



Jost's Engineering Company Limited
Annual Report - 2007-08



Jost's Engineering Company Limited

Annual Report 2007-2008

Board of Directors

B. H. Reporter, Chairman
F. A. A. Jasdanwalla
H. N. Sethna
S. Sheth
M. Wadia

Registered Office

Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.
Tel. : 91-22-2266 1150 / 2266 1166
Fax : 91-22-2266 1951

Company Secretary

C. B. Sagvekar

Factory

C-7, Wagle Industrial Estate,
Road No.12,
Thane - 400 604.
Tel. : 91-22-2582 1727 / 1746
Fax : 91-22-2582 3478

Bankers

Oman International Bank S.A.O.G.
The South Indian Bank Ltd.
Standard Chartered Bank
The Zoroastrian Co-operative Bank Ltd.
HDFC Bank Ltd.

Branches

Bangalore
Baroda
Chennai
Kolkata
New Delhi
Pune
Secunderabad

Solicitors

M/s. Crawford Bayley and Company

Auditors

M/s. Sorab S. Engineer & Co.
Chartered Accountants

Registrar and Share Transfer Agents

M/s. Computech Sharecap Limited
Tampelbar Bldg.,
147, Mahatma Gandhi Road,
3rd Floor, Opp. Jehangir Art Gallery,
Fort, Mumbai - 400 001.
Tel. : 91-22-2263 5000 / 01 / 02
Fax : 91-22-2263 5005

Annual General Meeting

Date : Monday, the 23rd June, 2008
Venue : Great Social Building,
60 Sir Phirozeshah Mehta Road,
Mumbai - 400 001.
Time : 4.30 P.M.

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Notice

Notice is hereby given that hundred and first Annual General Meeting of the members of Jost's Engineering Company Limited will be held at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai - 400 001 on Monday, the 23rd June, 2008 at 4.30 p.m. to transact the following business :

1. To receive and adopt the Profit and Loss Account for the year ended 31st March, 2008 and the Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. F.A.A.Jasdanwalla, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Shailesh Sheth, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
The Proxies to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 19th June, 2008 to 23rd June, 2008 (both days inclusive).
3. The Dividend, after declaration, will be paid to those shareholders whose names appear on the Register of Members on 23rd June, 2008. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares whose names appear in the list furnished by the Depositories as at the end of business hours on 18th June, 2008.
4. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the dividends which remain unpaid/unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund established by the Central Government. Shareholders who have not encashed their dividend warrant(s) so far, for the financial years ended 31st March, 2004, 31st March, 2006 and 31st March, 2007 are requested to make their claim to the Company immediately quoting their folio numbers. It may also be noted that according to the provisions of Section 205C of the Companies Act, 1956, once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie in respect thereof against the Fund or the Company.
5. The Company has appointed M/s. Computech Sharecap Limited, Tampilbar Building, 147, Mahatma Gandhi Road, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai - 400 023 as the Registrar and Share Transfer Agents for share registry work both for physical and electronic mode. The Members are therefore, requested to address the correspondence relating to the share registry both in physical and electronic mode to the said Registrar and Share Transfer Agents. Members may also please note that the Company's shares are available for demat with both the depositories, namely, Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL).



6. The Members who continue to hold shares in physical form are requested to intimate any change in their address immediately to the Company's Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, Unit : Jost's Engineering Company Limited, Tampilbar Building, 147, Mahatma Gandhi Road, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai - 400 023 quoting their Folio numbers. The Members holding shares in dematerialised form are requested to get their change of address recorded with the concerned depository participants.

By Order of the Board

C. B. Sagvekar

Vice President and Company Secretary

Mumbai, 24th May, 2008.

Registered Office:

Great Social Building,
60 Sir Phirozeshah Mehta Road,
Mumbai - 400 001.





Directors' Report

The Directors present herewith their Hundredth Annual Report with the Audited Statement of Accounts for the year ended 31st March, 2008.

		Year ended 31-3-2008	Previous Year ended 31-3-2007
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
1. Financial Results			
Profit/(Loss) before tax		178.23	394.35
Less: Provision for Income-tax	70.00		85.00
Provision for Fringe Benefit-Tax	24.79		15.50
Income Tax paid in respect of earlier years	3.41	98.20	0.03
Profit/(Loss) after tax		80.03	293.82
Balance brought forward from previous year	276.33		101.47
Less: Provision for Leave encashment (Note No.23 - Notes to the Accounts)	36.91		-
Provision for Gratuity (Note No.23 - Notes to the Accounts)	25.15	214.27	-
Amount available for appropriation		294.30	395.29
Less: Appropriations			
Proposed dividend	42.05		76.46
Tax on proposed dividend	7.15		13.00
General Reserve	8.00	57.20	29.50
Balance carried forward		237.10	276.33

2. Dividend

The Directors are pleased to recommend a dividend of Rs.5.50/- (55%) per share for the financial year ended 31st March, 2008.

3. Operations

Sales for the year under review were Rs.3263 Lakhs as against Rs.2509 Lakhs in the previous year. The profit after tax was Rs.80 Lakhs as against Rs.294 Lakhs. Generally business should continue to progress. Barring unforeseen circumstances, there should be improved results in the current year.

4. Auditors' Report

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



5. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to Section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure "A" to the Directors' Report.

6. Particulars of employees

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is given in Annexure "B" to the Directors' Report.

7. Directors' Responsibility Statement pursuant to Section 217 (2AA) of the Companies Act, 1956.

It is hereby confirmed that

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis.

8. Directors

In accordance with Article 122 of the Articles of Association of the Company, Mr. F.A.A. Jasdanwalla and Mr. Shailesh Sheth retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

9. Auditors

Messrs. Sorab S. Engineer & Co., Chartered Accountants, the Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

On behalf of the Board of Directors

B. H. Reporter
Chairman

Mumbai, 24th May, 2008.

Annexure “A” to Directors’ Report

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) Conservation of Energy

a) Energy Conservation Measures taken

Last year the measures for energy conservation in areas of lighting and administrative controls on energy usage were started which were implemented fully. This resulted in considerable reduction in units consumed.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy.

In factory, generator is used when power is not available. Old generator was replaced by new greener generator which will save diesel substantially.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Good savings in energy usage and cost of power was achieved during the year.

d) Total energy consumption and energy consumption per unit of production as per Form A of the annexure in respect of industries specified in the schedule thereto.

As the Company is not covered under the list of specified industries, Form A is not attached.

(B) Technology Absorption

I Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company

During the year, the Company has started developing new AC Technology fork-lift truck which is much better truck compared to existing DC truck.

2. Future Plan of Action

The Company expects to carry out the R&D activities and widen the scope so as to improve on existing products and wherever possible reduce the import content.

3. Expenditure on R&D

a) Capital Rs. Nil

b) Recurring Rs. Nil

c) Total Rs. Nil

d) Total R&D expenditure as a percentage of total turnover: Nil



II Technology absorption, adaptation and innovation:

1. Efforts made towards technology absorption, adaptation and innovation

Strong efforts are being made towards the local availability of components for the products manufactured. Global markets are searched for sourcing so that products are cost effective and technologically advanced.

2. Benefits derived as a result of the above efforts:

Considerable savings in foreign exchange are effected as a result of local availability of the products and the indigenisation programme. Customers are getting better value for their money.

3. Technology imported during the last 5 years:

No technology has been imported during the last 5 years.

(C) Foreign Exchange Earnings and Outgo

(a) Activities related to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

The Company is making efforts to create an export market for its products.

(b) Total foreign exchange used and earned

The information is contained in Schedule 15 on Page 28.

On behalf of the Board of Directors

B. H. Reporter
Chairman

Mumbai, 24th May, 2008.

Annexure "B" to Directors' Report

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2008.

(A) Employed throughout the year and in receipt of remuneration aggregating not less than Rs.24,00,000/- for the year.

-----NIL-----

(B) Employed for part of the year and in receipt of remuneration aggregating not less than Rs.2,00,000/- per month.

Name	Designation and Nature of Duties	Gross Remuneration Rs.	Qualifications	Date of Commencement of employment	Exp. yrs.	Age yrs.	Last Employment
Mr. D. S. Purohit	President	15,71,420	M.Sc. (Elect.)	22-7-80	28	50	None

Notes :

1. The employee is in full time employment of the company.
2. The employment is subject to the rules and regulations of the company in force from time to time.
3. The employee is not related to any director of the company.
4. Gross remuneration includes salary, allowances, bonus and Company's contribution to Provident and Superannuation Funds.

On behalf of the Board of Directors

B. H. Reporter
Chairman

Mumbai, 24th May, 2008.



General Shareholder Information

Attendance of Directors at Board Meetings and last Annual General Meeting

Name of the Director	Attendance of Meetings during 2007-08	
	Board Meetings	Last AGM
Mr. B. H. Reporter	4	Yes
Mr. F.A.A. Jasdanwalla	5	Yes
Mr. H. N. Sethna	4	Yes
Mr. Marco Wadia	4	Yes
Mr. Shailesh Sheth	2	No

Sitting Fees to Directors :

The following directors have been paid sitting fee during the year.

Name	Sitting fees paid (Rs.)
Mr. B. H. Reporter	20,000
Mr. F.A.A. Jasdanwalla	25,000
Mr. H. N. Sethna	20,000
Mr. Marco Wadia	20,000
Mr. Shailesh Sheth	10,000

Listing :

The Company's Equity shares have been listed on Bombay Stock Exchange.

Shareholding Pattern as on 31st March, 2008.

A. Shareholding of Promoter and Promoter group	No. of Shares	%
(i) Indian	354920	46.41
(ii) Foreign (NRI)	36000	4.71
Sub-Total	390920	51.12
B. Public Shareholding		
(i) Financial Institutions/Banks	595	0.08
(ii) Bodies Corporate	84124	11.00
(iii) Individuals	289011	37.80
Sub-Total	373730	48.88
GRAND TOTAL	764650	100.00

Shares held in physical / demat mode as on 31st March, 2008.

	Demat	Physical	Total
No. of Shares	535376	229274	764650
%	70.02	29.98	100.00
No. of Folios	1204	438	1642