

Board of Directors

D.S. Gupta (Chairman)
 R.A. Savoor
 S. Ramakrishnan
 Atul Bansal
 Satish Pradhan
 Rajiv Dube
 Raman Nanda
 B. Venkataramani

Secretary

Shailendra Dindore

Bankers

HDFC Bank
 State Bank of India
 Societe Generale

Registered Office

G-71/2, MIDC Industrial Area,
 Pune 411 026, Maharashtra

Auditors

M/s Price Waterhouse
 Chartered Accountants

Works

G-71/2, MIDC Industrial Area,
 Bhosari, Pune 411 026,
 Maharashtra

Gat No. 427, Medankarwadi, Chakan
 Maharashtra

Taluka Khed, Pune 410 501, Maharashtra

Survey No. 173, Village-Khakharia,
 Taluka Savli, Near GIDC, Halol 389 350,
 Gujarat

Share Transfer Agent

MCS Limited

1st Floor, 116-118, Akshay Complex,
 Off Dhole Patil Road, Near Ganesh Mandir,
 PUNE – 411 001.

Tel: (020) 30906685

Fax : (020) 26129597

Report Contents

Financial Highlights	2
Notice	3
Directors' Report	10
Report on Corporate Governance	15
Auditors' Report	26
Balance Sheet	30
Profit and Loss Account	31
Schedules	32
Cash Flow Statement	47
Balance Sheet Abstract	49
Proxy Form	51

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(Rs. in '000)

	2001-02	2002-03	2003-04	2004-05	2005-06
Sales & Other Income	982,260	1,481,684	1,804,657	2,505,190	2,786,185
Profit before Interest, Depreciation, Tax and Extraordinary Income	108,002	111,099	191,026	170,229	188,694
Extraordinary Income	-	182,620	35,050	-	-
Profit After Tax	(25,933)	121,585	73,208	40,175	46,447
Share Capital	101,985	221,985	221,985	221,985	221,985
Reserves and Surplus	194,859	194,859	215,871	225,672	241,745
Shareholders' Funds	296,844	416,844	437,856	447,657	463,730
Loan Funds	681,872	262,842	164,871	374,376	365,121
Total Capital Employed	978,716	679,686	602,727	822,033	828,851
Gross Block	798,742	824,612	850,412	996,147	1,033,199
Depreciation	214,679	283,590	358,006	448,512	544,489
Net Block	584,063	541,022	492,406	547,635	488,710
Net Current Assets	48,836	84,948	98,976	218,752	238,915
Preference Dividend	-	-	21,738	14,400	14,400
Equity Dividend	-	-	-	12,238	12,238
Rate of Dividend	-	-	-	12%	12%
No. of Shareholders	1,907	1,857	2,651	3,654	2,971
Earnings Per Share	(2.54)	11.11	5.59	2.33	2.94

NOTICE

ASAL

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of Automotive Stampings and Assemblies Limited will be held on Tuesday, the 30th day of May, 2006 at 2:30 P.M. at "Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2006 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare dividend on 12% Cumulative Redeemable Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. D. S. Gupta who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Satish Pradhan who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. R. A. Savoor, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation."
8. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. S. Ramakrishnan, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation."
9. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. B. Venkataramani, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation."
10. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII to the said Act and subject to the approval of the Central Government, if necessary, the Company hereby approves of the appointment and terms of remuneration of Mr. Rajesh Sahay as "Manager" u/s 269 of the Companies Act, 1956 from 19th April, 2006 to 31st March 2007, upon the terms and conditions as set out below and in the Agreement entered into in this behalf, with liberty to the Board of Directors and/or Remuneration Committee, to alter and vary the terms and condition of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. Rajesh Sahay ("the appointee"):-

i. Remuneration:

- a. **Salary:** In the scale of Rs.43,000/- to Rs.50,000/- per month with authority to the Board and/or Remuneration Committee to fix his salary within the above scale from time to time. Present salary being Rs.43,000/- per month. The increments may be decided by the Board and /or Remuneration Committee from time to time subject however to an amount not exceeding Rs. 50,000/- per month.
- b. **Incentive Remuneration:** Upto 100 % of salary to be paid at the discretion of the Board and/or Remuneration Committee and is based on certain performance criteria.
- c. **Perquisites and allowances:** The appointee will be entitled to the perquisites and allowances as per the Company rules in addition to the salary and incentive remuneration. Such perquisites and allowances will be subject to a maximum of 175% of his annual salary.
 - In arriving at the value of the perquisites insofar as there exists a provision for valuation of perquisites under the Income Tax Rules, the value shall be determined on the basis of Income Tax Rules in force from time to time.
 - Provision for use of Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.
 - Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

ii. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in the financial year during the currency of the tenure of Mr. Sahay, the Company has no profit or its profits are inadequate, the Company may pay remuneration by way of salary, incentive remuneration, perquisites and allowances as specified above.

**BY ORDER OF THE BOARD
for Automotive Stampings and Assemblies Limited**

Shailendra Dindore
Secretary

Pune, April 19, 2006

Registered Office:

G-71/2, M.I.D.C. Industrial Area,
Bhosari, Pune 411026

NOTES

1. Explanatory Statements under section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the meeting are annexed hereto and form part of the notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIM/HER. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. Members are requested to bring their personal copy of the Annual Report to the meeting.
4. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the answers may be made available at the Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th May, 2006 to 30th May, 2006 (both days inclusive) for the purpose of payment of dividend to those Members whose names stand on the Register of Members as on 30th May, 2006. The dividend in respect of Equity Shares held in electronic form will be payable to the beneficial owners of the Equity Shares as at the end of business hours on 23rd May, 2006 as per the details furnished by the depositories for this purpose.
6. The dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2006 will be payable on or after 30th May, 2006 in accordance with the resolution to be passed by the Members of the Company.
7. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrars and Transfer Agent.
8. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, ECS mandates, power of attorney, change of address/name, etc. to their depository participant only and not to the Company's Registrar and Transfer Agent. Changes intimated to the depository participant will help the Company and its Registrars and Transfer Agent to provide efficient and better services to the Members.
9. Under section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, the Company has transferred the unclaimed dividend of 1997-98 to the IEPF during the year.

The shareholders who have not encashed the dividend for 2004-05 so far are requested to make their claim to the Registrar and Transfer Agent.
10. The Company has paid the annual listing fee to the respective stock exchanges for the financial year 2006-07.
11. As per the scheme of arrangement (demerger) between the Company and JBM Auto Limited (formerly known as JBM Auto Components Limited), the shareholders of the Company were required to surrender the original share certificates of the Company for exchange of new shares of both the Companies. Those who have not yet surrendered the share certificates of the Company for exchange are requested to handover / send the same to the Company's Registrar & Share Transfer Agent.

Explanatory Statements

The following Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, set out all material facts relating to the business mentioned at Item Nos. 7 to 10 in the accompanying Notice dated 19th April, 2006.

ITEM NO. 7

The Board of Directors appointed Mr. R. A. Savor as Additional Director of the Company w.e.f. 29th December, 2005. The term of office of Mr. Savor expires at the forthcoming Annual General Meeting.

Notice has been received from a shareholder of the Company under Section 257 of the Companies Act, 1956 alongwith the requisite deposit, proposing the candidature of Mr. Savor for the office of Director.

A brief profile of Mr. Savor is as under: -

Age	62
Qualifications	B. Sc. (Chemistry) ,B.Sc. (Tech.)
Expertise in specific functional areas	Mr. Savor is the former Managing Director of Castrol India Limited. He has over 34 years of experience in the field of Sales, Marketing, R&D, Production, Projects, Supply Chain & Human Resource.
Chairman / Director of other Companies	Foseco India Limited E.I.D. Parry Limited Fidelity Fund Management Private Limited Divgi Warner Private Limited Apara Enterprise Solutions Private Limited
Chairman / Member of Committees of the Boards of Companies of which he is a Director	Audit Foseco India Limited E.I.D. Parry Limited Divgi Warner Private Limited Apara Enterprise Solutions Private Limited Shareholders' Grievance Committee Foseco India Limited

The Company will benefit immensely from his extensive experience.

The Directors commend the resolution for approval.

None of the Directors except Mr. Savor is concerned or interested in the above resolution.

ITEM NO. 8

The Board of Directors appointed Mr. S. Ramakrishnan as Additional Director of the Company w.e.f. 29th December, 2005. The term of office of Mr. Ramakrishnan expires at the forthcoming Annual General Meeting.

Notice has been received from a shareholder of the Company under Section 257 of the Companies Act, 1956 alongwith the requisite deposit, proposing the candidature of Mr. Ramakrishnan for the office of Director.

A brief profile of Mr. Ramakrishnan is as under: -

Age	57
Qualifications	B.Tech. (Mechanical), P.G. D.M. (IIM - Ahmedabad)
Expertise in specific functional areas	Mr. Ramakrishnan is the Executive Director – Finance of The Tata Power Company Limited. He was the Managing Director of Tata Teleservices Limited. He was also the Deputy Managing Director of Indian Hotels Company Limited. He has over 30 years of experience in the field of management and operations.
Chairman / Director of other Companies	THDC Limited Tata Projects Limited. Avaya Global Connect Limited The Tata Power Company Limited Powerlinks Transmission Limited Tata Power Trading Co. Limited Nelco Limited Af-Taab Investment Co. Limited Maithon Power Limited
Chairman / Member of Committees of the Boards of Companies of which he is a Director	Audit Powerlinks Transmission Limited - Chairman Tata Power Trading Co. Limited - Chairman THDC Limited Tata Projects Limited Avaya Global Connect Limited Shareholders' Grievance Committee The Tata Power Company Limited

The Company will benefit immensely from his extensive experience.

The Directors commend the resolution for approval.

None of the Directors except Mr. Ramakrishnan is concerned or interested in the above resolution.

ITEM NO. 9

The Board of Directors appointed Mr. B. Venkataramani as Additional Director of the Company w.e.f. 21st October, 2005. The term of office of Mr. Venkataramani expires at the forthcoming Annual General Meeting.

Notice has been received from a shareholder of the Company under Section 257 of the Companies Act, 1956 alongwith the requisite deposit, proposing the candidature of Mr. Venkataramani for the office of Director.

A brief profile of Mr. Venkataramani is as under: -

Age	54
Qualifications	B. Sc., B. E., P. G. D. M.
Expertise in specific functional areas	Mr. Venkataramani is the Chief Executive Officer of Technical Stampings Automotive Limited. He has over 29 years of experience in the field of marketing and operations.
Chairman / Director of other Companies	-
Chairman / Member of Committees of the Boards of Companies of which he is a Director	-

The Company will benefit immensely from his extensive experience.

The Directors commend the resolution for approval.

None of the Directors except Mr. Venkataramani is concerned or interested in the above resolution.

ITEM NO. 10

The Board of Directors appointed Mr. Rajesh Sahay as “Manager” of the Company for a period from 19th April 2006 to 31st March 2007.

Mr. Sahay, 49, has been working with the Company as a Chief Operating Officer with effect from 2nd December, 2005. He is a Mechanical Engineer. He has also completed Advance Training in Automobile Cab Assembly and Factory Management at Toyota Motors, Japan. He has over 25 years of Industrial and Business management experience. Prior to joining the Company, he was working with Jay Bharat Maruti Limited. He started his career with Tata Motors, Jamshedpur. He also handled various assignments at DCM Toyota.

The Remuneration Committee of the Board has approved the remuneration payable to him.

The appointment and the remuneration payable to him are subject to the approval of the members.

The resolution containing the details of the remuneration and seeking approval of the Members is given under Item No. 10 of the Notice convening the Meeting.

Besides the terms and conditions for payment of managerial remuneration as contained in the proposed resolution, the other main terms and conditions, contained in the agreement entered into in this behalf with the appointee are as given below:

- (1) The terms and conditions of the said agreement and/or appointment may be revised, enhanced, altered and varied from time to time by the Board of Directors of the Company and/or Remuneration Committee in such manner as may be agreed to between the Board and the appointee within the maximum amounts payable to managerial person in accordance with the provisions of the Companies Act, 1956 or any amendments or re-enactments thereof made hereafter in this regard.
- (2) The appointee is subject to the supervision and control of the Board of Directors, entrusted with substantial powers of management and shall also perform such other duties as may from time to time be entrusted to him.
- (3) The appointee shall not, either before or after the termination of this Agreement, disclose to any person whatsoever, any information relating to the Company or its customers or any trade secret of which he may come to know while acting as the Manager.

- (4) The appointee shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall not also become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company, without the prior approval of the Central Government.
- (5) If at any time, the appointee ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be the Manager of the Company and this agreement will forthwith terminate.
- (6) In case the appointee dies in the course of his employment, the Company shall pay to his legal personal representative the salary and current emoluments for the then current month.
- (7) The appointee shall not have the following powers -
 - i) the power to make calls on shareholders in respect of money unpaid on their shares in the Company.
 - ii) the power to issue debentures.
 - iii) the power to invest the funds of the Company in shares, stocks and securities.
- (8) The agreement may be terminated by either party by giving three months' notice of such termination or paying three months' salary in lieu thereof.

In compliance with the provisions of Section 269, 309 and other applicable provisions of the Act, the appointment upon the terms and conditions specified above is now being placed before the Members in general meeting for their approval.

The Agreement between the Company and the appointee is available for inspection by the Members of the Company at its Registered Office between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

This may be treated as an abstract of the draft Agreement between the Company and the appointee pursuant to Section 302 of the Act.

The Board commends the Resolution for acceptance by the Members.

None of the Directors of the Company is interested in this resolution.

**BY ORDER OF THE BOARD
for Automotive Stampings and Assemblies Limited**

Shailendra Dindore
Secretary

Pune, April 19, 2006

Registered Office:
G-71/2, M.I.D.C. Industrial Area,
Bhosari, Pune 411026

Dear Members,

Your Directors have pleasure in submitting their Sixteenth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2006.

FINANCIAL AND OPERATIONAL PERFORMANCE

The summarised financial results of the Company for the period under review are:

(Rs. in million)

	Financial Year	
	2005-06	2004-05
Sales	2,767.96	2,498.84
Other Income	18.22	6.35
Profit before Depreciation, Financial Charges and Tax	188.69	170.23
Less: Depreciation	98.27	91.11
Financial Charges	19.57	13.93
Profit before Tax	70.85	65.19
Less: <u>Provision for Taxation</u>		
a. Current Tax	28.10	5.20
b. Deferred Tax Expense / (Credit)	(4.30)	19.81
c. Fringe Benefit Tax	1.25	-
d. Excess provision for taxation in respect of earlier years written back	(0.65)	-
Profit After Tax	46.45	40.18
Balance from last year	22.81	17.01
Profit available for appropriation	69.26	57.19
Appropriations:		
- Transfer to General Reserve	4.50	4.00
- Proposed Dividend on Preference Shares	14.40	14.40
- Proposed Dividend on Equity Shares	12.24	12.24
- Tax on Dividend	3.74	3.74
Balance Carried Forward	34.38	22.81

The growth in sales was essentially due to increased volumes of the customer programmes being handled by the Company.

The increase in other income is mainly due to higher gain on mutual fund investments and write back of provision no longer required.

The impact of increase in steel prices has resulted in increase in input costs during the year. The efforts of the Company to reduce process cost and improve efficiencies have started giving positive results.

Depreciation has increased mainly due to the additions to the fixed assets. Increase in financial charges is due to drawal of term loans for ongoing expansion.

After making a provision of Rs. 24 million towards taxation, the Company's Profit after tax was Rs.46 million as against Rs. 40 million in 2004-05.