Company and two associate companies.

2. Term loan is secured by a first pari passu charge over entire fixed assets, second charge on current assets ranking pari passu with other banks facilities and first charge on certain immovable properties of the Company.

3. Term Loan from Body Corporate (Tractors and Farm Equipment Limited) is secured by hypothecation of certain Machinery.

4. Working Capital facilities are secured by hypothecation of entire stocks of raw materials, work-in-progress and finished goods, consumable stores and receivables in favour of the bank and extension of first charge on all the fixed assets of the Company and further secured by guarantee given by one of the directors of the Company and two associate companies.

5. Working capital facilities are secured by first pari passu charges on all current assets.

6. Loans from ICICI Bank Limited and HDFC Bank Limited are secured by way of hypothecation on the Vehicles financed by them.

SCHEDULE - D
UNSECURED LOANS

	As at 31.03.2010 Rs. in Lacs	As at 31.03.2009 Rs. in Lacs
From Banks	121.73	244.19
From Bodies Corporate	566.89	140.00
Interest Accrued and due	0.95	-
	<u>689.57</u>	<u>384.19</u>

Note : unsecured Loans include Rs. 121.73 Lacs
due within one year {Previous Year (Rs. 122.46 Lacs)}


SCHEDULE TO ACCOUNTS
**SCHEDULE - E
FIXED ASSETS**

(Rs. in Lacs)

Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As at 01.04.09	Additions during the year #	Sale/ Adjustment during the year	As at 31.03.10	As at 1.04.09	Addition/ Amortisation During The Year	Sale/ Adjustment during the year	As at 31.03.10	As at 31.03.10	As at 31.03.09
Leasehold Land	183.08	–	–	183.08*	11.57	1.63	–	13.20	169.88	171.51
Freehold Land	54.66	–	–	54.66	–	–	–	–	54.66	54.66
Building	4,371.03	232.28	–	4,603.31	424.20	144.88	–	569.08	4,034.23	3,946.83
Plant and Machinery	19,107.69	1,167.45	3.24	20,271.90	6,621.46	1,387.17	3.24	8,005.39	12,266.51	12,486.23
Furniture and Fittings	172.78	1.15	–	173.93	58.39	10.97	–	69.36	104.57	114.39
Office Equipments	71.80	10.79	–	82.59	35.02	3.77	–	38.79	43.80	36.78
Computers	153.31	4.03	–	157.34	104.03	19.99	–	124.02	33.32	49.28
Vehicles	87.89	11.74	10.12	89.51	37.95	8.95	4.13	42.77	46.74	49.94
Total (A)	24,202.24	1,427.44	13.36	25,616.32	7,292.62	1,577.36	7.37	8,862.61	16,753.71	16,909.62
Intangible Asset										
Computer Software - Acquired	45.46	8.22	–	53.68	9.09	9.49	–	18.58	35.10	36.37
Total (B)	45.46	8.22	–	53.68	9.09	9.49	–	18.58	35.10	36.37
Total (A+B)	24,247.70	1,435.66	13.36	25,670.00	7,301.71	1,586.85	7.37	8,881.19	16,788.81	16,945.99
Previous Year	19,943.15	4,304.55	–	24,247.70	5,698.71	1,603.00	–	7,301.71	16,945.99	
Capital Work in progress									722.38	391.52

* Includes land amounting to Rs. 12.65 Lacs held in the name of individual Directors in view of constraints of local legislation and includes Rs. 22.34 Lacs for which the deed of conveyance was executed subsequent to the year end.

Includes Interest capitalised Rs. 47.26 Lacs (Previous Year Nil)

SCHEDULE F - INVESTMENTS
Long Term - At Cost

(Rs. in Lacs)

Particulars	Face Value Per Share Rs.	Quantity		Amount	
		As at 31.03.10	As at 31.03.09	As at 31.03.10	As at 31.03.09
In Equity Shares					
Unquoted - Trade					
Nicco Jubilee Park Limited	10	10,000	10,000	1.00	1.00
Jaimex International Private Limited	10	10,000	10,000	1.00	1.00
Adityapur Auto Cluster	1,000	100*	–	1.00*	
				3.00	2.00
Less : Provision for diminution in the value of Investment				2.00	2.00
				1.00	–

*Purchased during the year


SCHEDULE TO ACCOUNTS
SCHEDULE - G
INVENTORIES

	As at 31.03.2010 Rs. in Lacs	As at 31.03.2009 Rs. in Lacs
Store and Spare Parts-At/Under cost	773.99	569.02
Raw Materials-At/Under cost	1,699.12	1,247.68
Work-in-progress-At lower of cost and Net Realisable Value	7,193.22	7,100.11
Finished Goods-At lower of cost and Net Realisable Value	490.00	343.73
Raw Materials in Transit-At/Under cost	51.81	36.62
	<u>10,208.14</u>	<u>9,297.16</u>

SCHEDULE - H
SUNDRY DEBTORS
(UNSECURED)

Debts outstanding for a period exceeding six Months

Considered Good	857.97	717.37
Considered Doubtful	-	81.38
	<u>857.97</u>	<u>798.75</u>
Others Debts-Considered Good	1,721.51	1,721.35
	<u>2,579.48</u>	<u>2,520.10</u>
Less : Provision for Doubtful Debts	-	81.38
	<u>2,579.48</u>	<u>2,438.72</u>

SCHEDULE - I
CASH AND BANK BALANCES

Cash balance in hand	2.90	3.73
<u>Bank balances</u>		
With Scheduled Banks on :		
i) Current Accounts	213.58	6.13
ii) Fixed Deposit Accounts	<u>82.98</u>	119.40
iii) Unpaid Dividend Accounts	19.74	125.53
	<u>319.20</u>	<u>149.16</u>

Note : Fixed deposit receipt of Rs. 82.98 Lacs (Previous Year Rs. 119.40 Lacs) deposited with bank as margin money against bank guarantee.

SCHEDULE - J
OTHER CURRENT ASSETS

(Unsecured considered good)

Interest accrued	1.75	2.59
Security Deposit	238.60	208.91
	<u>240.35</u>	<u>211.50</u>

**SCHEDULE TO ACCOUNTS****SCHEDULE – K**
LOAN AND ADVANCES

	As at 31.03.2010 Rs. in Lacs	As at 31.03.2009 Rs. in Lacs
(Unsecured and considered good)		
Advance receivable in cash or in Kind for the value to be received	789.34	771.01
Advance payment of Income Tax (Net of Provision for Income Tax)	38.22	5.70
Balance with Central Excise	494.71	715.28
Balance with Sales Tax	5.59	37.17
	<u>1,327.86</u>	<u>1,529.16</u>

SCHEDULE – L
CURRENT LIABILITIES

Sundry Creditors		
- Total outstanding dues of micro enterprises and small enterprises	–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises	4,076.83*	3,786.26
Other liabilities	436.56	58.30
Advance received from customers	14.28	244.89
Unclaimed Dividend	19.74	19.90
	<u>4,547.41</u>	<u>4,109.35</u>

* Includes sundry creditors for capital goods Rs. 499.41 Lacs (Previous Year Rs. 638.22 Lacs) and overdrawn bank balances in a current account - Rs. 5.85 Lacs (Previous Year Nil)

Note:

There is no amount due and outstanding at the balance sheet date to be credited to Investor education and protection fund.

SCHEDULE - M
PROVISIONS

Income Tax	112.87	22.51
Fringe Benefit Tax	–	9.47
Leave encashment	18.09	30.08
Gratuity	20.34	–
Proposed Dividend	35.99	14.40
Tax on Dividend	6.12	2.45
	<u>193.41</u>	<u>78.91</u>


SCHEDULE TO ACCOUNTS
SCHEDULE - N
OTHER INCOME

		<u>Year Ended</u> <u>31.03.2010</u> <u>Rs. in Lacs</u>	<u>Year Ended</u> <u>31.03.2009</u> <u>Rs. in Lacs</u>
Interest			
- On Fixed deposits etc. {Tax deducted at source Rs. 1.84 Lacs, (Previous Year Rs.1.75 Lacs)}	11.06		11.60
- On Inter Corporate Loans {Tax deducted at source Rs. 0.09 Lacs, (Previous Year Nil)}	0.93	11.99	—
Discount Received		20.62	27.32
Insurance Claim		74.63	11.11
Sundry Balance written back		10.74	9.56
Profit on sale of Assets (net)		2.76	—
Rent Received		0.36	0.36
Subsidy Income		-	13.68
Exchange Fluctuation (net)		31.99	128.27
DEPB License (net)		53.73	43.41
		206.82	245.31

SCHEDULE - O
OPERATING EXPENSES

Raw materials consumed	7,202.89	7,983.59
Stores Spare Parts consumed	1,436.96	1,558.03
Job off loading Charges	1,690.59	1,396.05
Freight Charges	329.70	340.55
Power and Fuel	2,595.63	2,166.87
Repairs - Building	56.71	37.66
- Machinery	102.91	94.19
- Others	59.33	65.69
Insurance	37.11	79.77
Rates and Taxes	58.03	25.40
Security Charges	77.37	86.56
Machine Hire Charges	29.88	65.18
Other Operating Expenses	34.56	33.14
	13,711.67	13,932.68

SCHEDULE - P
(ACCRETION)/DECRETION OF STOCK

Closing inventories:		
Finished Goods	490.00	343.73
Work - in - Progress	7,193.22	7,100.11
	7,683.22	7,443.84
Opening inventories :		
Finished Goods	343.73	76.51
Work - in - Progress	7,100.11	6,822.46
	7,443.84	6,898.97
	(239.38)	(544.87)

**SCHEDULE TO ACCOUNTS****SCHEDULE - Q****PAYMENT AND BENEFIT TO EMPLOYEES**

	<u>Year Ended</u> <u>31.03.2010</u> <u>Rs. in Lacs</u>	<u>Year Ended</u> <u>31.03.2009</u> <u>Rs. in Lacs</u>
Salaries,Wages, Allowances and Bonus	874.60	880.35
Workmen and Staff Welfare Expenses	22.54	22.97
Contribution to Provident and Other Funds	73.51	63.90
	<u>970.65</u>	<u>967.22</u>

SCHEDULE – R**ADMINISTRATIVE EXPENSES**

Travelling and Conveyance	58.75	50.74
Directors Remuneration	14.69	16.74
Auditors' Remuneration { refer note B(xvii) of Schedule U}	10.97	9.21
Rent	8.07	10.67
Bank Charges	83.55	59.03
Telephone and Fax	20.90	27.87
Car hire charges	34.99	33.41
Provision for doubtful debts	–	28.86
Bad Debts written off ⁽¹⁾	317.79	
Less : adjusted with provisions	<u>81.38</u>	<u>236.41</u>
Miscellaneous Expenses (refer note B (xviii) of Schedule U)	140.55	224.79
	<u>608.88</u>	<u>461.32</u>

(1) Include Rs.173.36 Lacs related to rate difference for earlier years sales, crystallised in 2009-10

SCHEDULE – S**SELLING AND DISTRIBUTION EXPENSES**

Subscription and Advertisement	1.42	3.63
Handling and Processing Charges (Export)	2.29	6.76
Carriage Outwards	167.03	211.32
Sales Promotion	15.36	12.10
Discount Allowed	39.33	53.90
Sales Commission	8.97	15.92
	<u>234.40</u>	<u>303.63</u>

SCHEDULE – T**INTEREST AND FINANCE COST**

Interest - Term Loan	551.15	528.31
- Working Capital Facilities	1,162.22	1,136.79
Loan processing fees	33.79	42.67
	<u>1,747.16</u>	<u>1,707.77</u>

**SCHEDULE -U****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A) SIGNIFICANT ACCOUNTING POLICIES****(i) BASIS OF ACCOUNTING**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with Generally Accepted Accounting Principles in India, provisions of the Companies Act, 1956 and Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956.

(ii) REVENUE RECOGNITION**SALES**

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

Gross Sale represent the invoice value of goods sold, net of trade discount, rejections and sale returns but includes excise duty.

Export entitlements are recognised after completion of related exports on prudent basis.

(iii) FIXED ASSETS

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.

b) Expenses incurred relating to project prior to commencement of commercial production are classified as Preoperative Expenditure and included under Capital Work-in-Progress (net of income earned during project development stage).

(iv) DEPRECIATION

a) Depreciation 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 amortised 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 amortised over a period of five years.

(v) FOREIGN CURRENCY TRANSACTIONS

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 amortised over the life of the contract.

c) Non monetary foreign currency items are carried at cost.

d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account.

(vi) GOVERNMENT GRANTS

a) Government grants related to fixed assets are adjusted with the value of fixed assets/ credited to capital reserve.

b) Government grants related to revenue items are adjusted with the related expenditure/ taken on income.

(vii) INVENTORIES

Inventories other than raw material, stores and spares are valued at lower of cost and net realisable value. Cost is determined under weighted average method (Inclusive of conversion expenses and applicable overheads). Raw material, stores and spares are valued at / under cost.

(viii) INVESTMENTS

Investments are classified as long term investments.

Long term investments are carried at cost unless there is diminution (other than temporary) in the value of investments.

(ix) 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 recognised 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 recognised 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 recognised in full in the profit and loss Account for the period in which they occur, past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight - line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised 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 recognised immediately in the Profit and Loss Account for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

(x) 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 income 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 realisation.

(xi) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised 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.

(xii) 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.

(xiii) PROVISIONS AND CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognised 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 recognised 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.

(xiv) LEASES

For assets acquired under Operating Lease, rentals payable are charged to Profit and Loss Account.

B) NOTES ON ACCOUNTS :**(i) ESTIMATED VALUE OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT & NOT PROVIDED FOR**

(Rs. in Lacs)

PARTICULARS	Current Year	Previous Year
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	41.58	747.84
	41.58	747.84


(ii) CONTINGENT LIABILITIES NOT PROVIDED FOR
(Rs. in Lacs)

PARTICULARS	Current Year	Previous Year
a) Bank Guarantee Outstanding	29.85	67.50
b) Claims made against the Company but not acknowledged as debts		
i. Jharkhand State Electricity Board towards fuelsurcharge and delayed payment surcharge	46.20	46.20
ii. In respect of bill discounted with the Bank	3,430.32	1,811.43
iii. Bihar Sales Tax relating to year 2002-03, as per demand notice 519 dated 25.06.2005 with Joint Commissioner , Jamshedpur	1.49	1.49
c) Letter of Undertaking for availing duty exemption under EPGC Scheme	1,835.69	1,769.40

(iii) LICENCED AND INSTALLED CAPACITY

(As Certified by the Management)	Units	Current Year	Previous Year
a) Licensed capacity	-	Not Applicable	Not Applicable
b) Installed capacity	-	Not Applicable	Not Applicable

Note : As there are a considerable number of items being processed, hence the installed capacity is not ascertainable.

iv) OPENING, CLOSING, TURNOVER AND PRODUCTION STOCK OF GOODS

Group of Goods	UOM	Opening Stock		Closing Stock		Turnover		Production Quantity
		Quantity	Rs. in Lacs	Quantity	Rs. in Lacs	Quantity	Rs. in Lacs	Quantity
Gear	Nos	37,139	120.57	46,276	169.04	1,780,327	10,276.96	1,789,464
		(8,154)	(39.95)	(37,139)	(120.57)	(1,972,368)	(8,534.98)	(2,001,353)
Axle Components	Nos	72	0.71	423	3.94	1,797	22.42	2,148
		(--)	(--)	(72)	(0.71)	(1,486)	(18.76)	(1,558)
Excavator Components	Nos	18,874	104.14	14,656	78.07	261,780	2,505.97	257,562
		(1,388)	(23.31)	(18,874)	(104.14)	(573,529)	(4,918.66)	(591,015)
Engine Components	Nos	7,126	3.22	5,615	22.07	38,240	198.22	36,729
		(3,293)	(9.60)	(7,126)	(3.22)	(69,385)	(598.23)	(73,218)
Others	--	60,198	115.09	73,434	216.88	6,534,622	7,491.72	6,547,858
		(30,285)	(3.65)	(60,198)	(115.09)	(5,858,718)	(6,271.43)	(5,888,631)
Total			343.73		490.00		20,495.29	
			(76.51)		(343.73)		(20,342.06)	

Note: Figures In brackets are for the previous year

**(v) CONSUMPTION OF RAW MATERIALS AND COMPONENTS**

Details of Raw Materials / Components	UOM	Current Year		Previous Year	
		Quantity	Rs. In Lacs	Quantity	Rs. In Lacs
Forging	No	90,034	677.56	146,012	591.18
Bright Bars	Kg	13,998,152	6,387.03	9,940,563	6,202.20
MS Pipe	Mtr	108,180	138.30	656,357	1,190.21
			7,202.89		7,983.59

(vi) CONSUMPTION OF IMPORTED AND INDIGENOUS RAW -MATERIALS /COMPONENTS, STORES & SPARES PARTS

PARTICULARS	Current Year		Previous Year	
	Rs. in Lacs	%	Rs. in Lacs	%
a) Raw Materials and Components				
Imported	18.45	0.26	105.16	1.32
Indigenous	7,184.44	99.74	7,878.43	98.68
	7,202.89	100.00	7,983.59	100.00
b) Stores and Spared Parts				
Imported	107.11	7.36	0.27	0.02
Indigenous	1,329.85	92.64	1,557.76	99.98
	1,436.96	100.00	1,558.03	100.00

(vii) C.I.F. VALUE OF IMPORTS

	PARTICULARS	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
a)	Capital Goods	662.27	617.53
b)	Raw Material and Components	18.45	43.23
c)	Consumable Stores	107.11	73.23
		787.83	733.99

(viii) EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
Travelling	0.47	4.32
	0.47	4.32

(ix) EARNING IN FOREIGN CURRENCY

PARTICULARS	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
F.O.B.Value of Exports	819.72	1,810.15
	819.72	1,810.15

- (x) 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.

**(xi) Employee Benefits****(a) Post Employment Defined Contribution Plans**

During the year an amount of Rs. 64.47 Lacs (Previous Year Rs. 63.90 Lacs) has been recognised 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 A(ix) of Schedule U, based on 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 2010:

PARTICULARS		Gratuity
A. Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligations (DBO)		Rs. in Lacs
1	Present Value of DBO at beginning of year	47.43
2	Current Service cost	8.87
3	Interest cost	3.79
4	Plan amendments	3.63
5	Actuarial (gains)/ losses	(4.54)
6	Benefits paid	(5.03)
7	Present Value of DBO at the end of year	54.15
B. Reconciliation of Opening and Closing balances of the Fair Value of Plan Assets		
1	Fair Value of Plan assets at beginning of year	30.15
2	Actual return on plan assets	2.71
3	Actual Company contributions	5.98
4	Benefits paid	(5.03)
5	Plan assets at the end of year	33.81
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	54.15
2	Fair value of plan assets at the end of the year	33.81
3	Assets/(Liabilities) recognised in the Balance Sheet	(20.34)
D. Expense recognized in the Profit and Loss Account		
1	Current Service cost	8.87
2	Interest cost	3.79
3	Expected return on plan assets	(2.71)
4	Past Service Cost	3.63
5	Actuarial Losses / (Gains)	(4.54)
	Total expense recognised	9.04*
	* Recognised under the line item 'Contribution to Provident and Other Funds' in Schedule 'Q'.	
E. Category of Plan Assets:		
	Fund with LIC	33.81
F. Actual Return on Plan Assets		2.71
G. Principal Actuarial Assumptions		
1	Discount Rate	8.25%
2	Expected return on plan assets	8.00%
3	Salary Escalation	5.00%
4	Inflation	5.00%

**Notes:**

- (i) This being the first year of disclosure, previous year figures have not been furnished.
- (ii) The estimate of future salary increases taken in to account, inflation, seniority, promotion and other relevant factors.
- (iii) 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.
- (c) The Company has adopted the Accounting Standard (AS) 15 on 'Employee Benefits' notified under the Companies Act, 1956 and revised its accounting policy in respect of employee benefits. Pursuant to the adoption of AS 15 an amount of Rs. 3.31 Lacs (Net of tax effect of Rs. 1.71 Lacs), arising upon remeasurement of certain employee benefit obligations, as on 1st April 2009, has been recognised with corresponding adjustment against General Reserve (Schedule B) in keeping with transitional provisions of the aforesaid AS.

(xii) MANAGERIAL REMUNERATION PAID/PAYABLE

PARTICULARS		Current Year Rs. in Lacs	Previous Year Rs. in Lacs
(a)	Managing Director and Wholtime Directors Salary		
	Salary	14.69	16.74
	Contribution to Provident Funds and Other Funds	1.59	1.44
	Perquisites/Allowances	1.85	1.36
	(A)	18.13	19.54
(b)	Other Directors		
	Director's Meeting Fees	0.46	0.30
	(B)	0.46	0.30
	(A)+(B)	18.59	19.84

Note: The above figures do not include provision for Gratuity and Leave encashment benefits, as actuarial valuation is done on an overall basis.

(xiii) SEGMENT REPORTING

The Company is a manufacturer of Automotive Components parts and managed organisationally as a single unit. The company does not have reportable geographical segment as its export turnover does not exceed 10% of its revenue to external customers.

(xiv) DEFERRED TAX ACCOUNTING

The Break up of Deferred Tax Liabilities / (Assets) at the year end into major components of the respective balances are:

PARTICULARS	As at 31.03.10 Rs. in Lacs	As at 31.03.09 Rs. in Lacs
Tax impact of :		
Depreciation	1671.48	1,484.19
Deferred Tax Assets arising out of timing difference relating to :		
Others	(12.77)@	(10.22)
Provision for doubtful debt	-	(27.66)
Deferred Tax (Assets)/Liability (Net)	1658.71	1,446.31

@ After considering tax effect of Rs. 1.71 Lacs relating to Employee Benefit Obligations adjusted against General Reserve as indicated in Note no. B (xi) (c) of Schedule U.


(xv) BASIC AND DILUTED EARNINGS PER SHARE

	PARTICULARS	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
a)	No. of ordinary share at the beginning of the Year (Rs. in Lacs)	143.95	143.95
	No. of ordinary share at the end of the Year (Rs. in Lacs)	143.95	143.95
	Weighted average number ordinary shares (in Lacs) outstanding during the year (Rs. in Lacs)	143.95	143.95
b)	Face value of each ordinary share (in Rs.)	10.00	10.00
c)	Profit after tax available for ordinary ShareHolders (Rs. in Lacs)	353.26	346.34
	Earnings Per Share (Rs.) - Basic and diluted (c ÷ b)	2.45	2.41

(xvi) RELATED PARTY DISCLOSURE

(a)

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		
a)	Associate Companies:	Precision Automotive Co. (P) Ltd, RSD Finance Limited, K.U. Auto Engineering (P) Ltd. S R P Oils (P) Ltd.,
b)	Investing Parties:	Bach Ltd.
c)	Key management personnel:	Mr. Rajeev Singh Dugal Mr. Jasjit Singh Dugal

(b) The following transactions were carried out with related parties in the ordinary course of business:

(i)	Associate Companies:	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
	Purchase of material / finished goods	74.60	103.22
	Sale of Fixed Asset	2.60	19.53
	Sale of finished goods and Job working	0.71	3.77
	Services rendered / other receipts	0.75	0.36
	Services availed including Job charges	11.08	29.79
	Machine hire charges	16.56	16.56
	Loans given	50.00	–
	Loans repaid	(50.00)	–
	Balance at the end of the year		
	Other payables	403.69	42.83
	Receivables	57.10	2.96
(ii)	Key management personnel		
	Managerial Remuneration		
	(Details of Remuneration to whole time directors are given in note (xii) (a) above)	18.13	19.54

**(xvii) AUDITORS REMUNERATION**

	AUDITORS REMUNERATION (Excluding service tax and education cess)	Current Year Rs in Lacs	Previous Year Rs in Lacs
a)	For Audit Fees	5.00	5.00
b)	For Limited Review	3.00	3.00
c)	Others	2.00	-
d)	Towards reimbursement of out of pocket expenses	0.97	1.21
		10.97	9.21

(xviii) Miscellaneous Expenses includes

a) Donations contributed to political parties details of which are as under:

Name of the political parties	Current Year Rs in Lacs	Previous Year Rs in Lacs
Bhartiya Janata Party	0.110	-
Vikash Morcha Party	-	0.020
AJSU Party	-	0.015
Jharkand Mukti Morcha	0.121	-
Jharkand Pradesh Youth Congress party	-	0.018
Vishwa Hindu Parishad	-	0.003
Rastriya Janata Dal	0.006	0.002
	0.237	0.058

b) Loss on cancellation of forward contract amounting to Rs. NIL (Previous Year: Rs. 85.20 Lacs).

(xix) The Company has reviewed potential generation of economic benefits from its cash generating units and concluded that there is no further impairments during the year.

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

PARTICULARS	Current Year Rs in Lacs	Previous Year Rs in Lacs
Not later than one year	16.56	16.56
Later than one year and not later than 5 years	33.12	49.68

(xxi) The Company has entered into Forward contracts (being derivative instruments) which are not intended for trading or speculation purpose for hedging currency related risks.

a) Forward contracts outstanding as on 31st March 2010 are as follows:

As at	Category	Currency	No. of Contracts	Exposure in Foreign Currency (in Lacs)	Amount (Rs. in Lacs)
31st March 2010	Forward Exchange Contract	USD/INR	2	20.00	933.66
31st March 2009	Forward Exchange Contract	USD/INR	1	25.00	1,199.31



b) The year end foreign currency exposure that has not been hedged by a derivative Instrument or otherwise are given below:

As at	Particulars	Currency	Amount In Foreign Currency (in Lacs)	Amount (Rs. in Lacs)
31st March 2010	Debtors	USD	13.73	620.01
31st March 2009	Debtors	USD	18.62	941.73
31st March 2010	Creditors	USD	2.17	97.85
		CHF	0.16	6.78
		JPY	802.19	388.58
		SGD	0.03	0.94
31st March 2009	Creditors	USD	2.53	124.95
		Euro	0.05	3.42
		JPY	946.09	502.15

(xxii) The previous year's figures have been regrouped and rearranged wherever necessary to make the same comparable with current year's figure.

on Behalf of the Board

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Director

Lalit Lohia
Company Secretary



**ABSTRACT OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND COMPANY GENERAL BUSINESS STATEMENT
PURSUANT TO PART IV OF SCHEDULE VI (AS AMENDED) TO THE COMPANIES ACT, 1956**

i) Registration details :

Registration No. :	82620	State Code :	21
Balance Sheet Date	Date Month Year		
	31 03 2010		

ii) Capital Raised During the Year (Amount in Rs.Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

iii) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	2,744,640	Total Assets	2,744,640
Sources of Funds :			
Paid up Capital	143,952	Reserves & Surplus	883,611
Equity Warrants	0	Unsecured Loan	68,957
Secured Loans	1,482,249	Deferred Tax Liability	165,871
Application of Fund :			
Net Fixed Assets	1,751,119	Investment	100
Net Current Assets	993,421	Misc.Expenditure	0
Accumulated Losses	0		

iv) Performance of Company (Amount in Rs. Thousands)

Turnover & Other Income	1,930,046	Total Expenditure	1,862,023
Profit /(Loss) before tax	68,023	Profit/(Loss) after tax	35,326
Earning Per Share in Rs.	2.45	Dividend rate %	2.50%

v) Generic Names of Three Principal Products/Services of the Company (As per monetary terms)

Item Code No. (ITC Code)	870800
Product Description	GBS 40 (GEAR BOX COMPONENT)
Item Code No. (ITC Code)	848300
Product Description	ENGINE COMPONENT
Item Code No. (ITC Code)	732510
Product Description	AXLE COMPONENT

on Behalf of the Board of Directors

Rajeev Singh Dugal
Chairman & Managing Director

Jasjit Singh Dugal
Director

Place : Kolkata
Dated : The 29th day of May, 2010

Lalit Lohia
Company Secretary

JMT AUTO LIMITED

Registered Office : 224, A. J. C. 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 23rd Annual General Meeting of the Company at Golden Park, 13, Ho-Chi-Minh Sarani, Kolkata- 700 071 on Thursday, The 29th July, 2010 at 10.00 A.M.

SIGNATURE OF THE SHAREHOLDER / PROXY

NOTES : 1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.

JMT AUTO LIMITED

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

PROXY

I/We
.....of.....
.....being a member/members of the above named Company, hereby appoint
.....of
.....as my/our Proxy to.
attend and vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held
on Thursday, the 29th July, 2010

Regd. Folio :

No. of Shares held :

Signature_____

NOTE : The Proxy must be returned so as to reach the Registered Office of the Company at 224, A. J. C. Bose Road, Krishna Building, 9th Floor, Room # 902, Kolkata - 700 017 not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.