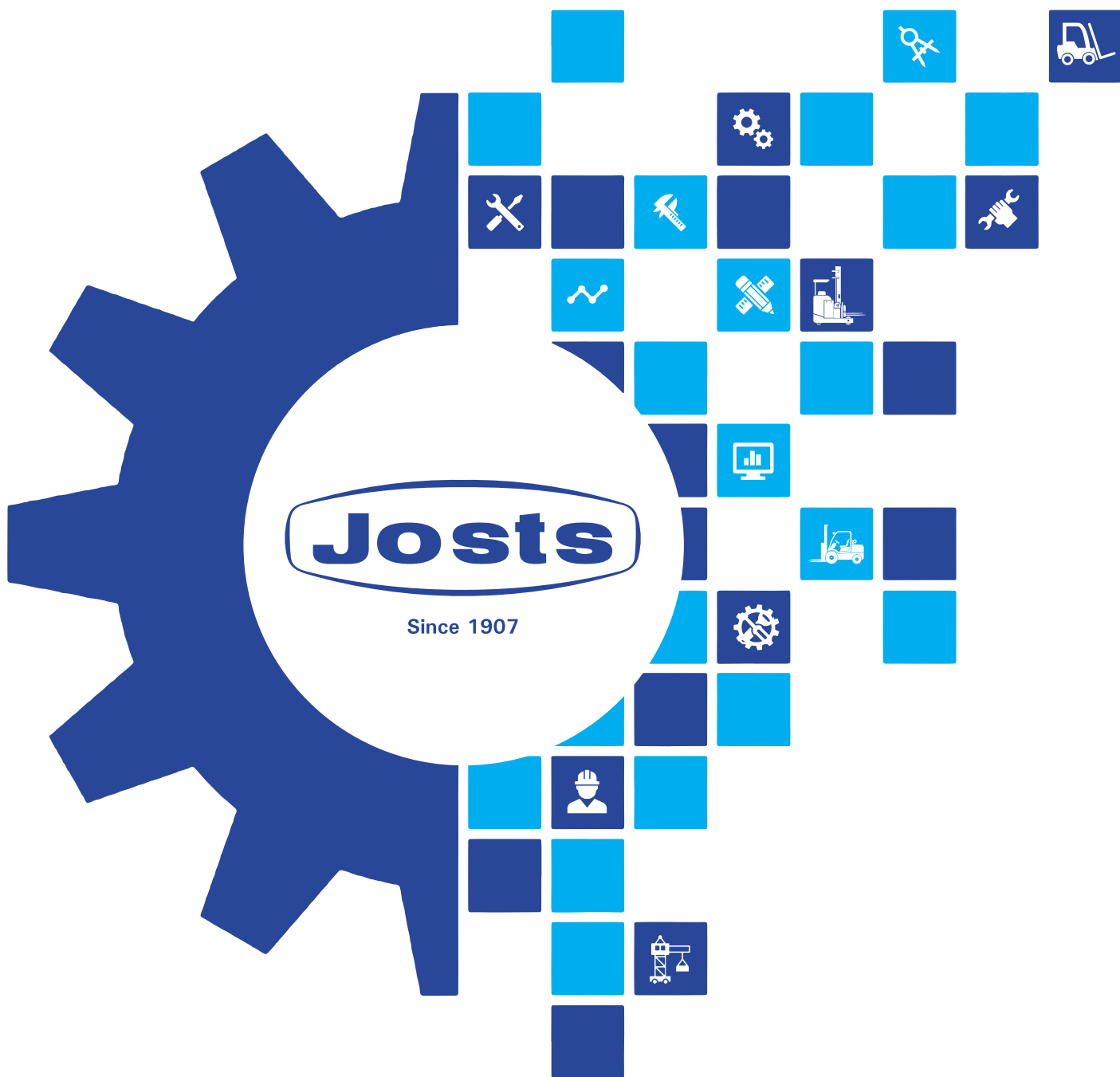


# Transformation



**JOST'S ENGINEERING COMPANY LIMITED**  
ANNUAL REPORT 2018-19

# Navigating through

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### Disclaimer

This document contains statements about expected future events and financials of Jost's Engineering Company Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.



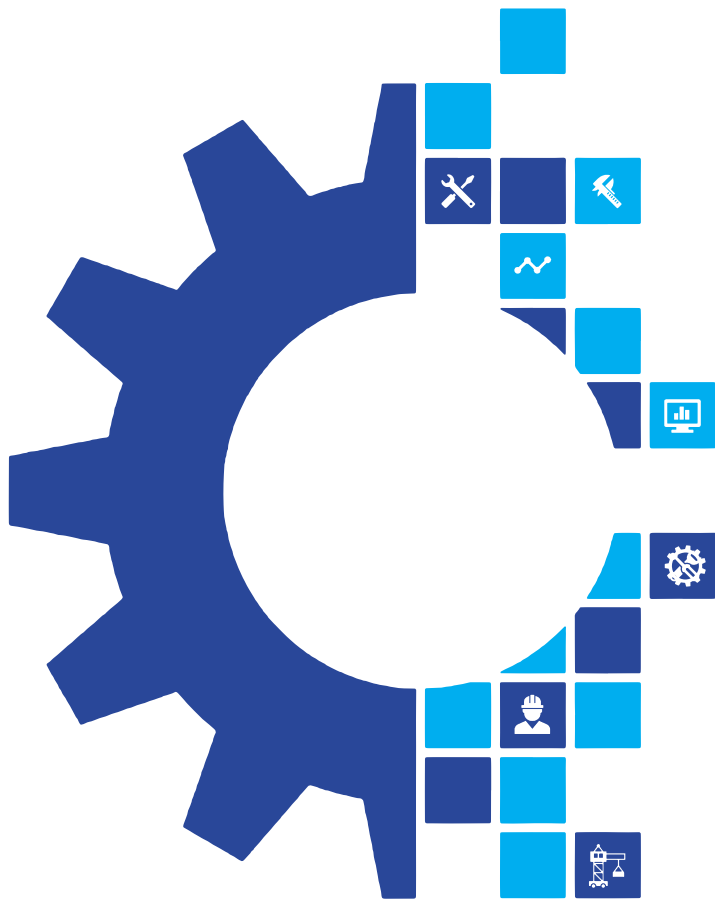
Download the version at  
<http://www.josts.com/annual-reports-2/>  
Or simply scan to download

### Investor information

CIN:	L28100MH1907PLC000252
BSE Code:	505750
Bloomberg Code:	JOST:IN
Dividend Declared:	₹ 3 per share
AGM Date:	14th August 2019
AGM Venue:	Mumbai

THIS WAS A YEAR OF

# Transformation



## Transformation

towards developing an improved and unique business model for building a sustainable, impactful and future-proof organisation.

During the year, we undertook series of strategic moves to drive this transformation. These include new product additions, strengthening relationships with existing principles, new associations, improving after sales support, enhancing visibility and most importantly focussing on team transformation to develop an ecosystem of excellence.

As one of the India's oldest publicly listed material handling and engineered products company, we are empowered by offering best-in-class products to our customers. We actively integrate latest technologies to ensure operational efficiencies and faster execution, thereby delivering transparency, reliability, trust, and sustainable value creation for all our stakeholders.



### Vision

Jost's aspires to be dominant industry player in the segment it operates.



### Mission

To provide world-class industrial products and material handling solutions to our customers which enable them to achieve best quality, productivity and experience.



### Values

- Integrity
- Respect for individual
- Honour commitments
- Process approach
- Lead by example



### Value drivers

- Competent and committed team
- Operational and service excellence
- Wide product range
- Strong market reach
- Organic and inorganic growth

**10,745.08**  
Lakhs

Total Income in  
2018-19

**363.29**  
Lakhs

PBT in 2018-19

**411.26**  
Lakhs

PAT in 2018-19

# About us

Incorporated in the year 1907, Jost's Engineering Company Limited (also referred as 'Jost's' or 'The Company' across the report) is engaged in manufacturing of material handling equipment (MHD) and is the provider of wide range of engineering products (EPD) solutions that find its applications across diverse industries.

The Company is headquartered in Mumbai, with a pan-India presence through its strategically located units, sales offices and service units that cater to strategic markets. Jost's can easily reach out to customers in the shortest possible time span.

With professional integrity in our product quality, services and operations we have been successfully catering to our customers across Power, Oil & Gas, Defence, Aerospace, Information Technology, Automobile, Education, Steel, Oil, Mining and other critical sectors of the economy.



**1907**

Year of Inception

**112**

Years of Excellence

**08**

Service Centers

**08**

Regional Sales Office

**25 +**International  
Companies  
representing in India

# Business Divisions



## Material Handling Division (MHD)

MHD provides innovative solutions for internal material handling needs for its customers so that it improves the efficiencies of their processes. Effectiveness is visible when customers save their labour cost, material, time and space.

For more than fifty years, the Company has been catering the industries in field of material storage, material transportation, loading/unloading and stacking/retrieving operations, hence immensely benefiting the industry.

### ISO – 9001:2008

ISO certified plant at Thane



## Engineered Products Division (EPD)

EPD is committed to provide environment-friendly technology that helps environment and also assists the customers to enhance the performance of their product and processes.

The Company is associated with some of the world's leading brands that provide advanced engineering solutions for the demanding industry applications. The solution is a blend of innovation and global leadership with our principles of expertise, know-how and reach in the Indian market. The Company provides complete engineered products that give technical and commercial support in sales, commissioning and after sales service.



## Technical Services

The Company has set-up world-class technology solutions in its systems and products by way of site testing, technical training, consultancy, application support, installation and commission calibration annual/comprehensive maintenance contract.

It is equipped with software that are essential for the product operations and the necessary technical expertise.



## MHE Rentals

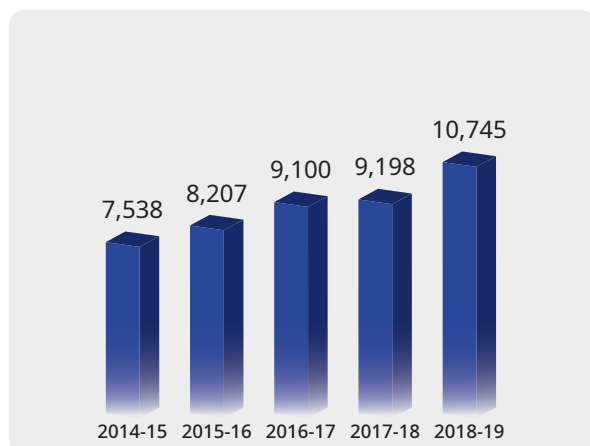
The Company operates this vertical through its subsidiary. It offers equipment as per customer needs, often involving OEM's in the selection process. The products and services are customized as per the following parameters:

**Equipment | Trained operator | Annual maintenance contract | Manpower**

# Financial Highlights

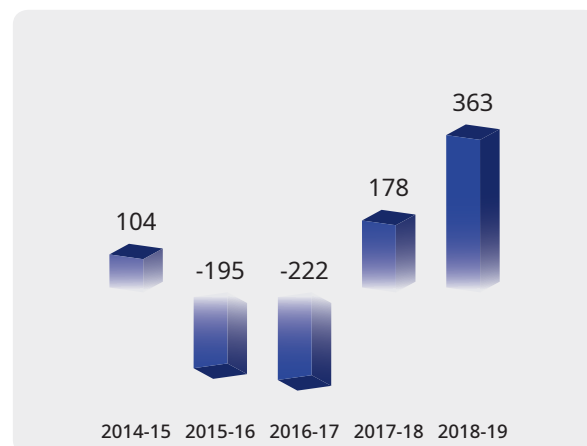
## INCOME

(₹ Lakhs)



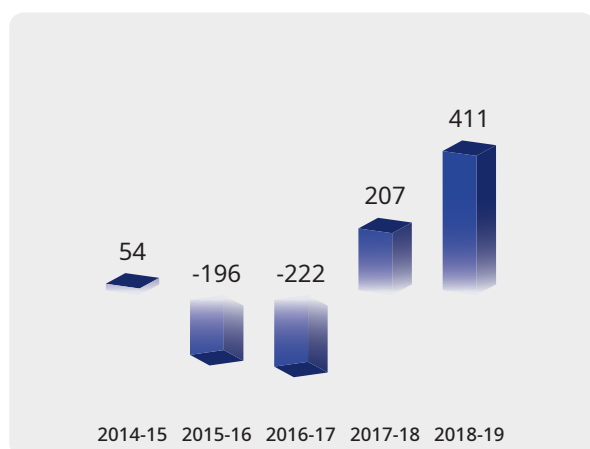
## PROFIT BEFORE TAX

(₹ Lakhs)



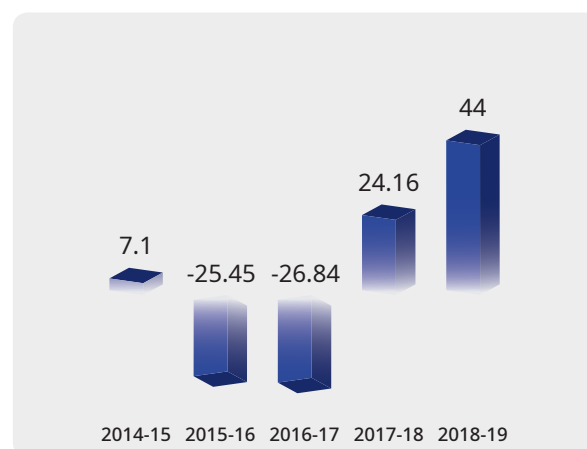
## PROFIT AFTER TAX

(₹ Lakhs)



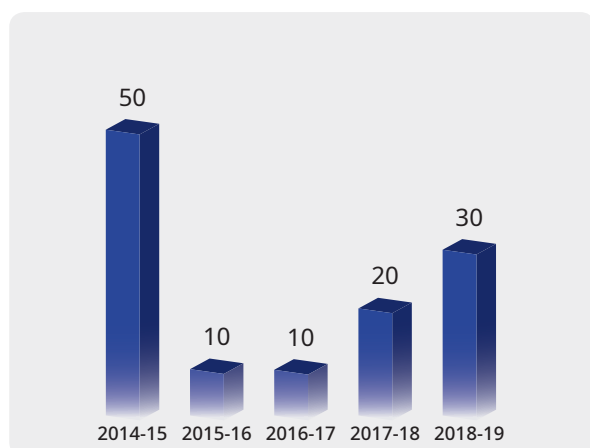
## EARNINGS PER SHARE

(₹ Lakhs)



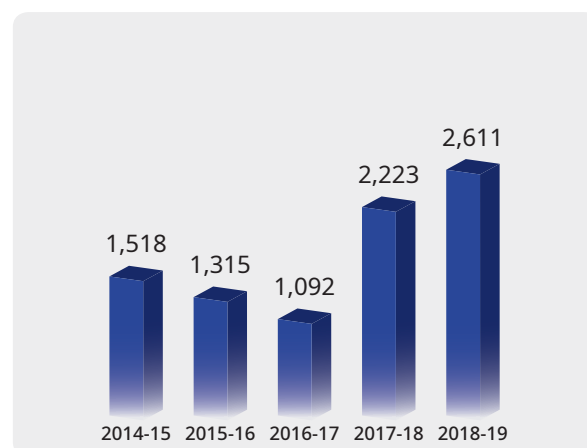
## DIVIDEND

(%)



## NET WORTH

(₹ Lakhs)



# Chairman's Message

## Dear Fellow Shareholders,

It is a real pleasure to report a year of positive change and significant achievements. A year when we have transformed our operations and significantly improved our financial performance. A year when we have developed and started to deliver on our strategies and improved our internal disciplines. Our focus remains on nurturing the long-term growth potential of the Company, while maximising the available opportunities and minimising risks. I wish to touch upon how we managed on all of these parameters in the last year.

Looking at the overall economic conditions during fiscal 2018-19, the Indian economy recorded slower growth rate of 6.8%. It was a challenging year all round. Being the election year, rising fuel and crude oil prices, weighed heavily on the economy and resulted in sluggish capex growth in private sector. However, I expect that with the same Government now continuing for the second term, there would be several growth-enhancing initiatives to improve the overall business confidence and accelerate growth engine.

At Jost's we are tied to the success of our customers. When they flourish, so do we. As one of our key transformational achievements, we added new principal and products to our portfolio and continued to maintain our record of strong execution and after sales support. We made progress in carrying out the ambitious strategic plans that will guide our efforts in the coming years. On the financial front, sales and net income showed a balanced performance. We reported revenues ₹ 10,745.08 Lakhs as against ₹ 9,198.12 Lakhs in the previous year. We recorded healthy growth in our operating and net profits. Our Profit before tax and Profit after tax for the year stand at ₹ 363.29 Lakhs and ₹ 411.26 Lakhs respectively. Our EPD division continued to generate healthy revenues by consistently catering to the demands of our customers from the key industrial segments covering Defence, Power Sector, Education, R&D labs, Automotive and FMCG, among others. On a positive side, our MHD division has also started accelerating efforts towards transformation. We have revamped our product portfolio with key



focus on safety, comfort and robustness. In addition, we have also focused on the improvement of our after sales support which has helped in strengthening relationships with our customers. Our subsidiary, MHE Rentals has also made an impressive assets growth and added several reputed customers in its portfolio. With this growth, MHE Rentals has become one of the largest rental service providers in the industry. The gross block of MHE Rentals as at 31 March 2019 is ₹ 2,173.44 Lakhs.

Our transformational strategies continued to complement our existing strengths. We introduced several initiatives to train our customer-facing staff and made significant improvement in after sales services. We further strengthened our relationship with our principles through new associations and nurturing the existing ones. We also took several activities in improving our visibility.



Building an effective organisation is central to our transformation. Over the past few years we have established and continued to secure the foundations of a culture and structure that will be able to execute and deliver on the transformational strategies. During the year we have focused on ensuring that we have the right people in the right roles focused on the right priorities. Our growth strategy calls for people with diverse experience and backgrounds who work together on the basis of shared values to create innovation and respond flexibly to changing demands. At the same time, we onboarded several senior level and middle level leaders and managers across our key departments that became the guiding force for the rest of the team.

Looking ahead to 2019-20, the Company will continue to position itself for growth by accelerating on the laid out strategies. Our Management Team and employees - all play a critical role in ensuring that we deliver the best possible results and remain respected by the broader stakeholder communities. I would also like to sincerely thank all our shareholders, business partners, customers, suppliers and employees for their support and to my fellow Board members for their experience and knowledge shared and for their contribution to the Company during the year. We want to be a forward-thinking company generating long-term sustainable value and maximise the value-creation going ahead for all the Stakeholders.

With Best Wishes  
**Jai Prakash Agarwal**  
Chairman



As one of our key transformational achievements, we added new principal and products to our portfolio and continued to maintain strong execution and after sales support



## HOW HAVE WE

# Transformed

Our goal is to position Jost's as a larger and more valuable business, while driving future sustainability. In order to bolster our plan for operational improvements, we undertook several strategies.



Onboarded new and highly experienced Management team at both, senior and middle levels.

Brings experience in the organization



Appointed managers to lead important company verticals, including financial planning, sales and marketing, servicing and supply chain.

Ensures strong monitoring and supervision at each level to build accountability and drive efficiencies



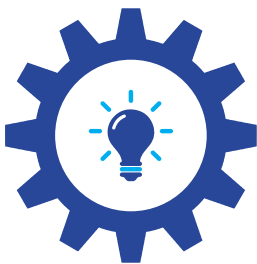
Conducted trainings

Strengthens after sales services for customer delight



Strengthened marketing efforts

Enhances domestic reach and provides export opportunities across high growth economies



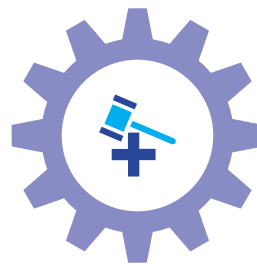
Focussed on innovation

Delivers value-accretive products



Addition of new products and redesigning of existing products

Caters to diversified sectors and customer needs and identifies new concepts that leverage our brand



Strengthening the association with existing principle and addition of new principle

Enhances the confidence of existing principle and leveraging from additional principles through incremental product and servicing basket