



Jost's Engineering Company Limited

Annual Report 2011-12

Board of Directors

B. H. Reporter, Chairman
Shailesh Sheth
Marco Wadia
F. K. Banatwalla
Pradeep Bhargava

Company Secretary

C. B. Sagvekar

Bankers

HDFC Bank Ltd.
The Zoroastrian Co-operative Bank Ltd.
Standard Chartered Bank
The South Indian Bank Ltd.

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

Day and Date : Thursday, the 14th June, 2012
Venue : Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.
Time : 4.30 P.M.

Registered Office

Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.
Tel. : 91-22-6120 2300
Fax : 91-22-6120 2345

Factory

C-7, Wagle Industrial Estate,
Road No.12,
Thane - 400 604.
Tel. : 91-22-6117 4000
Fax : 91-22-6117 4020

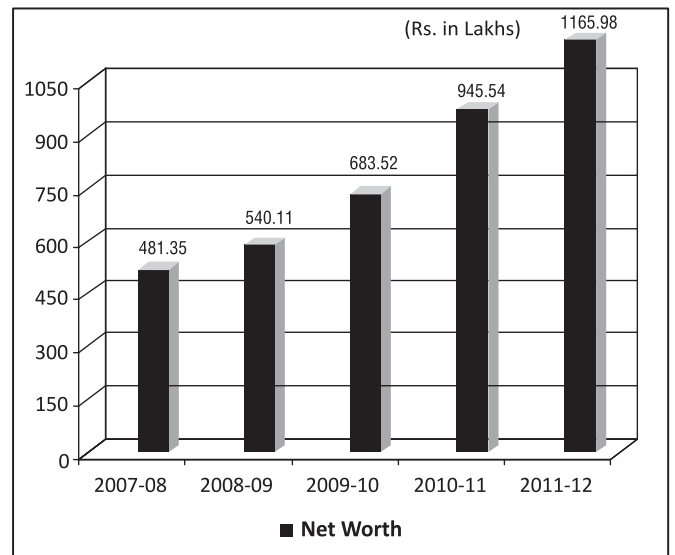
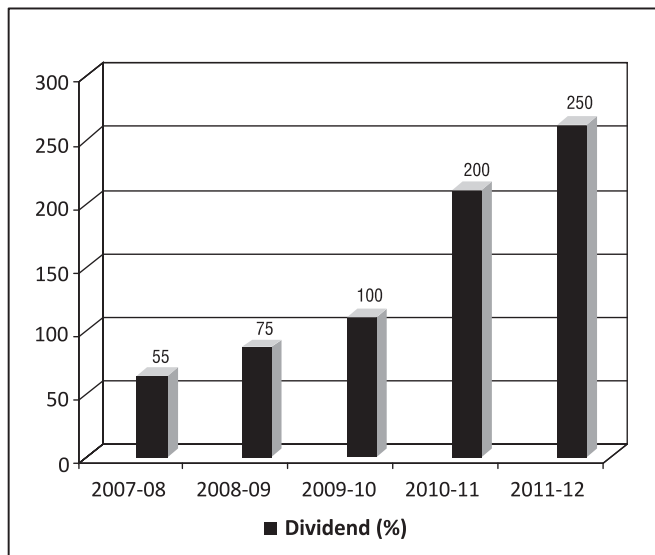
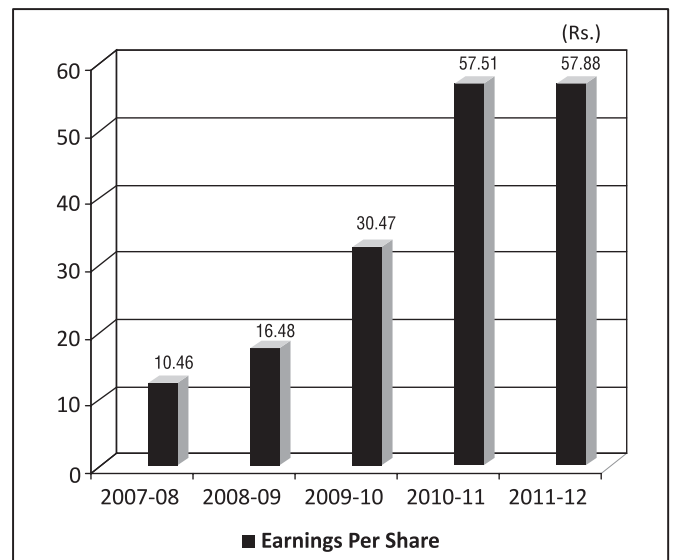
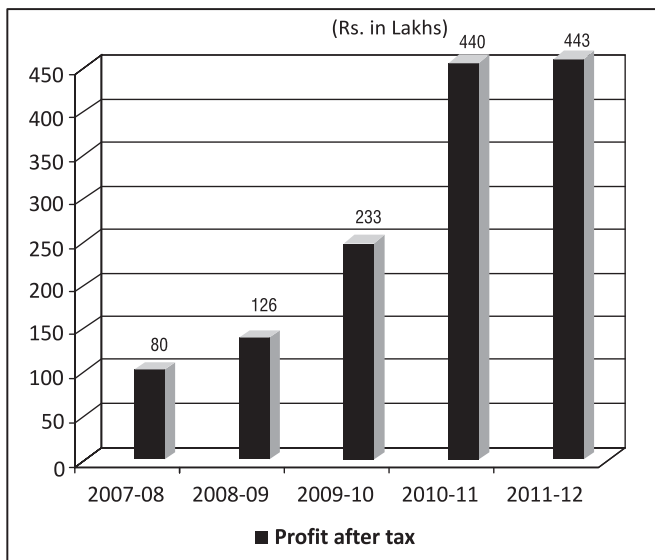
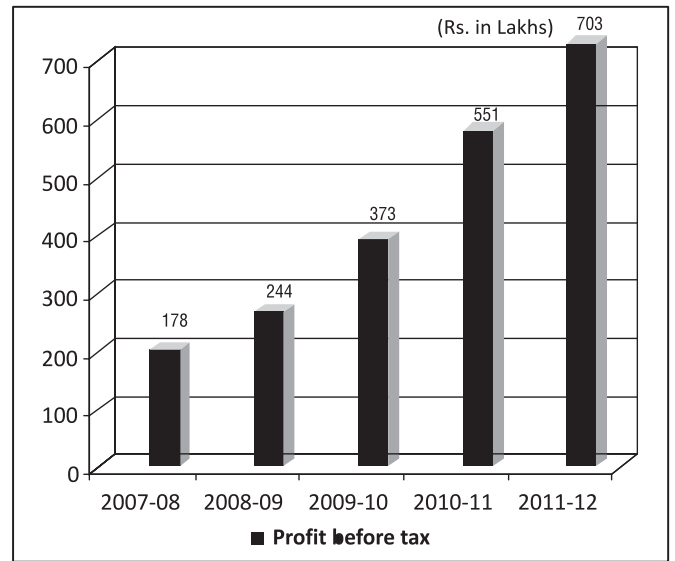
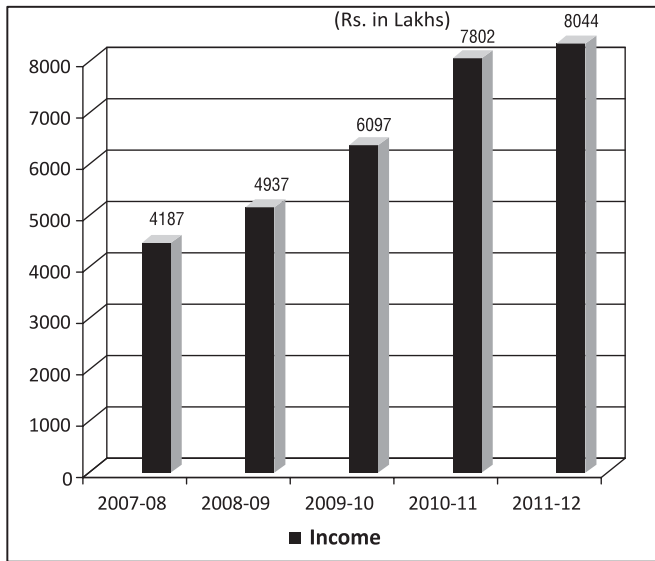
Branches

Bangalore
Baroda
Chennai
Kolkata
New Delhi
Pune
Secunderabad

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Financial Highlights



Notice

Notice is hereby given that the hundred and fifth 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 Thursday, the 14th June, 2012 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, 2012 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. Shailesh Sheth who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Pradeep Bhargava 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 12th June, 2012 to 14th June, 2012 (both days inclusive).
3. (i) The Dividend, after declaration, will be paid to those shareholders whose names appear on the Register of Members on 14th June, 2012. 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 11th June, 2012.
(ii) The payment of dividend will be made through National Electronic Clearing System (NECS). Members holding shares in demat/electronic form are hereby informed that bank particulars registered with their respective depository accounts will be used by the Company for payment of dividend through NECS. The Company or its Registrars cannot act on any request received directly from the Members holding shares in demat/electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

The members holding shares in physical form and desirous of receiving dividend through NECS, are requested to provide their bank account number, name and address of the bank quoting their folio number directly to the Company's Registrar and Share Transfer Agent, namely, M/s. Computech Sharecap Limited, latest by 31st May, 2012, failing which dividend will be paid by DD / Cheque.

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 (IEPF) established by the Central Government. Accordingly, the Company has transferred to IEPF all unclaimed / unpaid dividends in respect of the financial years upto 31st March, 2004. Shareholders who have not encashed their dividend warrant(s) so far, for the financial years ended 31st March, 2006, to 31st March, 2011 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 IEPF, 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, Tamplebar Building, 147 Mahatma Gandhi Road, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai 400 001 as 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, 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, 8th May, 2012.

Registered Office:

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

Directors' Report

The Directors present herewith their Hundred and Fourth Annual Report with the Audited Statement of Accounts for the year ended 31st March, 2012.

	Year ended 31-3-2012 Rs. Lakhs	Previous Year ended 31-3-2011 Rs. Lakhs
1. Financial Results		
Profit/(Loss) before tax	702.61	550.74
Less: Provision for Income-tax	260.00	210.00
	<u>442.61</u>	<u>340.74</u>
Excess Provisions for Income tax in respect of earlier years written back	—	99.03
	<u>442.61</u>	<u>439.77</u>
Profit/(Loss) after tax	442.61	439.77
Balance brought forward from previous year	621.28	403.23
Amount available for appropriation	1,063.89	843.00
Less: Appropriations		
Proposed dividend	191.16	152.93
Tax on proposed dividend	31.01	24.81
General Reserve	45.00	43.98
	<u>796.72</u>	<u>621.28</u>
Balance carried forward	<u>796.72</u>	<u>621.28</u>

2. Dividend

The Directors are pleased to recommend a dividend of Rs.25/- (250%) per share for the financial year ended 31st March, 2012.

3. Operations

Income for the year under review was Rs.8044 Lakhs as against Rs.7802 Lakhs in the previous year. The profit before tax was Rs.703 Lakhs as against Rs.551 Lakhs in the previous year. 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

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is not annexed to this report as no employee was in receipt of the remuneration in excess of the prescribed sum during the year.

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

It is hereby confirmed that

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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;
3. 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;
4. 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. Shailesh Sheth and Mr. Pradeep Bhargava 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, 8th May, 2012.

Annexure “A” to the 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

Measures of energy conservation continue to be undertaken in factory and offices in areas of electricity, water and air. Close monitoring of these is done monthly. Our power factor for factory is practically 0.99 and we try to take it near to unity. In factory, maximum focus is given on use of natural light and natural ventilation. Lights and AC are switched off when not required by constant vigilance by all concerned.

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

This has been done by putting new energy efficient generator, energy efficient tube lights, stopping air and water leakages, etc. New effluent treatment system for factory paint shop has been installed.

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.

We are able to hold the costs over the year and show marginal improvement.

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

Product upgrades, customisation, components improvements and new technology applications were continuously carried out by Engineering Dept of Material Handling Division. This year, we have separated Product Development and R&D as separate cell from Engineering Dept. This group has worked on above areas in focused way. Most of the current products are now also available with AC Technology. Various sub-systems are being improved. New testing fixtures for products and components have been made.

2. Future Plan of Action

Three new products of Material handling division have been planned for launch. These proto-types are under development.

3. Expenditure on R&D

We have spent less than a percent of turnover in R&D. This is planned to jump in coming years.

II Technology absorption, adaptation and innovation:

1. Efforts made towards technology absorption, adaptation and innovation

Customisation continues to be focus area in terms of product and application. We are also looking at components and sub-systems in terms of modern technology. Testing fixtures are under development for finalising new components and systems.

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

We are able to reach new customers to help them with solutions. Products are also made more reliable with enhanced efforts.

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 currently focussing on local markets.

(b) Total foreign exchange used and earned

The information is contained in Note No. 33 & 34 on page no. 31.

On behalf of the Board of Directors

Mumbai, 8th May, 2012.

B. H. Reporter
Chairman

General Shareholder Information

Attendance of Directors at Board Meetings and last Annual General Meeting

Name of the Director	Attendance at Meetings during 2011-12	
	Board Meetings	Last AGM
Mr. B. H. Reporter	5	Yes
Mr. Marco Wadia	5	Yes
Mr. Shailesh Sheth	4	Yes
Mr. F. K. Banatwalla	5	Yes
Mr. Pradeep Bhargava	3	No

Sitting Fees to Directors :

The following directors have been paid sitting fee during the year 2011-12.

Name of the Director	Sitting fees paid (Rs.)
Mr. B. H. Reporter	25,000
Mr. Marco Wadia	25,000
Mr. Shailesh Sheth	20,000
Mr. F. K. Banatwalla	25,000
Mr. Pradeep Bhargava	15,000

Listing :

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

Shareholding Pattern as on 31st March, 2012.

		No. of Shares	%
A. Shareholding of Promoter and Promoter group			
(i)	Indian	3,31,910	43.41
(ii)	Foreign (NRI)	38,000	4.97
	Sub-Total	3,69,910	48.38
B. Public Shareholding			
(i)	Financial Institutions/Banks	595	0.08
(ii)	Bodies Corporate	2,928	0.38
(iii)	Individuals	3,91,217	51.16
	Sub-Total	3,94,740	51.62
	GRAND TOTAL	7,64,650	100.00

Shares held in physical / demat mode as on 31st March, 2012.

	Demat	Physical	Total
No. of Shares	6,10,704	1,53,946	7,64,650
%	79.87	20.13	100.00
No. of Folios	1250	350	1600