

Annual **29th** Report  
2011-2012

**OMAX**  
Passionate about Performance

OMAX AUTOS LIMITED

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Omax Autos Limited



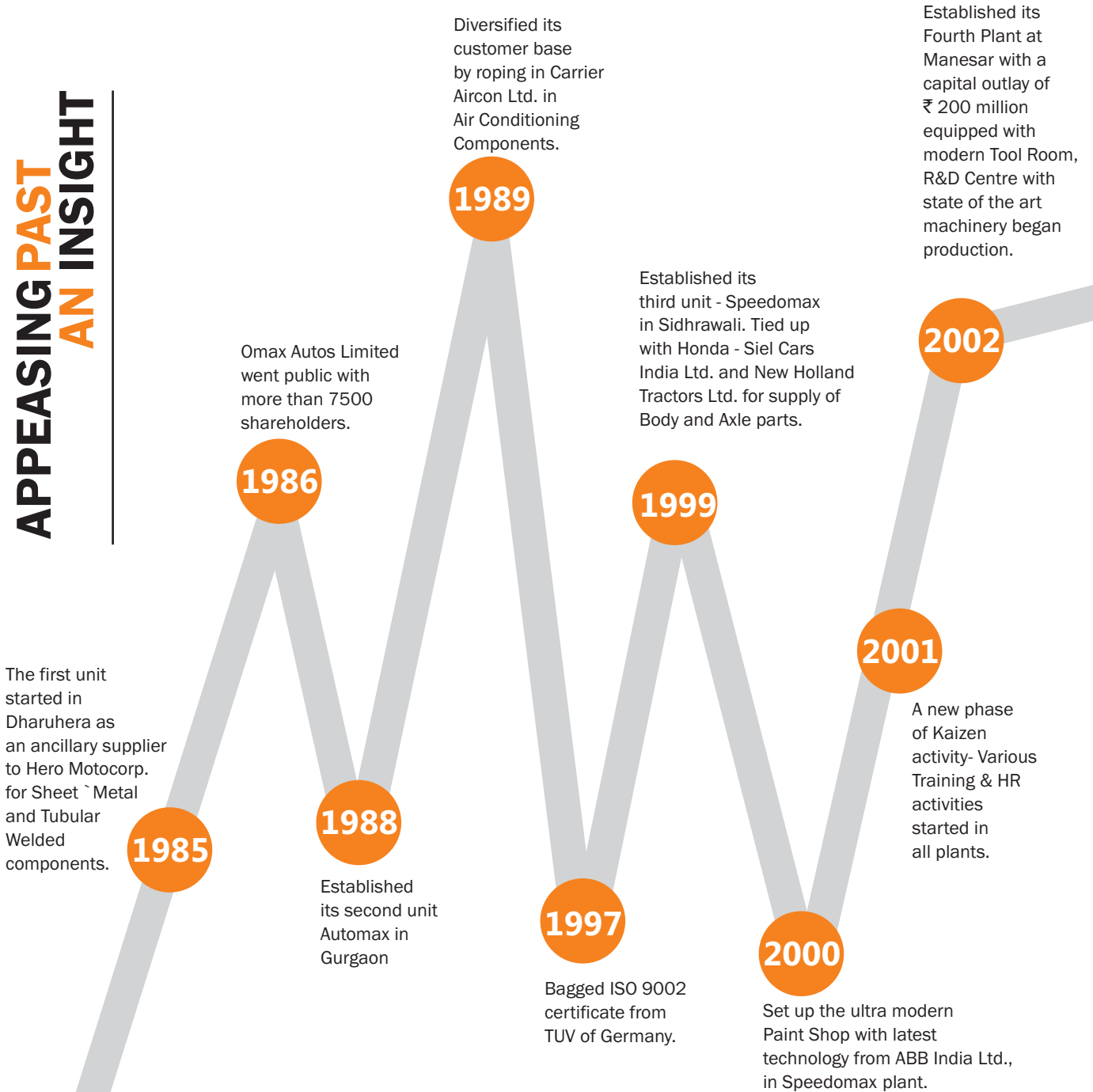
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## APPEASING PAST AN INSIGHT



**Omax Autos Limited** has successfully completed **29 years** of its journey giving us an opportunity to review the milestones achieved during the span. The biggest achievement is the trust of the giants of the industry that now motivates us to work with more enthusiasm. This also enables us to mark new goals and aspire for bigger objectives.

**APPEASING PAST  
AN INSIGHT**



Established its Fifth Plant-Sprocket division in Dharuhera. Bagged ISO/TS- 16949, ISO 14001 & OHSAS-18001 Certification from UL India for all Plants.

2003

Established its Eighth Plant at Binola, Gurgaon for catering export clients.

2005

SAP rolled out in all Eight plants across India.

2006

Established its Sixth Plant at Bangalore having machining & sheet metal manufacturing facilities. Established its Seventh Plant-Indital at Dharuhera Started Exports to North America and Europe with clients such as Delphi, Tenneco, Cummins, Piaggio etc.

2004

Tied up with IKEA for supply of Metal Houseware Products. Recognition granted for In-house R&D unit at Manesar by DSIR. Rolled out dedicated facility at Gurgaon for manufacturing various parts and components for Indian Railways.

2009

2011

Started using Pipe Natural Gas (20,000 SCM per day) from GAIL India at Dharuhera and Manesar Plants. A major step for power and fuel cost reduction and contributing to Greener Environment.

2012

2011

2008

Established its Ninth Plant at Lucknow to manufacture and assembly of frames for commercial vehicles for Tata Motors. Established new Corporate Office in Gurgaon

2010

Commercial production started at Lucknow plant. Set up tenth plant at Bawal to manufacture Home Furnishing products. Installed 100 KWP Solar PV System at Dharuhera & Manesar plants for captive use.

2007

Automax, Gurgaon-Sohna Road Plant merged with Binola Plant.



## Corporate Information

### Chairman Emeritus:

Dr. Brijmohan Lall Munjal

### Board of Directors

Mr. Suresh Mathur	Chairman
Dr. Ramesh Chandra Vaish	Director
Dr. Triloki Nath Kapoor	Director
Mr. Salil Bhandari	Director
Mr. Verinder Kumar Chhabra	Director
Mr. Atul Raheja	Director
Mr. Lalit Bhasin	Director
Mr. Krishan Chand Chawla	Whole-time Director
Mr. Jatender Kumar Mehta	Managing Director
Mr. Ravinder Mehta	Managing Director



### Audit Committee

Dr. Ramesh Chandra Vaish	Chairman
Dr. Triloki Nath Kapoor	Member
Mr. Salil Bhandari	Member
Mr. Verinder Kumar Chhabra	Member
Mr. Atul Raheja	Member
Mr. Jatender Kumar Mehta	Member

### Company Secretary & Compliance Officer

Mr. Sanjeev Kumar

### Statutory Auditors

M/s A. Kumar Gupta & Co.  
Chartered Accountants

### Cost Auditors

M/s Ravi Sahni & Co.  
Cost Accountants

### Internal Auditors

M/s KRA & Associates  
M/s Singhi Chugh & Kumar  
M/s Doogar & Associates

### Secretarial Auditors

M/s Chandrasekaran  
Associates,  
Company Secretaries

### Senior Management Executives

Mr. J.C. Jhuraney	Chief Executive (Corporate HR)
Mr. Naresh Chand Kaushik	President & CEO (Two Wheeler)
Mr. Manoj Mishra	President & CEO (Passenger Car)
Mr. Kishor Karnataki	President & CEO (Commercial Vehicle)
Mr. N.P. Singh	Executive Director (Railway Equipment Division)
Mr. Pushendra Kumar Bansal	President & CFO

**Corporate Office**

Plot No. B-26, Institutional Area,  
Sector 32, Gurgaon (Haryana) - 122001

**Registered Office & Dharuhera Plant**

Omax Autos Limited  
69 K.M. Stone, Delhi Jaipur Highway,  
Dharuhera, Distt. Rewari (Haryana) - 122106

**Bangalore Plant**

Omax Autos Limited  
Plot No. 6, Bomassandra-Jigani Link Road  
Bomassandra, Bangalore  
(Karnataka) - 560099

**Binola Plant**

Automax  
(A unit of Omax Autos Limited)  
Delhi- Jaipur Highway, Village & P.O Binola  
Gurgaon (Haryana) - 123413

**Dharuhera Plant II**

Indital  
(A unit of Omax Autos Limited)  
69 K.M.Stone, Delhi Jaipur Highway,  
Dharuhera, Distt. Rewari (Haryana)-122106

**Manesar Plant and R&D Centre**

Omax Autos Limited  
Plot No. 6, Sector- 3, IMT Manesar  
Gurgaon (Haryana)-122050

**Sidhrawali Plant**

Speedomax (A unit of Omax Autos Limited)  
64 K.M. Stone, Delhi- Jaipur Highway,  
Village Sidhrawali, Gurgaon (Haryana)-123413

**Dharuhera Plant III**

Omax Autos Limited- Sprocket Division  
69 K.M. stone, Delhi -Jaipur Highway,  
Dharuhera, Distt. Rewari (Haryana)-122106

**Lucknow Plant**

Omax Autos Limited  
Tata Motors Vendor Park, Chinhat Industrial Area,  
Deva Road, Lucknow (U.P.) - 226019

**Bawal Plant**

Omax Autos Limited  
(Home Furnishing division) Plot No. 2, Sector-5,  
Bawal, Distt. Rewari (Haryana) - 123501

**Railway Equipment Division**

Omax Autos Limited  
1 KM, Piyala Road, Village- Sikri,  
Distt. Faridabad (Haryana)-121004

**Pant Nagar Plant**

Omax Autos Ltd.  
Vill & P.O. Lalpur, Rudrapur-Kichha Road  
Khasra No. 180A, 181, 183, 175  
Distt. Udham Singh Nagar (Uttarakhand)-203153

**Registrar & Share Transfer Agent**

M/s Link Intime India Private Limited  
(Formerly M/s Intime Spectrum Registry Limited)  
A-40, 2nd Floor, Naraina Industrial Area,  
Phase-II, Near Batra Banquet Hall,  
New Delhi- 110028  
Tel. No. +91-11-41410592-94  
Fax: +91-11-41410591  
E-mail: delhi@linkintime.co.in

**Bankers**

Canara Bank  
Citi Bank N.A.  
Kotak Mahendra Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited  
The Hongkong & Shanghai Banking-  
Corporation Limited  
Royal Bank of Scotland N.V.  
United Bank of India  
Standard Chartered Bank  
DBS Bank Limited

## Financial Highlights

### Financial Performance

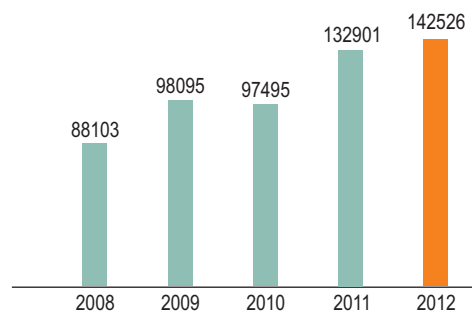
Year ended	₹ in Lac				
	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12
Gross Sales & Other Income	88103	98095	97495	132901	142526
Net Sale and other Income	73044	83435	87558	117222	129775
Export Sales	3408	5266	8500	10711	9672
Gross Profit (PBIT)	7367	7991	7789	8943	9813
Net Worth	14567	14561	16139	17878	20193
Capital Employed	24578	30962	30687	34983	34623
Net Profit (PAT)	1584	543	1430	2143	2813
Fixed Assets (Net Block)	31769	33390	35422	33523	34499

### Key Indicators

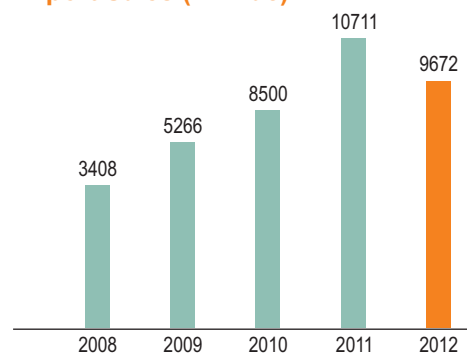
Year ended	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12
Gross Profit Margin (%)	10.09	9.62	8.90	7.63	7.56
Net Profit Margin (%)	2.17	0.65	1.63	1.83	1.82
Export Sales/Net Sales (%)	4.67	6.25	9.71	9.14	7.51
Debt/Equity (%)	0.69	1.13	0.90	0.96	0.99
Earning per Share (₹)	7.53	3.17	6.64	9.95	13.15
Dividend pers Share (₹)	1.50	1.00	1.50	2.00	2.00
Book value per share (₹)	68.11	68.08	75.46	83.59	94.41



### Gross Sale & Other Income (₹ in lac)



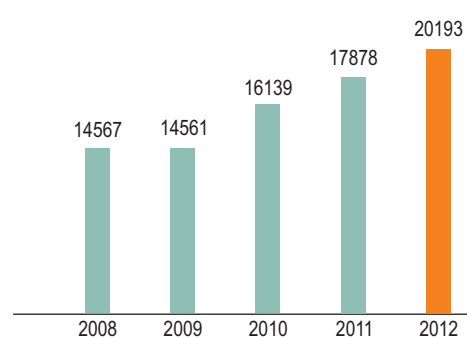
### Export Sales (₹ in lac)



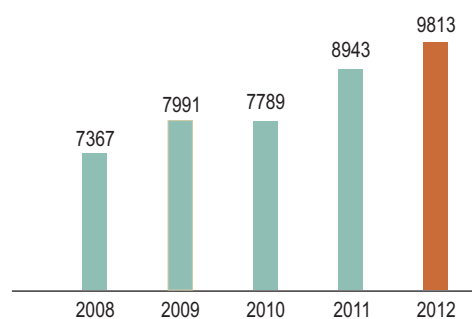
### Net Profit (₹ in lac)



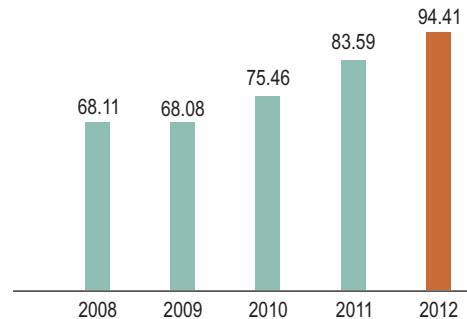
### Net Worth (₹ in lac)



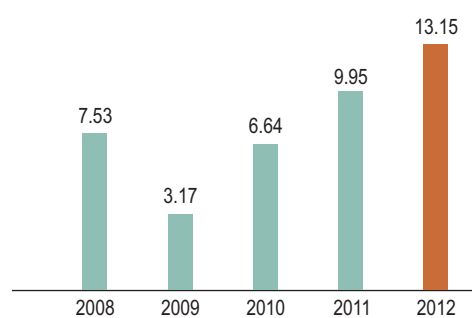
### Gross Profit (PBTD) (₹ in lac)



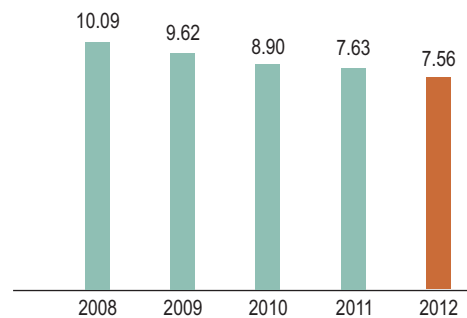
### Book Value/Share (₹)



### Earning Per Share (₹)



### Gross Profit Margin (%)



## Corporate Profile

Omax Autos Limited was incorporated in 1983 with a vision to emerge as a niche player in Auto Industry and has grown exponentially into truly diversified and globalised corporate entity since then. In the last Twenty-Nine years of its existence, the Omax Group has created and executed projects that were a part to touch every walk of life and human endeavor, while setting new benchmarks in quality. Today the Company enjoys a Gross Turnover ₹ 1,425 crore, spanning its horizon and providing fulfilled

management. The group enjoys huge reserves of goodwill that has led to some of the biggest names in the corporate world putting their trust in us and constantly strives to provide products and services that enhance the quality of life and work, and to address a gamut of human needs.

Omax Autos Limited is primarily engaged in the manufacturing and sale of auto components and parts for the two-wheeler and four-wheeler industry in India and internationally. It manufactures sheet metal parts, machined tubular, and electroplated and painted components. Omax is one of the largest manufacturers of Sheet Metal parts, Machined Tubular, Electroplated & painted components, Welding Facilities with integrated world-class features in India.

With growing opportunities & enhanced experience base Omax Autos has strengthened horizontally. In the last 29 years the Company diversified from its auto manufacturing and ventured into railways and home furnishing business.

As a part of diversification strategy, the company has also commenced manufacturing sheet metal components for home furnishing business and chassis for commercial vehicles.

A vision driven mission & a mission to excel



## Vision

“Highly customer oriented, humane and system run global organization with a concern for society“

## Mission

“We are a dedicated, proactive, loyal & accountable group of people with a quest for excellence through latest technology, people empowerment and brand equity to produce world class products by adopting best business practices and ethics”

## IMS Policy

“In line with our Vision & Mission, we remain committed for total satisfaction of our customers, associates and society at large, through excellence in quality, value for money, on time deliveries and continual improvement. While achieving this, we remain committed to comply with legal and other requirements relating to Environment, Health & Safety, for prevention of pollution, ill-health & injury”

## Core Values

Human Dignity

•

Honesty

•

Commitment

•

Sincerity

•

Trust & Transparency

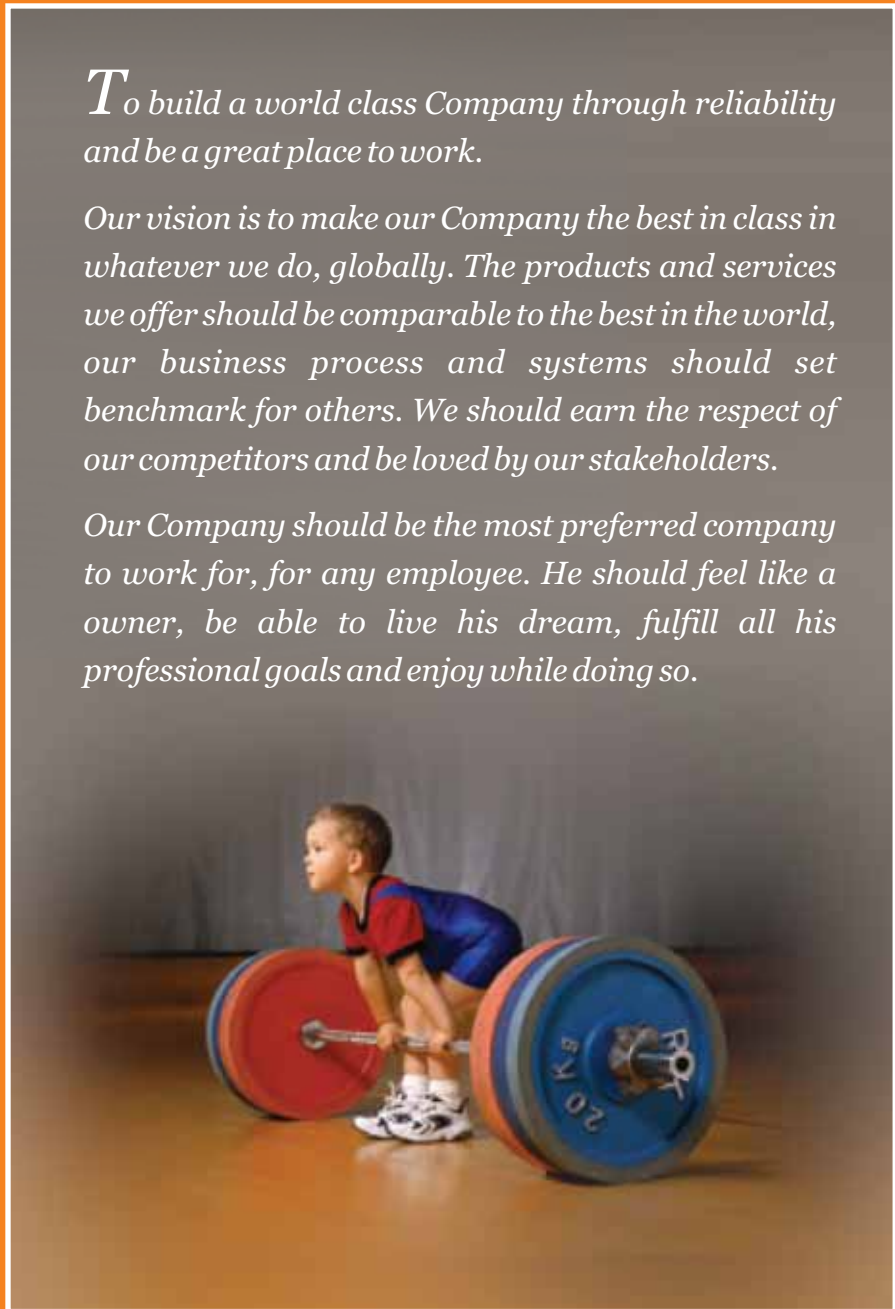


# Aspirations

*To build a world class Company through reliability and be a great place to work.*

*Our vision is to make our Company the best in class in whatever we do, globally. The products and services we offer should be comparable to the best in the world, our business process and systems should set benchmark for others. We should earn the respect of our competitors and be loved by our stakeholders.*

*Our Company should be the most preferred company to work for, for any employee. He should feel like a owner, be able to live his dream, fulfill all his professional goals and enjoy while doing so.*



Moving ahead  
for the  
realization  
of dreams



## OPERATIONS

The Company has eleven manufacturing facilities of which eight are located in Haryana and remaining three plants in other states i.e. Karnataka (Bangalore), Uttar Pradesh (Lucknow) and another in Uttarakhand (Udham Singh Nagar) which has been recently set-up for supply to M/s Ashok Leyland. In Financial Year 2011-12, the company has set-up a 2.5 MW Wind Power Project (2 x 1.25 MW) at Jaisalmer, Rajasthan which was commissioned successfully in the month of March 2012.

## INDUSTRY SEGMENTS

The revenue segments for Omax are mainly from:

- (1) Automotive
- (2) Engineering
- (3) Home Furnishing and
- (4) Railways

### Automotive:

The Company manufactures Tubular welded component, sprockets, welded and sheet metal components for two-wheelers, passenger cars and commercial vehicles in this segment. This accounts major parts of revenue

### Engineering:

Omax has initiated the concept of Robotic weldings and Automation across its all manufacturing units. The entire manufacturing process is re-engineered to upgrade the technology. It has also tied-up with Yasa Kawa motoman for designing & development of Robotics weld cells at its Tool Room facility.

### Railways:

The Company is a registered supplier to Indian Railways. The company has set up a plant at Faridabad (Haryana) for manufacture and supply of components for railways and has commenced supplies to Indian Railways on tender basis.

### Home Furnishing:

This segment is divided into two parts viz stainless steel business and carbon steel business. It had started the production in FY10 with business from IKEA and is entirely driven by exports.

## EXPANSION & GROWTH STRATEGY:

Though the Company has moved towards new frontiers in the last 29 successful years, yet it nourishes old relationships with undying passion and perseverance. With 11 plants as facilities, a strong infrastructure base and enlightened human resource, we have reached the zenith of success.

Through continuous and aggressive strategy building and disciplined execution, it has been possible to attain high level of growth and experience. The key features of the strategy are –

- a. To make major improvements towards customer's satisfaction.
- b. To develop a competitive edge - to optimize its cost and move up in value chain.
- c. To progress through a strong base laid on in depth research and development.
- d. To add new Customers & strengthen relationship.
- e. To enhance Corporate brand image (For new business, attract talent, shareholders/investors)
- f. To capture after sales market- Create own product Brand
- g. To focus on Off Road vehicle Components.

The Company has also made significantly major changes namely – to show our commitment towards clean energy generation, a 2.5 MW Wind Power Project (2 x 1.25 MW) was commissioned successfully in the month of March 2012 at Jaisalmer, Rajasthan and have

- Installed variable frequency drive (VFD) ON 180 cfm air compressor in Manesar plant.
- Replacement of boiler with hot water generator for paint shop in Speedomax plant.
- Replacement of 5 HP polish motor with 2 HP motor at Bawal
- Successfully running commercial production of Chassis of Commercial vehicles for M/s Ashok Leyland Limited at Udham Singh Nagar plant.

The company has strong Research & Development (R&D) facilities and has developed following machines during the year:

- SPM for bending operation of centre tube
- SPM for bending, top and side notching of RH sub tube.
- SPM for bending, top and side notching of LH sub tube.
- SPM for notching forming and drilling operation for centre tube.
- SPM for neck welding and bottom tacking for P 10 body head steering sub assembly.

Many initiatives as mentioned below have been initiated during the reporting financial year:

- DNA Change through building climate of excellence
- Technology up gradation
- Supply Chain Management (SCM)
- Environment, health & safety
- Strategy of the Company and domain.
- People process: Engagement participation and development
- Product Brand building



## Our Strength Our Employees

The quality of an organization can never exceed the quality of the minds that make it up. The way a team plays as a whole determines its success. There may be a bunch of individual stars in the sky, but only when put together that it forms a constellation worth a dime.

Omax, as an organization, meets the talent and organizational needs of the widening global corporate by pooling in new talent group, nurturing employees and managing employee relationships. The steps involved in achieving these targets are as follows:



### RECRUITMENT & TRAINING:

We recruit individuals with adequate knowledge and a passion to excel in business based not only on academic excellence but also on a proactive approach. This financial year, we have modified our Management Trainee/ Graduate Engineer Trainee scheme and two batches have been recruited. They have undergone through extensive training under the guidance of Senior Management team to inculcate them as future leaders. We have always believed that a sustained focus on technology, systems and human resources holds the key to success. Therefore at Omax, training needs are identified periodically for various levels and subsequently they are systematically trained through in Company & External programs. Additionally all the new technical recruits are trained in Technical Training Centre on welding, stamping, surface coating techniques and other relevant technical fields and then placed in the concerned departments.

### EMPLOYEE ENGAGEMENT & COMMUNICATION:

The Company encourages employees' feedback for enhancing improvement in process and aligning employees goals with business objectives. It helps in building mutual trust and teamwork. At associate level, improvement of canteen facilities with better services, safe working environment, involvement of families in the organization life through various family connected programs were some of the initiatives taken during the year.

A series of initiatives were taken up at each location to improve employee engagement. These included communication forums at various levels, team building initiatives, creation of cross-functional teams, and improvement of work environment through participative mode and empowerment of associates through formation of various committees.

### EMPLOYEE MOTIVATION:

Employee Motivation: We motivate our employees by awarding them with various schemes like Long Service Award, Attendance Award, Customer

Representative Winner Awards, Best Kaizen & Suggestion, etc. various recreation activities are conducted for employees and their families, birthday greetings are sent across to the employees. Children painting competition, New Joinee Welcome Party, Festival Celebrations, Annual Functions & Sports Meet, etc. are few of the initiatives running throughout the organization. A quarterly magazine “Infomax” is published for and by employees to encourage their creativity and to share their personal and academic excellence which acts as value addition for the company. This helps in promoting the feeling of oneness.

**HR VISION:**

We will create a value based organization where people are pursuing excellence on continuous basis and they enjoy working. It will be our endeavor to build a culture of mutual respect and trust as well as learning and development where business and peoples’ objectives are pursued with vigor and thereby the company becomes an employer of choice.

**HR MISSION:**

To promote and sustain the culture of developing world class leaders for value addition in every sphere of original activities while fulfilling employees’ professional and personal satisfaction.

To translate the vision and mission into reality, company has initiated an intervention of Proactive Employee Relations. We are inculcating in our management team human values of empathy, trust, respect and personal touch. Committees have been formed to handle the employee grievances fairly and expeditiously, follow the path of joint decision making with the workers; ensure open and transparent communication. Some of the focus areas are as under.

**PROACTIVE EMPLOYEE RELATIONSHIP:**

The Company wants the Associates to be the partners in decision making in the areas of safety, canteen, employee welfare and grievance management as well as improvements on the shop floor environment through the Works Committees. This will build ownership and commitment of all concerned.

**FAMILY CONNECT**

Families play active role in giving the inspiration and support to the employees and facilitate in absorbing shocks and concerns of the work place. Some initiatives have been launched where in the employees’ families also come close and develop understanding about the enterprise.





**COMMUNICATION:**

A major thrust is given on the employee communication programs through formal and informal channels. In house magazine Infomax, Intranet portal My Omax, Cross-Functional & Departmental Meetings, Monthly Group & Plant Leadership Meetings where eminent personalities from industry are invited for experience sharing, One to One meeting & Skip Level Meeting to address personal issues of employees, Conclaves on Proactive Employee Relations, EHS, Quality where all Group & Plant Leadership Committees meet in each quarter, are few of the initiatives.

**OPEX:**

Simultaneously Operational Excellence program has been launched to reduce the costs and wastages and also shop floor best practices e.g. 5S, TPM, Gemba etc. The quality initiative is being pursued to achieve state of Zero PPM.

**DNA CHANGE INITIATIVE:**

Another major Organization Development program has been initiated in the name of DNA Change that consists of both, Behavioral Change & System Change initiatives. The objective of this is to develop the human side of our organization e.g. team work, collaboration, co-creation and make Omax a learning organization. Such interventions help to become better human beings, besides better employees, better managers and better leaders.

**ENVIRONMENT, HEALTH & SAFETY:**

We have major responsibility of being custodians of the human lives and protection and conservation of Environment, Health & Safety. Various programs have been initiated to enhance EHS e.g. regular audits, training, formation of EHS committees, etc. We have given charge to the Plant EHS Committees to promote the awareness and monitor the effectiveness.

All above initiatives are bringing significant change in the culture of the company and facilitating journey of excellence.

## Facilities and Process Capabilities

Amongst top three companies in Automotive Stamping and two wheeler & Commercial vehicle Chassis manufacturing- (Process more than 100K Tons Steel pa) Largest Sprocket manufacturing capacity (15 Million pa) in South East Asia.

- Largest Tri Nickel Chrome Plating facility (120 Million Dm<sup>2</sup>)
- Largest & full spectrum welding facility in India with robots & 800 MIG welding sets (120 Km welding capacity per day)
- Largest consolidated Piston Rod manufacturing facility with super finishing capability catering to Europe & United States.
- Dedicated unit created for HF business at Bawal



# One Stop Solution

Designing

Automotive Stampings

Two Wheeler & Commercial Vehicle Chassis manufacturing

Machined Parts-Sprockets / Piston Rods / Oil Pumps /  
Transmission Shafts

Full spectrum welding process- Robotic MIG, spot and friction

Painting & Tri Nickel Chrome Painting

Supporting infrastructure - Tool Room/ NABL Acc. Met Labs/  
Standard Room etc.



## Corporate Social Responsibility

- Solar Power Plants installation
- Waste heat recovery
- Energy conservation through LED, PNG usage
- Plantations
- Blood donation camps
- Health Check-up

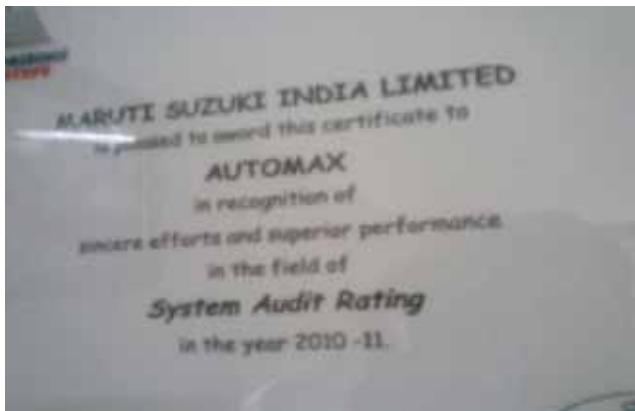
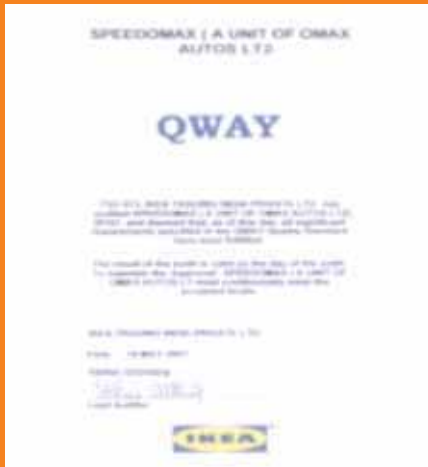


# Achievement & Awards



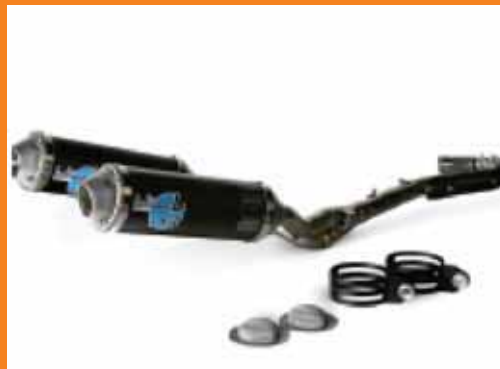
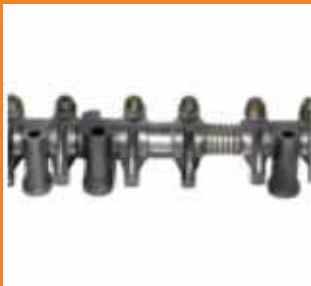
Awards that describe the whole story





## Main Products at OMAX

- CHASSIS FRAME ASSEMBLY
- CROSS MEMBERS, PANNEL ASSEMBLIES
- BODY FRAME
- MUFFLERS
- FRONT AXLES
- PISTON RODS FOR SHOCKS AND STURTS
- SEAT PARTS
- CHAIN CASES
- GEAR SHAFTS, SPROCKETS
- ROCKER ARM SHAFTS
- OIL PUMP ASSEMBLIES
- STEERING SHAFT
- AXLE SHAFT
- FRONT FORK



# Customers

Hero MotoCorp, Honda Motorcycles, Honda Sael Cars, Tata Motors, Yamaha Motors, TVS, Suzuki, International Tractors, Maruti Suzuki, Ashok Leyland, New Holland Tractors, Wabco, Piaggio Group, Renault, Nisan Motors, Delphi (Nexteer Automotive), IKEA and Milestone.





## Message from Managing Director



*Dear Shareholders,*

It gives me immense pleasure to share with you, another year of impressive performance by your Company. In the financial year, 2011-12, while the emerging markets were beating the forecast growth, the global economy continued to recover at a slow pace. Growth momentum in 2011-12 was moderate compared to the fast pace trend witnessed during 2010-11. This is despite predicted normal monsoon, demand conditions and positive lead indicators for services. Higher interest rates coupled with high global crude oil and other commodity prices along with the double-digit inflation pose a risk to India's growth story & will further impact the momentum during 2012-13.

The Indian economy has now reached such a stage, when it needs to be driven by innovation. The emphasis now is not on how big is the domestic market, or how efficiently we are leveraging that market. The crucial question to ask is how Indian businesses can create product



differentiations in the existing market and build future markets such a transformation can only help sustain India's high rate of GDP growth in the long-term, especially when the global economic conditions are not congenial for smooth and hassle-free growth.

India's economic growth rate in 2011-12 slipped to a nine-year low of 6.5%. The economy had expanded by 8.4% in the preceding two years.

For the current fiscal, the government has pegged growth at 7.6%. Considering global uncertainties and domestic woes, this growth rate could be tall order for the country.

According to World Bank, developing nations should prepare for a long period of volatility in the global economy by re-emphasising on medium term development strategies. "Developing country growth will slow to a relatively weak 5.3% in 2012, before strengthening somewhat to 5.9% in 2013 and six per cent in 2014," it said.

The automobile sector of any country reflects the health of its economy. By this virtue, the Indian

economy is very much in a good shape as the country's automobile industry has marked impressive growth in the last fiscal. The overall Indian automobile industry grew by 12.12 per cent in 2011-12 by selling 17.3 million units, majorly driven by demand for two-wheelers and light trucks. Further, the sector witnessed sales growth of 12.46 per cent for the period between April 2011 and February 2012.

### Key Statistics

- The cumulative production for April-March 2012 registered a growth of 13.83 per cent over April-March 2011, manufacturing 20,366,432 vehicles during the period
- While Passenger vehicle segment grew at 4.66 per cent during April-March 2012, overall commercial vehicle segment registered an expansion of 18.20 per cent year-on-year (y-o-y)
- Two Wheelers sales registered a growth of 14.16 per cent during April-March 2012 wherein Mopeds, Motorcycles and Scooters grew by 11.39 per cent, 12.01 per cent and 24.55 per cent, respectively

- The industry exported 2,910,055 units registering a growth of 25.44 per cent in April-March 2012. Automobile exports registered a growth of 17.81 per cent in March 2012 as against March 2011

At OMAX, we never claim to predict the future, but we do think that we can co-create it by making our organisation more flexible and responsive to changing realities.

During the 29 years of journey, the Omax group has grown from strength to strength. The Group has not only multiplied its manufacturing and engineering capabilities in a big way, but also taken a giant leap in the highly dynamic international market. The group is working hand in hand with a multitude of new clients across many industries. The group has associates and society, through excellence in quality, value for money, on-time deliveries and continual improvement. While achieving this, we remain conscious about health, safety, environment and laws of land.

Now, let us discuss the financial achievement of the Company during the financial year 2011-12.

The Net sale and other income of the Company increased from ₹ 1172 crore to ₹ 1298 crore.

Increased percentage is about 11% in FY12 over FY11 on account of sustained demand from the auto sector in FY12 and strong growth in the sales of Hero MotoCorp and Tata Motor which are the key customers for the company.

Net profit for the company increased from ₹ 21.43 crore to ₹ 28.13 crore.

Net profit for the company increased by about 32% in FY12 over FY11. Even the EPS increased in tandem with the Net Profit and recorded an increase of about 32% in FY12 over FY11.

At present, the Company is mainly engaged in manufacturing of Auto components and Steel, Aluminium and Cast iron are the major raw material used in manufacturing of auto components. Any change in the prices of these materials has a direct bearing on the profitability of auto component manufacturers. Critical components like engine parts, drive transmission, steering, etc are technologically intensive products.





Manufacturers have to constantly upgrade their product technology suiting ever-changing requirements of OEMs. With great importance given to emission norms by the government and its increasing awareness of the buyers, OEMs are required to continuously upgrade their products and auto component manufacturers have to keep pace with the changes in technology. Furthermore, the unorganised nature of the auto components industry makes it difficult to bargain from OEMs in case of sharp rise in input prices and in turn have to bear hit on their margins. The auto component manufacturing is capital-intensive business requiring high capital cost for setting up a manufacturing unit.

In the year under review, we have further strengthened and diversified our competitive capabilities to deliver growth that is more consistent. our fundamentals are robust, and that is the source of our confidence in the future. This is a time when we need to tighten our belts, widen our innovation bandwidth and sharpen our focus on ways and means to rationalise cost.

The Company's transition from being domestic centric organisation to become a global supplier of Home furnishing products is reflecting our de-risking strategy. This has helped us to improve our competitive strategy, significantly expand our business risks and enhance our strategic position in the Industry overall.

### Acknowledgments

The valuable support of our shareholders and the trust they reposed on the management will inspire us to turn out better results year after year to meet the aspirations of all our stakeholders. I would like to reiterate our organization's commitment to innovation for creating a value driven enterprise. I am indebted for your commitment and goodwill.

**Jatender Kumar Mehta**

(Managing Director)

Notice is hereby given that the **TWENTY NINTH** Annual General Meeting of the Members of **OMAX AUTOS LIMITED** will be held on Saturday, the 8<sup>th</sup> day of September 2012 at 11.00 AM at the Registered Office of the Company at 69 KM. Stone, Delhi Jaipur Highway, Dharuhera, Distt. Rewari, Haryana-122106 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2012 and Profit & Loss Account for the year ended on that date together with the reports of Auditors and Directors thereon.
2. To declare dividend for the financial year ended 31<sup>st</sup> March 2012.
3. To appoint a Director in place of Dr. Triloki Nath Kapoor, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. Ramesh Chandra Vaish, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Verinder Kumar Chhabra, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and in this connection the following resolution may be passed as an Ordinary Resolution:

**“RESOLVED THAT** M/s. A. Kumar Gupta & Co., Chartered Accountants, (Firm Registration No. 000182N), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.”

### SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**TO APPROVE INCREASE IN THE REMUNERATION OF MRS. SAKSHI KAURA, CEO OF HOME FURNISHING DIVISION OF THE COMPANY**

“RESOLVED THAT pursuant to section 314 read with Director’s Relative (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956, and subject to approval of Central

Government & other necessary approvals, consent of the Company be and is hereby accorded to increase the Gross monthly remuneration (including all perquisites) of Mrs. Sakshi Kaura, daughter of Mr. Jatender Kumar Mehta, Managing Director of the Company, holding office as CEO of Home Furnishing division of the Company, from ₹ 2,50,000 to ₹ 4,00,000 with Annual increment not exceeding ₹ 50000 per month and this increased amount will be paid w.e.f. 1<sup>st</sup> April, 2013.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorised to take all the necessary steps in this regard.”

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**TO APPROVE THE APPOINTMENT AND PAYMENT OF REMUNERATION OF MS. RIDHIMA CHAWLA, RELATIVE OF WHOLE-TIME DIRECTOR OF THE COMPANY, AS SR. EXECUTIVE FINANCE.**

“RESOLVED THAT pursuant to the provisions of section 314 of the Companies Act, 1956 read with Director’s Relatives (Office or Place of Profit) Rules, 2011 and subject to necessary approval, if any, consent of the Company be and is hereby accorded for the appointment of Ms. Ridhima Chawla, daughter of Mr. Krishan Chand Chawla, Whole-time Director of the Company, as Sr. Executive-Finance of the Company w.e.f. 1<sup>st</sup> day of August, 2012 on the gross monthly remuneration upto ₹ 50,000/-.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorised to take all the necessary steps in this regard.”

**By order of the Board of Directors  
For Omax Autos Limited**

Place : Gurgaon  
Date : 28<sup>th</sup> July 2012

**Sanjeev Kumar**  
(Company Secretary)

### NOTES:

1. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business as set out in the notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A

**MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, THE INSTRUMENT OF APPOINTING PROXIES SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Corporate members/Soceties are requested to send a duly certified copy of Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 4<sup>th</sup> September, 2012 to Saturday, 8<sup>th</sup> September, 2012 (both days inclusive) for determining the names of members eligible for dividend and for Annual General Meeting of the Company.
5. The dividend of ₹ 2/- per equity share has been recommended by the Board of Directors and subject to the approval of shareholders at the ensuing Annual General Meeting, will be paid/ credited/ dispatched between 13<sup>th</sup> day of September, 2012 to 20<sup>th</sup> day of September, 2012.
  - a. To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the company by National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) as on 3<sup>rd</sup> day of September 2012 after closing of business hours.
  - b. To all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the company/ its Registrar and Transfer Agent on or before 3<sup>rd</sup> day of September, 2012 before closing of business hours.
6. Members who have not encashed their dividend warrants may approach the company/ its Registrar and Transfer Agent for claiming unclaimed dividend as the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to Investor Education & Protection Fund (IEPF) as per the provisions of section 205A and 205C of the Companies Act, 1956. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie in respect thereof. Unclaimed Dividend Pursuant to Section 205A of the Companies Act, 1956 for the financial year 2003-04 has been transferred to the Investors Education and Protection fund established by the Central Government (IEPF) Pursuant to Section 205C of the Companies Act, 1956.

The last date for claiming the unpaid dividend in respect of last seven financial years is given below:-

F.Y. Ended	Date of Declaration of Dividend	Last Date for Claim
2004-05	19.09.2005	18.09.2012
2005-06	26.09.2006	25.09.2013
2006-07	28.09.2007	27.09.2014
2007-08	30.09.2008	29.09.2015
2008-09	30.09.2009	29.09.2016
2009-10	30.09.2010	29.09.2017
2010-11	30.09.2011	29.09.2018

7. Members are advised to avail the Electronic Clearing Service (ECS) facility for receipt of future dividends. The ECS facility is available at the specified locations. Members holding shares in dematerialized form are requested to contact their respective Depository participants (DPs) for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to Registrar & Transfer Agent of the company. A copy of ECS mandate form is enclosed in the end of this Report.
8. Pursuant to the provisions of Section 109A of the Companies Act, 1956, every shareholder or joint holders may nominate, in the prescribed manner, a person to whom all the rights in the shares vest in the event of the death of the sole holder or all joint holders. A nomination form is enclosed for shareholders holding shares in physical form. Members holding shares in electronic form may contact their respective depository participant for availing this facility.
9. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, change of address, change in name etc. to their depository participant (DP). Members holding shares in physical form are requested to intimate the above said changes to the company's Registrar & Transfer Agent.
10. Members are requested to send their queries, if any, at least 10 days in advance of the meeting, so that the information can be made available at the Annual General Meeting of the Company.
11. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, between 11:00 a.m. and 1:00 p.m., upto the date of the ensuing Annual General Meeting.
12. In order to avoid fraudulent encashment of Dividend Warrant(s), members are advised to inform their Bank

- Account details like A/c no., name and address of the bank, for incorporating the same in Dividend Warrant.
13. Members/Proxies are required to bring their duly filled attendance slip in the meeting. Members holding the shares in electronic form are requested to bring their DP-ID Number and Client-ID Number for identification.
  14. Members are requested to bring their copy of the Annual Report to the Meeting.
  15. Members who have not got their shareholding dematerialized are advised in their own interest to get their Shares dematerialized.
  16. The Ministry of Corporate Affairs (vide circular nos. 17 / 2011 and 18 / 2011 dated April 21, 2011 and April 29, 2011, respectively) has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by intimating their email address to the company at the dedicated e-mail ID i.e., investors@omaxauto.com.
  17. The Company would like to avail this opportunity for sending notices / annual reports / other documents (documents) to the members in the electronic mode to their email addresses already available (i) in the records of depositories, which have been made available to the Company by them; or (ii) in the records of Share Transfer Agent or the Company.

**ANNEXURE TO NOTICE  
DETAILS OF DIRECTORS SEEKING APPOINTMENT/  
REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL  
MEETING**

(In pursuance to clause 49 of the Listing Agreement)

Brief resume of the Directors seeking appointment/re-appointment in the Forthcoming Annual General Meeting

**DR. RAMESH CHANDRA VAISH**

Dr. Ramesh Chandra Vaish, 71 years old and dynamic professional. Being a fellow Member of "The Institute of Chartered Accountants of India", Dr. Ramesh Chandra Vaish has a wide experience in the field of Taxation.

Dr. Ramesh Chandra Vaish joined the Company's Board during June 1995.

He is presently also serving on the Boards of M/s. Ansal Properties & Infrastructure Ltd., Express News Papers Ltd.,

Jaiprakash Power Ventures Ltd., Jaypee Infratech Ltd., OCL India Ltd., Roto Pumps Ltd., G I Power Corporation Ltd., Bharat Consultants Pvt. Ltd. and Atos Mayar Corporation Limited.

Dr. Ramesh Chandra Vaish is a Chairman of Audit Committee/ Remuneration Committee and member of Project Committee of the Company.

Dr. Ramesh Chandra Vaish does not hold any equity shares of the Company. He is not related to any other director on the Board of the Company.

**DR. TRILOKI NATH KAPOOR**

Dr. Triloki Nath Kapoor aged 80 years, holds a Degree in Law and doctorate in commerce. An eminent management advisor and educationalist of over 40 years standing, he possesses a diverse and wide ranging experience and knowledge of corporate affairs having been associated as independent/non-executive/nominee director with several well known public limited companies for past over 30 years. Dr. Kapoor also held various responsible positions with the Punjab University, Chandigarh including the prestigious position of Vice Chancellor during 1991-1997. He has also been involved with several Educational, professional associations and management institutes at Governing Board/Council level that include International Association of Universities Paris, IIM-Bangalore, IIM-Calcutta, All India Management Association New Delhi, MDI Gurgaon, LBSIM Delhi, IIPA-New Delhi & IAMR-New Delhi.

Dr. Triloki Nath Kapoor has been associated with the Company as a Director since 1986. His presence in the Board has helped the Company immensely because of his vast and varied experience in corporate management, Finance and Human Resource Management.

He is presently also serving on the Boards of M/s. Swaraj Engines Ltd., Sterling Tools Ltd., Modern Steels Ltd., and KDDL Limited.

Dr. Triloki Nath Kapoor is a Chairman of Shareholder and Investor Grievances Committee/Executive Committee and member of Audit Committee of the Company.

Dr. Triloki Nath Kapoor does not hold any equity shares in the company. He is not related to any other director on the Board of the Company.

**MR. VERINDER KUMAR CHHABRA**

Mr. Verinder Kumar Chhabra aged 63 years, an industrialist and is on the Board of the company since March 2002. A qualified electrical engineer, has had extensive training with a Holland based company, which is a pioneer in the field of highly sophisticated machineries. With an experience of 34 years in the industry, Mr. Chhabra has travelled all over the world and acquired expertise in the field of automobile accessories, components, horns etc.

Mr. Verinder Kumar Chhabra is the Promoter and Managing Director of M/s Unitech Machines Ltd., an OEM of automotive lighting components for various auto majors in India and turnkey contractors.

He is presently also serving on the Boards of Unitech Machines Ltd., Unitech Software Solutions Ltd., Unitech Indraprastha TV Ltd., Good Day Foods Ltd., Sab Holdings India Pvt. Ltd., Techno Trexim (I) Pvt. Ltd., UM Corporate and Management Services Private Limited.

Mr. Verinder Kumar Chhabra is the member of the Audit Committee and Remuneration Committee of the Company.

Mr. Verinder Kumar Chhabra holds 30000 equity shares in the Company. He is not related to any other director on the Board of the Company.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to Special Business mentioned in the accompanying Notice dated 28th day of July, 2012.

#### **Item no. 7:**

A separate division was set up in the name of Home Furnishing in 2008-09 and later on the production has been started. Despite of tremendous opportunities in this area, this Division was not doing well as it was expected at the time of starting this business.

For continuous and healthy growth of this business and to turnaround this loss making division into break even first and into profit later on, the Board has given its consent for appointment of Mrs. Sakshi Kaura as CEO of Home Furnishing Division, in its meeting held on 30<sup>th</sup> January, 2012 and later on Shareholders of the Company have approved her appointment through Postal Ballot Process on 28<sup>th</sup> March, 2012 at a gross monthly remuneration of ₹ 2,50,000 w.e.f. 1<sup>st</sup> February, 2012.

Under the leadership of Mrs. Sakshi Kuara, the Company has seen potential to grow through her clear vision and ambitions plans for this Division. In the last three months, this division has considerably improved, due to her strategic thinking, on various fronts, like Turnover has increased from ₹ 42 Crore to ₹ 44.6 Crore, Loss has reduced from ₹ 4 Crore to ₹ 1 Crore in the first quarter of this year, number of manpower has also decreased, some of the new customers added, business from other units is being shifted for de-risking etc. Further, this Division, after her induction, has committed to make break even in the Budget for the year

2012-13 as against loss of ₹ 13 Crore in the last year 2011-12. Overall efficiency has started to come in this division.

Her gross monthly remuneration i.e ₹ 2,50,000 does not seem to be at par with amount being paid to other CEOs of the Company, in view of dedicated efforts being made by her to convert this division from loss making to profit making.

In view of the above, it is proposed to increase her present gross monthly remuneration (including all kind of perquisites) from ₹ 2,50,000 to ₹ 4,00,000 with Annual increment not exceeding of ₹ 50,000 per month, with effect from 1<sup>st</sup> April, 2013, with your approval, Central Government and other necessary approvals.

The Board of Directors accordingly recommends the resolution set out at the item No. 7 of the accompanying Notice for the approval of the Members as Special Resolution.

None of the directors of the company is concerned or interested in this resolution except Mr. Jatender Kumar Mehta.

#### **Item no. 8:**

The Company was in search of a good candidate to deal with the recent Cost Audit Compliances. Ms. Ridhima Chawla, Daughter of Mr. Krishan Chand Chawla (Whole-time Director), who is B.Com Hons from Delhi University and has done MBA from Kingston University, UK, is deemed suitable candidate for this post. Further, she has also 4.5 years working experience in Industry.

In view of the above, the Board of Directors at their meeting held on 28<sup>th</sup> July, 2012 has considered her appointment as Sr. Executive-Finance in the Company at gross monthly remuneration upto ₹ 50,000/- to discharge the above duties, with effect from 1<sup>st</sup> August, 2012.

The Board of directors accordingly recommends the resolution set out at the item No. 8 of the accompanying Notice for the approval of the Members as Special Resolution.

None of the directors of the company is concerned or interested in this resolution except Mr. Krishan Chand Chawla.

**By order of the Board of Directors  
For Omax Autos Limited**

Place : Gurgaon  
Date : 28<sup>th</sup> July 2012

**Sanjeev Kumar**  
(Company Secretary)



## Dear Shareholders,

Your Directors have pleasure in presenting the 29th Annual Report on the business and operations of the Company, together with the Audited Accounts for the financial year ended March 31, 2012.

### FINANCIAL RESULTS:

The summary of the financial performance of the company for the financial year ended March 31, 2012 as compared to the previous year is as below:

₹ in Lac

Particulars	Current Year 2011-12	Previous Year 2010-11
Net Sales and other income	1,29,775.22	1,17,221.75
PBIDT	9,813.45	8,943.19
Less: Interest	3,152.90	3,405.41
PBDT	6,660.55	5,537.78
Less: Depreciation and Amortization	2,968.16	2,916.50
Profit before Tax and Exceptional Income	3,692.39	2,621.28
Add: Exceptional Income	728.00	531.68
Profit before Tax	4,420.39	3,152.96
Less: Provision for Tax (Including Deferred Tax)	1,602.49	1,010.02
Net Profit after Tax (PAT)	2,817.90	2,142.94
Prior period Income +/-	(5.38)	(14.03)
Amount available for appropriation	2,812.52	2,128.91
Appropriations:		
Proposed dividend on equity shares	427.76	427.76
Dividend Distribution Tax	69.39	71.05
Transferred to General Reserve	450.00	200.00
Surplus carried to balance sheet	1,865.35	1,430.10

### DIVIDEND

In view of the performance for the year under review, the Board is pleased to recommend a dividend of ₹ 2.00 per equity share i.e. 20% on face value of ₹ 10/- each, for the year ended 31st March 2012. The total cash outgo for this purpose would be ₹ 497.15 Lac (previous year ₹ 498.81

Lac), which includes Tax on Dividend amounting to ₹ 69.39 Lac (Previous year ₹ 71.05 Lac).

### OPERATIONS AND FUTURE PROSPECTS OF THE COMPANY

Financial Year (FY) 2011-12 was a challenging year for the Company. The global economy, barely a year after recession, witnessed lower economic growth, resulting primarily from the Euro Zone debt crisis and high oil prices, which were fuelled by uncertainties of supply. However, despite the challenges, your Company has been able to remain strong and performed well during the year under review.

The Net sales and other Income of the Company for the year under review has increased to ₹ 129775.22 Lac as compared to ₹ 117221.75 Lac in the previous financial year, registering a whopping growth of 10.71% on an annualized basis. The Profit before interest, depreciation and tax (PBIDT) of the Company increased to ₹ 9813.45 Lac during the year under review as compared to ₹ 8943.19 Lac in the previous financial year registering an increase of 9.73% on an annualized basis. During the year under review, Profit before tax and exceptional income increased to ₹ 3692.39 Lac from ₹ 2621.28 Lac in the previous financial year registering an increase of 40.86% on an annualized basis. Net profit after tax (PAT) during the year under review increased to ₹ 2817.90 Lac as compared to ₹ 2142.94 Lac during the previous financial year registering an increase of 31.50% on an annualized basis.

For further detail kindly refer to Management Discussion & Analysis and Corporate Governance Report that forms part of this Report.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO.

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with 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, is given in "Annexure I" hereto and forms part of this report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of clause 49 of listing agreement with the stock exchanges, Management Discussion and Analysis Report are provided separately in this Annual Report and forms part of this Report.

### CORPORATE GOVERNANCE

Your Company believes that the great organizations are built on the foundation of good governance practices. Corporate governance is all about effective management of relationship among constituents of the system, i.e. shareholders, management, employees, customers, vendors, regulators and the community at large. Your Company strongly believes that this relationship can be built & strengthened through

corporate fairness, transparency and accountability. Your company places prime importance on reliable financial information, integrity, transparency, empowerment and compliance with the law in letter and spirit. Strong governance practices at OMAX has earned for it recognition and has strengthened its bond of trust not only with the stakeholders but with the society at large.

Your company also takes proactive approach and revisits its governance and practices from time to time so as to meet business and regulatory need. Compliance with Clause 49 of the Listing Agreement for the year 2011-12 has been given in the corporate governance report, which is attached and forms part of this report. The Auditor's certificate on compliance with corporate governance norms is also attached thereto.

### BOARD OF DIRECTORS

Majority of the Board of your company is constituted of independent directors represented by eminent persons with diversified professional experience. The Board handles the responsibilities such as policy formation, performance review & analysis and control. Further, they have delegated various powers to the Committees of Directors and senior executives of the Company. The Board reviews delegated powers at periodic intervals.

In accordance with section 255 and 256 of the Companies Act, 1956 and Articles of Association of the company Dr. Triloki Nath Kapoor, Dr. Ramesh Chandra Vaish and Mr. Verinder Kumar Chhabra, Directors of the Company shall retire by rotation at the ensuing Annual General Meeting. All being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting. The Board recommends their reappointment for your approval.

In accordance with the stipulation under Clause 49 of the Listing Agreement, brief resume of Dr. Triloki Nath Kapoor, Dr. Ramesh Chandra Vaish and Mr. Verinder Kumar Chhabra together with the nature of their expertise in specific areas and names of the Companies in which they hold office of a Director and/or the Chairman/Membership of Committees of the Board, is given in the Notice of the Annual General Meeting.

### SUBSIDIARY COMPANY

The Company has formed a Subsidiary Company in the name of "GMAX Auto Limited" with the main object of manufacture of auto parts and tool room for manufacturing tools dies, jigs fixtures etc. on 20<sup>th</sup> day of October, 2011. The Certificate of the Commencement of the Business has also been obtained from the Registrar of Companies dated 3<sup>rd</sup> day of November 2011. A new manufacturing plant is being set up in Bawal (Haryana).

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statements

of the Company and its subsidiary is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as prescribed under Section 211(3C) of the Act.

These financial statements disclose the assets, liabilities, income, expenses and other details of the Company, its subsidiary.

Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary companies with the balance sheet of the Company. A statement containing brief financial details of the Company's subsidiary for the financial year ended March 31, 2012 is included in the Annual Report. The Annual Accounts of the subsidiary and the related detailed information will be made available to any member of the Company/its subsidiary seeking such information at any point of time and are available for inspection by any member of the Company/its subsidiary at the registered office of the Company. The annual accounts of the said subsidiary will also be available for inspection, as above, at the head offices/registered office of the subsidiary company. The Company shall furnish a copy of the details of annual accounts of subsidiary to any member on demand.

### DIRECTORS RESPONSIBILITY STATEMENT

A Directors' responsibility statement setting out the requirement pursuant to the provisions of section 217(2AA) of the Companies Act, 1956 is annexed as "Annexure-II" hereto and forms a part of this report.

### AUDITORS AND AUDITORS' REPORT

M/s. A. Kumar Gupta & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the last Annual General Meeting held on 30<sup>th</sup> September, 2011. They shall hold office till the conclusion of the ensuing Annual General Meeting of the Company. M/s A. Kumar Gupta & Co., have also given a Certificate under section 224(1B) of the Companies Act, 1956, confirming their eligibility and willingness to accept the office of the Statutory auditors, if re-appointed. The Board of Directors of your Company, recommend their re-appointment for your approval as statutory auditors to hold office from conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

The Statutory auditors of the company submitted their report on the accounts of the Company for the financial year ended 31<sup>st</sup> March, 2012 which was self-explanatory and needed no comments. There is no qualification or adverse remarks in the Auditors' Report on the Annual Accounts of the

Company for the year ended 31.03.2012.

## SECRETARIAL AUDIT

As a measure of good corporate practice, the Company has appointed M/s. Chandrasekaran Associates, Company Secretaries, Secretarial Auditors to conduct Secretarial Audit for the year ended 31<sup>st</sup> March, 2012 and the report received from them is attached with this Annual Report. The Report is in confirmation of compliance of all applicable provisions of the Companies Act, 1956, Listing Agreement and applicable Rules and Regulation under SEBI.

## FIXED DEPOSITS

The Company has not invited or accepted fixed deposits from public during the year under review, within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

## PARTICULARS OF EMPLOYEES

The details pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 are set out in the Annexure-III, which forms part of this Report.

## QUALITY CERTIFICATIONS

The best product & service quality and customer satisfaction are an integral part of your company's vision. Company's all round improvements and achievements in various areas are recognized from time to time by its customers and industrial associations. The units of the company are ISO 9001 and ISO/TS-16949/2002 certified for quality and shows the company's commitment towards quality management.

## ENVIRONMENT, HEALTH AND SAFETY (EHS)

As the Omax Group strives to reach greater heights, the Company is focusing on continual improvement in the areas of health, safety and environment across the group.

Health and safety is a key performance indicator and one of the prime drivers of the Company's corporate vision. At Omax group, excellence is not only confined to high quality products and services but also the safety and health of its employees as safe, healthy, reliable, efficient and environmentally sound operations make good business sense.

We are committed to fostering an accident-free ambience by following stringent safety standards in the workplace. Safety and health responsibilities occupy the first and foremost position in our list of priorities. The company strives to improve workplace safety by arranging for training and development programmes to keep employees abreast with the latest in the process technology. We have a policy of promoting safe and healthy attitudes at work, thereby effectively reducing the number of accidents, injuries and illnesses. Omax group is committed to ensure zero harm to its employees, contractors and the communities in which it operates. This is integral to the Company's business process and is laid down in the Company's health and safety policies, standards and working procedures. Omax group is committed to protect the environment. On the same lines, we have implemented a Roof Top Solar Photo Voltaic Systems at our two major plants. We follow environment friendly processes and adhere to global safety norms. The company adopts new processes and technologies continuously in an attempt to minimize pollution and waste. We believe in using natural resources responsibly and disposing by-products safely.

To show our commitment towards clean energy generation, a 2.5 MW Wind Power Project (2 x 1.25 MW) was commissioned successfully in the month of March 2012 at Jaisalmer, Rajasthan.

## ACKNOWLEDGEMENT / APPRECIATION

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for their assistance, co-operation and encouragement extended to the Company. Your Directors also thank and sincerely appreciate the Business Associates and Employees at all levels for their unstinting efforts in ensuring an excellent all around operational performance. Last but not the least the directors would also like to thank valuable shareholders and other stakeholders for their support and contribution.

We look forward for your continued support in the future.

For and on behalf of the Board of Directors  
**Omax Autos Ltd.**

Place : New Delhi  
Date : 28<sup>th</sup> July 2012

**Suresh Mathur**  
(Chairman)

**INFORMATION AS PER 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 FOR THE YEAR ENDED MARCH 31, 2012.**

## ANNEXURE I

### A. CONSERVATION OF ENERGY

**a) The company has taken the following measures to conserve energy, which have lead to reduction in power and fuel consumption and cost substantially:**

- Installed variable frequency drive (VFD) ON 180 cfm air compressor in Manesar plant.
- Replacement of boiler with hot water generator for paint shop in Speedomax plant
- LED lighting at Dharuhera, Binola, IMT manesar and Corporate office.
- Energy Audits in Dharuhera, Speedomax, Binola, Manesar, Sprocket and Bawal have been Conducted by Confederation of Indian Industry.
- Water audits in Dharuhera, Speedomax and Manesar
- Replacement of 5 HP polish motor with 2 HP motor at Bawal
- Shifting of compressors to reduce losses at IMT Manesar
- PT line exhaust blower 15HP replaced by 5 HP motor at IMT Manesar

**b) Additional Investment and Proposal for reduction in consumption of energy:**

- Horizontal deployment of all energy saving measures in other plants also
- Independent feeder at Speedomax
- Power Trading at Binola, Dharuhera, Sprocket and Speedomax.
- Reduction in contract demand at Binola, and IMT manesar
- Heat Recovery Unit for Dharuhera plant.
- Heat Recovery Unit for Manesar plant.
- HBL Rentar fuel saving device on Diesel Gensets to achieve 5% fuel savings.
- VAM through jacket water of Gas Gen Set in Manesar plant (70T air-conditioning).
- Solar VAM to replace induction hardening chillers at Binola.
- All replacement of florescent lamps to be done with LED lights in phased manner in all plants.
- Solar water heating system for canteen in corporate office.

- Implementation of waterless urinal pot in corporate office.
- Occupancy sensors in all offices.
- Auto-timers for AC and light in corporate office (after 6 PM).
- Use of treated water for flushing the toilets.
- Use of star rated electrical appliance and motors for buying new one.

**c) Impact of above measures:**

It is difficult to quantify the impact of energy management measures on the cost of production but will certainly lead to reduction in overall energy cost.

**d) Total energy consumption and Energy Consumption per unit of production.**

The required Form A is not applicable to the auto component segment and hence not being provided.

### B. RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

In line with the OMAX research vision and in accordance with the approval granted by the Department of Scientific & Industrial Research for in-house R&D, the research & development activities have been located at Manesar with exclusive dedication to this activity. A strong team of experienced engineering & scientific personnel has been built and allocated exclusive building and equipments to undertake scientific research. Six teams have been constituted to work on the following priority areas:

- Increase Productivity in Welding & Assembly Operations
- Improved Surface Treatment & Coating Processes
- Design & Development of Special Purpose Machines
- Waste Minimization & Zero Impact Manufacturing
- Energy Conservation & Clean Energy
- Future Technologies & Materials

The Company has developed following machines during the year:

- SPM for bending operation of centre tube
- SPM for bending, top and side notching of RH sub tube.
- SPM for bending, top and side notching of LH sub tube.
- SPM for notching forming and drilling operation for centre tube.
- SPM for neck welding and bottom tacking for P-10 body head steering sub assembly.

The Company has achieved raw material saving through strip layout changes to have economical blanking size

The Company has also achieved the following benefits by use of Progressive tooling

- Saving in manpower
- Improvement in productivity
- Better utilization of Material
- Pre cleaning in Paint Shop by adopting Nano Technology

### BENEFITS DERIVED AS A RESULT OF R&D:

To achieve the ELV Norms the Company has replaced its hexavalent chromium passivation to trivalent process in zinc plating. The benefits derived as a result of the above research and development programmes was in the form of winning new businesses, building confidence of existing customers and reducing the time to market.

### FUTURE PLAN & ACTION:

The following are the proposed projects in the area of R&D:

- Solar heating system in paint shop/AEP to be introduced.
- The consumption of all oils and lubricants to be reduced by extra filtration and design modification.
- Besides the above, the Company is progressively working for setting up an advanced New Tool Room and R&D Centre to carry out Research for developing the advanced Tools to meet the present requirements of Indian Auto component industry and also to innovate new methods of production, reduction in manufacturing cost and manufacturing of Special Purpose machines.

### EXPENDITURE ON R&D:

The Company has separate in-house R&D Centre at IMT, Manesar. Ministry of Science & Technology (Department of Scientific and Industrial Research) has accorded its recognition to this in-House R & D Centre up to 31.03.2012 vide its letter no. TU-IV/RD/2906/2009 dated 28.8.2009. Further this recognition has been renewed vide letter no. TU-IV/RD/2906/2012 dated 01.04.2012 and is valid upto 31<sup>st</sup> March, 2015.

Total expenditure incurred towards in-House Research & Development activities during the year 2011-12 are as under-

- |                                                                              |              |
|------------------------------------------------------------------------------|--------------|
| (a) Capital Expenditure -                                                    | Nil          |
| (b) Revenue Expenditure (incl. salary to R&D Staff & other related expenses) | ₹ 119.68 lac |

### Technology Absorption, Adaptation and Innovation

1. Efforts in brief made towards technology absorption, adaptation and innovation.

The Company has entered into discussions for collaboration with various prospective partners which are expected to give good results in the coming year.

Enhancement of Income Tax deduction under Section 35 (2AB) from 150% to 200% has made it more attractive to invest in this strategic area and therefore CAPEX plans for the coming years are being reviewed for a bolder stride. Similarly, greater stress is likely to emerge on commercialization of technologies particularly on securing patents based on in-house R&D to obtain the excise exemption on outcome of patented products/processes admissible for three years in each case. Emphasis on futuristic technologies is inevitable to compete in a global market with increasing emphasis on environmental excellence and extended producers' warranty.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken by the company to expand exports, exploring new exports markets and export plans:

The Company's export (including deemed exports) slightly decreased from ₹ 107.11 Crore in the year 2010-11 to ₹ 96.72 Crore in 2011-12. Considering the volatile USD/ INR exchange ratios and considerably recession in Europe, Your Company expects stable growth in exports in the next financial year i.e. 2012-13.

- b) Total foreign exchange earnings and outgo

(₹ In Lac)

Particulars	Current Year 2011-12	Previous Year 2010-11
Earnings (FOB Value of exports)	731.12	1,243.46
Outgo of (CIF) Value of Import	1,049.50	990.81
Other Expenses	50.00	19.62

### Annexure II to the Directors' Report

Directors' responsibility Statement pursuant to the provisions of section 217(2AA) of the Companies Act, 1956 and forming part of the Directors' Report for the year ended March 31, 2012;

The statement of the Directors' responsibility on the annual accounts of the Company for the financial year ended March 31, 2012 is provided below:

- 1) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2012 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under the review;
- 3) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2012 on a 'going concern' basis.

### Annexure III to the Directors' Report

Particulars of employees pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules, 1975 and forming part of the directors' report for the year ended March 31, 2012.

Person employed for full/part of the year ended March 31, 2012, who were in receipt of remuneration which in the aggregate was not less than ₹ 60, 00,000 p.a./ ₹ 5,00,000 p.m.

Name of employee	Designation	Qualification	Remuneration (Rs in Lacs)	Age (Yrs.)	Exp (Yrs.)	Date of Commencement employment in the Company	Previous held before joining the Company of employment	% of equity share capital held
Mr. Jatender Kumar Mehta	Managing Director	B.E	119.86	63	38	01.01.1986	Partner- Omax Engineers	6.14

**Notes:-**

- Remuneration includes salary, commission, other allowances, payments and expenditures incurred on perquisites and company's contribution to provident fund and Superannuation fund.
- The appointment is on a contractual basis as per shareholders' approval.
- Other terms and conditions are as per shareholders' resolution.
- Managing Director looks after the work of the company under the control and supervision of the Board of Directors of the Company.

The objective of this report is to share and keep you abreast with the happenings and transformations occurring within the Company, that in the industry and economy, its manufacturing processes, technology and its overall business strategies.

Among other things, the MD &A provides an overview of the previous year of operations and how the company fared in that time. It also provides the report on the upcoming year, outlining future goals and approaches to new Project.

We begin with a general review of the industry, macro economy followed by the operational and financial details of the company including details of its human resources, research and development activities.

## ECONOMIC OUTLOOK:

### Global Economy:

The world witnessed fair bit of challenges during fiscal 2011-12 with the deepening debt crisis in Europe, political upheavals in parts of Middle East and rising tensions between Iran and the West. The developments over the last year in major economies of the world have not been encouraging. There is an apprehension that the process of global economic recovery that began after the financial crisis of the 2008 is beginning to stall and the sovereign debt crisis in the Euro zone area may persist for a while. There is an effort to build firewalls around these danger zones, but the world has little experience with this; so we need to be prepared for breaches in the walls. The US economy has shown some improvement but economic growth remains sluggish. The global economy is expected to grow by 3.3 per cent in 2012 compared to 3.8 per cent in 2011 as per the International Monetary Fund's (IMF) update of the World Economic Outlook (WEO).

The eurozone crisis had a significant impact on global risk appetite and crude oil prices, though towards the end of the year, there have been liquidity infusions by European central banks and this combined with better than expected recovery in the U.S. have revived global risk appetite and emerging markets such as India may benefit.

**Impact of eurozone crisis on India:** The eurozone, though distinct from the European Union (EU) is a major subset of the EU. The eurozone and EU account for about 19 and 25 per cent respectively of global GDP. The EU is a major trade partner for India accounting for about 20 per cent of India's exports and is an important source of foreign direct investment (FDI). The IMF has forecast that the eurozone is likely to go through a mild recession in 2012. A slowdown in the eurozone is likely to impact the EU and the world economy as well as India.

### Indian Economy:

India has over the years become a more open economy. The

total share of imports and exports accounts for close to 50 per cent of GDP while that of capital inflows and outflows measures up to 54 per cent of GDP. Yet economic outcomes and their impact on growth and development arising from the interaction between the domestic and external economies are contingent on a large number of factors. Though economic outcomes are to some extent contingent on choosing policies appropriate to the conditions characterizing an economy, the relative position of an economy vis-à-vis other countries in a global setting could facilitate (or even constrain) policy choices.

**India has moved up the Ranks but is still the poorest among the G-20:** India has emerged as the fourth largest economy globally with a high growth rate and has also improved its global ranking in terms of per capita income. Yet the fact remains that its per capita income continues to be quite low (at current US \$ 1527 in 2011). Addressing this is perhaps the most visible challenge. Nevertheless, India has a diverse set of factors, domestic as well as external, that could drive growth well into the future.

India also witnessed its share of challenges during fiscal 2011-12 with macro headwinds such as high inflation fuelled by spiralling commodity-fuel prices, declining industrial output, high interest rates, weakening rupee and policy gridlock choked the growth momentum during the year. The Reserve Bank of India hiked repo rates several times to combat inflation. The high interest rates did not bode too well for industrial production as reflected in the deceleration of IIP and GDP growth. GDP growth rate slowed down from 8.4% in FY11 to 6.9% in FY12.

The country was swept by persistent double-digit inflation during the year and Whole Sale Price Index based inflation remained close to 10% for most part of the year with some moderation during the last 4 months of the fiscal. However, the Reserve Bank of India has reduced repo rates by 50 bps in April 2012. This is expected to improve liquidity and outlook for growth and investments in the economy.

The global financial crisis of 2008 pulled down India's growth rate to 6.7 per cent in 2008-09. India has projected a growth rate of 7.6 per cent in 2012-13, up from 6.9 per cent recorded in 2011-12.

## INDUSTRY STRUCTURE:

### Demand: Review and Outlook

One of the major sectors in India is the automobile sector. Subsequent to the liberalization, the automobile sector has been described as the sunrise sector of the Indian economy as this sector has witnessed tremendous growth.

The automobile sector of any country reflects the health of its economy. By this virtue, the Indian economy is very much in a good shape, as the country's automobile industry has marked impressive growth in the last fiscal.

India is the second fastest growing vehicle market in the world. The main reasons for this are its rising levels of disposable income and the country is growing middle class. The passenger car density in India is still very low, 11 per 1,000 people, compared to 45 per 1,000 in China. However, while growth potential is plentiful, traffic congestion and pollution could crop up as problems in the future.

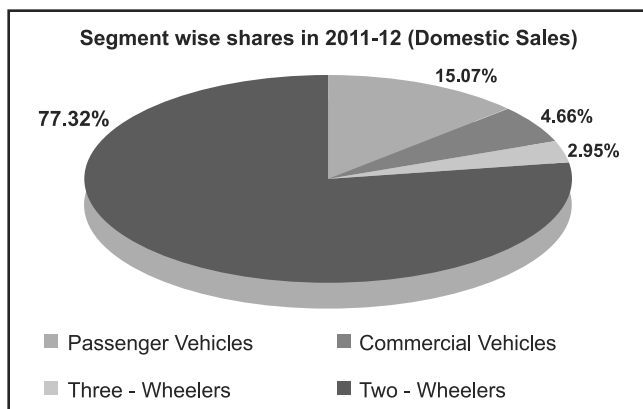
In 2011, fuel prices across India rose in response to the government's raising of interest rates. Despite these unfavourable circumstances, the cumulative production data for April to March 2012 shows production growth of 13.83% over same period last year. In March 2012 as compared to March 2011, production grew at a single digit rate of 6.83%. In 2011-12, the industry produced 20,366,432 vehicles of which share of two wheelers, passenger vehicles, three wheelers and commercial vehicles were 76%, 15%, 4% and 4% respectively.

**DOMESTIC SALES.**

The Indian automobiles industry was adversely impacted by the general economic conditions in the country and across the globe in 2011. However, healthy growth prospects and the strong fundamentals of the Indian economy would drive the auto industry's growth in the year ahead, though the industry is not likely to attain the high growth rates that were recorded prior to 2011. After the robust 30.8% increase in sales in 2010, the growth rate for overall domestic sales for 2011-12 was around 12.00 percent amounting to 17,376,624 vehicles. In the month of only March 2012, domestic sales grew at a rate of 10.11% as compared to March 2011.

Segment	2011-12	2010-11	Growth	Growth in %
Passenger Vehicles	2618072	2520421	97651	3.88
Commercial vehicles	809532	676408	133124	19.68
Three -Wheelers	513251	526022	-12771	2.43
Two-Wheelers	13435769	11790305	1645464	13.96
<b>Total</b>	<b>17376624</b>	<b>15513156</b>	<b>1863468</b>	<b>12.012</b>

Segment wise shares in 2011-12 (Domestic Sales)



**EXPORT SALES**

During April-March 2012, the industry exported 2,910,055 Automobiles registering a growth of 25.44 percent. Passenger Vehicles registered growth at 14.18 percent in this period. Commercial Vehicles, Three Wheelers and Two Wheelers segments recorded growth of 25.15 percent, 34.41 percent and 27.13 percent respectively during April-March 2012. For the first time in history, car exports crossed half a million in a financial year.

Exports of automobiles are expected to grow strongly in 2012, although the industry may not be able to sustain the high growth (27-33%) recorded in the recent couple of years. While two-wheelers dominate with a majority share in total vehicle exports from India, in 2012, all the segments are expected to witness healthy performance. This is likely to be achieved on the back of increased focus of the Original Equipment Manufacturers (OEMs) on exploring newer markets, their continued efforts on diversifying export markets with a focus on emerging markets (such as SAARC nations and Africa for commercial vehicles) and reducing their over-dependence on the traditional markets (such as Europe etc).

**INDIAN AUTO COMPONENT INDUSTRY:**

Indian Automobile industry is flourishing its twigs worldwide and is close to a fruition of triumph in the global competition. The spine of the industry is its suppliers of auto components and accessories, which is also an exclusive industrial segment. Today auto industry is enjoying the benefits while the auto component sector is in its gloom despite of hard efforts of survival. The factors making the differences are unavailability of sources like skilled labour and technology, high cost of production due to inflation and Government policies of indirect taxes such as customs and excise. The ₹ 1,600 billion Indian auto components industry has been witnessing a moderation in its revenue growth since the beginning of this fiscal following the deceleration in sales volume growth across all automobile segments. As per industry estimates, out of the total turnover of the Indian auto components industry, around 60% is derived from sales to domestic OEMs, around 25% comes from sales to the domestic replacement market and around 15% is derived from exports.

The Society of Indian Automobile Manufacturers (SIAM) is expecting overall automobile sales to grow by 10-12 percent in 2012-13 in comparison to the 15 percent growth in 2011-12, on the back of supportive government policies, launch of new models and intensifying enthusiasm for cars among Indian consumers, the fact remains that many OEMs continue to source parts, critical and key parts, electronic and electro mechanical in nature, and even some special grades of steel, from the overseas markets.



The automobile component manufacturers in India are following the 'wait & watch' policy before making any significant changes in investments and operations in case of a recession as in the year 2008.

## INDIAN TWO-WHEELER INDUSTRY:

India is the second largest producer of two-wheelers in the world. In the last few years, the Indian Two-wheeler industry has seen spectacular growth. The country stands next to China and Japan in terms of production and sales respectively.

The Indian Two-wheeler (2W) industry recorded sales volumes of 13.4 million units in 2011-12, a growth of 14.0% over the previous year. Overall, ICRA expects the domestic 2W industry to report a volume growth of 8-9% in 2012-13 as base effect catches up with the industry that has demonstrated a strong volume expansion over the last three years at cumulative annual growth rate (CAGR) of 21.8%.

For OMAX Autos Ltd., this segment contributed net sales of ₹ 902 Crore during 2011-12 as compared to ₹ 829 Crore during the previous year. Over 70% of OMAX's revenue comes from Two-wheeler segment followed by Commercial Vehicle, which is contributing around 13%, and with the growth in these segments, OMAX's sale would increase.

Hero Motocorp & Associates contributes over 60% of Company's sales and hence dominated by this single large client. To counter the concern of single client dependency, the Company has started to diversify the clientele. In the coming financial year 2011-12, the Company is expecting to reduce its dependency from Two-Wheeler segment.

The recent series of hikes in the price of petrol have played a significant role in the sale of two-wheelers, according to SIAM, as most first-time four-wheeler buyers in rural India and tier II and tier III cities have deferred their purchases. Two-wheelers account for a whopping 76 per cent of market share in the automobile sector in Asia's third-largest economy. Over the medium term, the Two-wheelers industry is expected to report a volume CAGR of 9-11% to reach a size of 24-26 million units (domestic + exports) by 2016-17, as we believe the various structural positives associated with the domestic Two-wheelers industry including favourable demographic profile, moderate Two-wheelers penetration levels (in relation to several other emerging markets), under developed public transport system, growing urbanization, strong replacement demand and moderate share of financed purchases remain intact.

## PASSENGER CAR:

Passenger car sales in the domestic market during 2011-12 had their slowest growth in two years, of only 2.2 per cent to 2,016,115 units, on the back of high interest rates and rising fuel prices. Car sales' earlier marked slowing was

during the global economic slowdown of 2008-09, when volumes had grown 1.4 per cent. It had bounced back to 29 per cent growth in 2010-11. The Society of Indian Automobile Manufacturers (SIAM) projected passenger car sales growth at 10-12 per cent in 2012-13, on better macro economic prospects. For the overall industry, it has projected growth of 10-12 per cent for 2012-13, as against 12.2 per cent in 2011-12. In March, car sales rose 19.7 per cent to 229,866 units, from 192,105 units in the same month last year. In fact 2011-12 the industry hit by high interest rates, inflation and rising fuel prices. More, a strike at the country's largest carmaker, Maruti Suzuki's Manesar plant had also affected availability. The Net Sales of Your Company in this segment during the year 2011-12 was ₹ 97.54 Crore as compared to ₹ 56.91 Crore during the previous year. At OMAX, passenger vehicle segment is contributing around 8% of its total revenue and the company has a plan to increase its contribution from Passenger vehicle segment and it will help to reduce its dependence on Hero MotoCorp and expand its business. Major client of OMAX in this segment is Maruti Suzuki to which the Company is supplying Bumper & Axle.

## COMMERCIAL VEHICLES:

Two decades ago, India opened its doors for multinational automobile companies allowing them to penetrate the market, modernize the Indian transportation picture and make it beneficial for the end-users. Since then, several firms have established their production units in the country, offering a wide range of vehicles to vast population. The Indian commercial vehicle market has grown rapidly due to economic liberalization, and it has bright prospects as production and sales are reaching new heights. However the automobile industry has not had it easy this financial year, as rising interest rates and high petrol prices hurt demand. The commercial vehicles (CV) segment has also seen sales slowing in the last few months, but robust sales of light commercial vehicles (LCV) have saved the day for most CV makers.

The "India Commercial Vehicle Market Analysis" observed that the commercial vehicle segment of the Indian automobile industry has shown great recovery after withstanding the effects of the global economic crisis. With economic revival, increasing public & private spending on infrastructure and higher penetration of financing facilities, we expect the growth trend in each segment of commercial vehicles to continue in the coming years.

As per report of SIAM on commercial vehicles, the total sales of commercial Vehicles in FY12 were 809,532 units, up 18.2 per cent. The segment is pegged to grow by nine to 11 per cent in FY13.

To increase its footprint in different segment of automobile industry, Omax has taken several steps, out of which one of

the important step was to set up a plant in Lucknow for manufacturing of MHCV chassis frames and to supply the same to Tata Motors.

During the financial year 2011-12, your company has registered a decent growth and sales under this segment reached to ₹ 160.77 Crore in comparison of last year ₹ 112.68 Crore.

The Company has recently set-up its Pant Nagar Plant (in Udham Singh Nagar) for manufacturing of MHCV chassis parts, for M/s Ashok Leyland Ltd.

As the Tata Motors Limited and Ashok Leyland Ltd are market leaders of Commercial Vehicles segment having jointly more than 75% market shares, OMAX is also expected to register decent growth in the year to come.

### DIVERSIFICATION

Auto Component segment is low operating margin business and has less bargaining power due to tough competition in the market. OMAX is facing the same margin pressure in this segment. OMAX, being an auto ancillary company has high dependency on auto business. To de-risk its business and to reduce its dependency on auto industry the Company has entered into non-auto segment such as Railways and Home Furnishing.

### HOME FURNISHING:

Under this segment, the Company is exporting various items to large international customers like IKEA, Target, Gimmy, Milestone etc. The Company has started the production in home furnishing segment in 2008-09. This business is continued to grow for OMAX. Under this segment, company is exporting its 100% production and not doing any domestic business.

At OMAX, this segment reported total sales of ₹ 88.72 Crore, in 2011-12. The Company is in talks with various other international customers for business.

### RAILWAYS:

To enhance safety, capacity and efficiency in railway operations, the ministry of railways has prepared the vision 2020 for railway modernisation. It involves progressive implementation of route relay, electronic interlocking, installation of block proving axle counters and data loggers track circuiting, along with multi aspect colour light signalling system and upgrading traction technology. It shall also introduce anti-collision devices, implement mechanised maintenance of track and adopt German technology for building coaches. The Company is manufacturing various parts and components for Indian Railways through its dedicated facilities at Faridabad plant. OMAX is a registered supplier of the Indian Railways. This segment reported total sales of ₹ 4.45 Crore in 2011-12 as compared to ₹ 3.29 Crore

in 2010-11.

The management is considering enhancing the capacity for tapping the higher sales in this field.

### OPPORTUNITY AND THREATS:

The automobile industry in India has long been recognized as a core-manufacturing sector with the potential to drive national economic growth and foster the development of technological capabilities through its powerful backward and forward linkages, and the localization of high value added manufacturing processes within domestic economies. In recent years, the contribution of the automotive industry to GDP has risen noticeably. Indian automobile industry constitutes two types of sub industries those involved in building automobiles and others who are involved in building automobile components. Automobile industry in India has huge potentials, main reason is the growth of the middle class along with their overall economic growth. This is the reason of attraction for international brands who are trying hard to find new market for their products due to stagnated growth of auto sector in Europe, US and Japan.

Potential of Indian automobile industry can be best understood by following features: India is the second largest two-wheeler market, fourth largest commercial vehicle market, eleventh largest passenger-car market, and fifth largest bus and truck market.

OMAX is involve in manufacturing automobile components. This segment is further divided into five sub segments-engine parts, drive transmission & steering parts, suspension & brake parts, electric parts and body & chassis. According to the Automotive Manufacturers Association of India (AMAI), this sector is projected to grow at a CAGR of 10% till 2015-16; India is projected to be among top five automotive economies by 2025. The Indian automotive industry is largely classified in five clusters-Chennai, Pune, Pithampur, Pant Nagar and NCR.

In view of such huge potential, the Company has been constantly striving to upgrade manufacturing technology to be able to increase its share with major automobile manufacturing companies. To meet the growing demands of customers, OMAX is augmenting capacity in existing lines as also making further investment in capacity and automation. Intense competition from organised and unorganised players in the auto ancillary sector, performance dependent on the fortunes of the auto industry, customer concentration risk. Competition from other low cost countries like China, Taiwan, Thailand etc, Free Trade Agreements/Preferential Trade Agreements (FTA's), expansion of the European Union inclusion of Hungary, Czech Republic Poland etc which are major exporting countries to western Europe and fall of Rupee, developments of new technologies like fuel cell, hydrogen powered

vehicles, which may affect the auto component industry. Further Large number of OEMs entering in Indian market may result into migration of talents from supplier to OEMs.

## RISKS AND CONCERNS:

The OMAX Autos Ltd is an auto component manufacturer and Steel, Aluminium and Cast iron are the major raw materials used in manufacturing of auto components. Any change in the prices of these materials has a direct bearing on the profitability of auto component manufacturers. Volatility in raw material prices such as copper, steel, iron, etc may have huge impact on profitability. The auto component manufacturers typically have low bargaining power and find it difficult to pass on price increases to the price-sensitive market. High competition in the sheet metal component business in view of large number of competitors and limited value-add nature of operations. Free trade agreements (FTAs) signed by India in FY11 have also made it difficult for local component makers. Trade agreements signed with countries like Thailand and China, which already offer a number of incentives to their domestic players, are perceived to be a huge threat to India. Indian auto component manufactures face tough competition from aggressive Chinese suppliers. While the recent hike in petroleum prices has already begun to impact sales of petrol-driven vehicles, the government's latest proposal to increase the levy of excise duty on diesel vehicles could further ruin the case for automobile manufacturers. Being a manufacturing vertical, usage of IT is always a challenge in this cluster. People especially those working at lower ranks are always skeptical about using IT which makes implementation and then execution of packages like CRM or ERP a big challenge. Automotive parts manufacturers or auto components industry is highly dependent on OEMs. This leads to pressure from OEMs for implementation of stringent controls over quality of component and reliability of delivery. In modern competitive environment local manufacturers of component are under huge pressure to adapt to global standards so that delivery and quality can be controlled. To overcome these challenges IT has a huge part to play.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY.

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability, accuracy, fairness and timeliness of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company has required internal control system and procedures, to ensure optimal use of Company's resources. The Company's Business Control Department arranges regular audit of various operational and financial matters to derive findings as a comparison

for targets achieved and observations for further action to be taken. The audit committee of the board of directors periodically reviews and discusses the audit observations. The internal control system at OMAX has been designed to ensure that all the financial and other records are reliable and authentic to prepare the financial statements and other data. The internal control system also ensures that the resources available with the Company are used adequately and the roles and responsibility assigned to each department has been accomplished in an optimum manner. The guidelines on internal controls over financial reporting by management are aimed at achieving healthy and fair business management; they define rules and methodologies on the design, implementation and maintenance of the internal control system over financial reporting, as well as on the evaluation of the system's effectiveness.

## HUMAN RESOURCE

The company is pursuing journey of excellence and several interventions have been launched to facilitate this. It is our endeavour to create an environment where our employees enjoy working and feel proud of being the members of the Omax family.

The HR vision of Omax has been developed which is as under:

*We will create a value-based organization where people are pursuing excellence on continuous basis and they enjoy working. It will be our endeavour to build a culture of mutual respect and trust as well as learning and development where business and peoples' objectives are pursued with vigour and thereby the company becomes an employer of choice.*

To translate the vision into reality, company has initiated an intervention of Proactive Employee Relations. We are inculcating in our management team human values of empathy, trust, respect and personal touch. Bipartite Committees have been formed to handle the employee grievances fairly and expeditiously, follow the path of joint decision making with the workers and Unions; ensure open and transparent communication. Some of the focus areas are as under.

1. The Company wants the Associates to be the partners in decision making in the areas of safety, canteen, employee welfare and grievance management as well as improvements on the shop floor environment through the Works Committees. This will built ownership and commitment of all concerned.
2. Families play active role giving the inspiration and support to the employees and facilitate in absorbing shocks and concerns of the work place. Some initiatives have been launched where in the employees' families also come close and develop understanding about the enterprise.

3. A major thrust is given on the employee communication programs through formal and informal channels. In house magazine Infomax, Intranet portal–My Omax, Cross-Functional & Departmental Meetings, Monthly Group & Plant Leadership Meetings where eminent personalities from industry are invited for experience sharing, One to One meeting & Skip Level Meeting to address personal issues of employees, Conclaves on Proactive Employee Relations, EHS, Quality where all Group & Plant Leadership Committee meets in each quarter, are few of the initiatives.
4. Simultaneously Operational Excellence program has been launched to reduce the costs and wastages and also shop floor best practices e.g. 5S, TPM, Gemba etc. The quality initiative is being pursued to achieve state of Zero PPM.
5. Another major Organization Development program has been initiated in the name of DNA Change that consists of both, Behavioral Change & System Change initiatives. The objective of this is to develop the human side of our organization e.g. team work, collaboration, co-creation and make Omax a learning organization. Such interventions help to become better human beings, besides better employees, better managers and better leaders.
6. We have major responsibility of being custodians of the human lives and protection and conservation of Environment, Health & Safety. Various programs have been initiated to enhance EHS e.g. regular audits, training, formation of EHS committees, etc. We have given charge to the Plant EHS Committees to promote the awareness and monitor the effectiveness.

All above initiatives are bringing significant change in the culture of the company and facilitating journey of excellence.

### FINANCIAL PERFORMANCE AND ANALYSIS

(₹ in Lacs)

S. NO.	Particulars	Current Financial Year 2011-2012	Previous Financial Year 2010-2011
I.	Revenue from operations	1,28,702.27	1,15,682.14
II.	Other income	1,072.95	1,539.61
III.	Total Revenue (I + II)	1,29,775.22	1,17,221.75
IV.	Expenses:		
	Cost of materials consumed	92,440.42	83,558.01
	Purchases of Stock-in-Trade		
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(112.05)	(846.49)
	Employee benefits expense	13,207.80	11,460.97
	Finance costs	3,152.90	3,405.41
	Depreciation and amortization expense	2,968.16	2,916.50
	Other expenses	14,425.59	14,106.07
	Total expenses	1,26,082.83	1,14,600.47
V.	Profit before exceptional and extraordinary items and tax (III-IV)	3,692.39	2,621.28
VI.	Exceptional items	728.00	531.68
VII.	Profit before extraordinary items and tax (V + VI)	4,420.39	3,152.96
VIII.	Extraordinary Items / Prior period adjustments	(5.38)	(14.03)
IX.	Profit before tax (VII- VIII)	4,415.01	3,138.93
X.	Tax expense:		
	(1) Current tax	1,157.62	944.96
	(2) Deferred tax	444.87	65.06
XI.	Profit (Loss) for the period from continuing operations (IX-X)	2,812.52	2,128.91
XII.	Profit/(loss) from discontinuing operations	-	-
XIII.	Tax expense of discontinuing operations	-	-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-
XV.	Profit (Loss) for the period (XI + XIV)	2,812.52	2,128.91
XVI.	Earnings per equity share:		
	(1) Basic / Diluted	13.15	9.95

## ENVIRONMENT, HEALTH AND SAFETY (EHS)

All manufacturing locations of your company are independently certified for ISOTS 16949-2002, ISO 14001 and OHSAS ISO 18001 compliances. Regular safety audits are being conducted in all the plants and lapses wherever observed are immediately plugged. The company is highly conscious of health and safety of its employees and has safety and environmental committees in every plant. All Plants are fully equipped with state of the art effluent treatment plants and sewerage treatment plants. Company Lawns and Flower Beds are being maintained by the use of Recycled/Treated Water. The company monitors and ensures smooth working of these plants on regular basis. Rainwater harvesting system and the use of energy efficient equipment forms a regular part of the working of our company. Quarterly Audits ensure EHS System is in place in the Plants. During the year under review to promote the EHS activities and awareness among the employees an EHS conclave was held on 28th February 2012, around 100 people from the plants attended the conclave, which had distinguished guest speakers from HMC and TATA. This was done to sensitize and spread awareness regarding EHS in our day to day working. An External Auditor conducted safety Audit of all plants. The EHS scores have started showing improvement. EHS committees were formed in all plants to actively carry out EHS activities. This was done to encourage maximum employee involvement.

The company has been following a policy of “safety first” in all operations. Apart from training people, adequate systems and processes have been developed to ensure minimal risk to people who are working in all manufacturing locations and administrative offices of the company.

## ENERGY

The management is very concerned about the rising cost of power and fuel and to contain these costs, the company is working on many energy conservation activities. Energy audits were also got conducted by experts and which resulted in many power saving projects for implementation also. During the year under review, the company has taken several measures to conserve energy, which have lead to reduction in power and fuel consumption and cost substantial. Some measures steps taken by the company are replacement of boiler with hot water generator for paint shop in Speedomax plant, LED lighting at Dharuhera, Binola, IMT Manesar and Corporate office, Energy Audits in Dharuhera, Speedomax, Binola, Manesar, Sprocket and

Bawal, Water Audits in Dharuhera, Speedomax and Manesar, Replacement of 5 HP polish motor with 2 HP motor at Bawal, Shifting of compressors to reduce losses at IMT Manesar and PT line exhaust blower 15 HP replaced by 5 HP motor at IMT Manesar

## CORPORATE SOCIAL RESPONSIBILITY

True to our Company Vision, the company embraces a wider community besides Customers and Suppliers. Keeping in its mind large societal issues the company tries to integrate economic, environmental and societal factors in it’s business strategies.

The programme which was initiated last year “Nanhi Chhaan” Where awareness was created to all employees by celebrating the birthday of girl child and distributing sweets and gift to concerned employee has been further strengthened, to curb female feticide which is prevalent in society. A blood donation, health Check-Up camps in association with Rotary blood bank were also organized in company premises where large number of employee come forward their own for donating the blood. As a part of corporate social responsibility, Omax constructed a bridge and road in nearby village of one of our plant.

Contributing to society in which we operate to ensure its sustainable development is Omax’s commitment to a better society.

## CAUTIONARY STATEMENT

The company has made forward-looking statements in this document, such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Forward-looking statements may be identified by the use of words like “expects”, “anticipates”, “believes”, “estimates” or similar expressions. All statements that address expectations or projections about the future, including but not limited to, statements about the strategy of the company’s growth, product development, market position, market expectation and financial expectations are forward looking statements. For that statement, the company cautions, that numerous important factors could affect the Company’s actual results and could cause its results to differ materially from those expressed in any forward-looking statement.

### THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in such a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and to meet its stakeholders' aspiration and societal expectations.

Omax is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our Governance practices stems from an inherent desire to improve, innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process.

Omax's Corporate Governance initiative since time has always been following four core principles:

- i. Management must have the executive freedom to drive the organization forward without undue restraints.
- ii. This freedom of management, however, should be exercised within a framework of effective accountability and transparency.
- iii. Rights, Interests and Equitable Treatment of Shareholders should always be the key focus.
- iv. Integrity, Disclosures, Transparency and Ethical Behaviour.

Omax believes that any meaningful policy on Corporate Governance must provide empowerment to the executive management of the Company and simultaneously create a mechanism of checks and balances, which ensure that the decision-making powers vested in the executive management are used with care and responsibility and not misused.

Omax's governance philosophy embraces the tenets of trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. Omax believes that the practice of each of these tenets would lead to the creation of the right corporate culture in which the Company is managed in a manner that fulfils the purpose of Corporate Governance.

**Trusteeship** recognizes that large corporations have both an economic and a social purpose, thereby casting the responsibility on the Board of Directors to protect and enhance shareholders' value, as well as fulfilling obligations of other stakeholders.

**Transparency** requires that the Company makes appropriate disclosures where necessary and explains the basis of its policies and actions to all those who are affected by them.

**Empowerment** is a process used to unleash creativity and innovation throughout the organization by decentralizing and delegating the decision-making powers at the most appropriate levels.

**Control** ensures that freedom of management is exercised within a framework of checks and balances and is designed to prevent misuse of power, facilitate timely response to change and ensure effective management of risks.

Omax's Corporate Governance process continuously reinforce and helps in actualizing the Company's belief in ethical corporate citizenship and is manifest through exemplary standards of ethical behavior, both within the organization as well as in external relationships.

### THE GOVERNANCE STRUCTURE:

The practice of Corporate Governance in Omax is at three interlinked levels:

- i. Strategic Supervision - by the Board of Directors
- ii. Strategic management - by the Executive Committee
- iii. Executive management - by the Divisional Head of the business

This three-tier structure ensures that strategic supervision on behalf of the shareholders being free from the task of strategic management can be conducted by the Board with objectivity thereby sharpening accountability of the management. The structure also ensures that executive management of the divisions, being free from the collective strategic responsibilities for Omax as a whole, is focused on enhancing the quality, efficiency and effectiveness of each business.

The core roles of the key entities flow from the structure. The core roles, in turn, determine the core responsibilities of each entity. In order to discharge such responsibilities, each entity is empowered formally with requisite powers.

The structure, process and practice of governance enables focus on the corporate purpose while simultaneously facilitating effective management of the diverse businesses within the portfolio.

## BOARD OF DIRECTORS

The Board of Directors (“the Board”) is at the core of our corporate governance practice and oversees how the management serves and protects the long term interest of all our stakeholders. The Company understands that good and quality governance is a powerful competitive differentiator and critical to economic and social progress. The Board being the trustee of the Company is responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals.

The majority of our Board, six out of ten, is independent members and chaired by the independent director. Further, we have Audit Committee, Shareholders’/ Investors’ Grievance Committee, Executive Committee, Remuneration Committee, Project Committee, which comprise independent directors and all chaired by independent directors.

## COMPOSITION OF THE BOARD

The Board comprises of an optimal complement of independent professionals as well as company executives having in-depth knowledge of business. As on the date of this report, there are total ten directors in the Company comprising the following:

- Two Managing Directors
- One Whole-time Director
- One Non-Executive Director
- Six Non-Executive Independent Directors

According to Clause 49, if the Chairman is Non-executive Director, at least one third of the Board should consist of non-executive independent directors. This provision is more than adequately met at Omax. The Board believes that current size is appropriate, based on our present circumstances.

During the financial year under review, five (5) Board Meetings were held on the following dates:

28<sup>th</sup> May 2011, 6<sup>th</sup> August 2011, 24<sup>th</sup> October 2011, 30<sup>th</sup> January 2012 and 13<sup>th</sup> February 2012.

As per requirement of Listing Agreement gap between two Board Meetings is less than 4 months.

None of the Directors on the Board holds the office of director in more than 15 companies or membership of committees of the Board in more than 10 committees or chairmanship of more than 5 committees.

Details of Board Meeting attended, attendance at AGM and number of directorship held, Position of membership/ chairmanship of Committees as on 31<sup>st</sup> March 2012 is explained in the following table.

Name of Director	Designation <sup>®</sup>	Board Meetings attended	Attendance at last AGM held on 30.09.2011	No. of Directorships held (including Omax Autos Limited)*	No. of Committees in which director is a Member or Chairman (including Omax Autos Limited)**	
					Members	Chairman
Mr. Suresh Mathur	C & NED (I)	5	YES	4	-	-
Mr. Jatender Kumar Mehta	MD	5	YES	7	2	-
Mr. Ravinder Mehta	MD	2	YES	3	-	-
Mr. Krishan Chand Chawla	WTD	5	YES	2	1	-
Dr. Triloki Nath Kapoor	NED (I)	5	NO	5	5	4
Dr. Ramesh Chandra Vaish	NED (I)	5	YES	8	3	1
Mr. Salil Bhandari	NED	3	NO	7	4	1
Mr. Lalit Bhasin	NED (I)	4	NO	10	7	1
Mr. Verinder Kumar Chhabra	NED (I)	-	NO	8	1	-
Mr. Atul Raheja	NED (I)	5	NO	6	1	-

Mr. Jatender Kumar Mehta and Mr. Ravinder Mehta are brothers. None of the other directors is related to any other director.

@ C-Chairman, MD - Managing Director, WTD - Whole Time Director, NED - Non Executive Director, I - Independent Director.

\* Private Limited Companies, Section 25 Companies and Foreign Companies have not been included for the calculation of Directorships in companies.

\*\* Audit Committee and Shareholders' and Investors' Grievances Committee have been considered for the purpose of Membership and Chairmanship held by the Director in Public Limited Companies.

An Independent director is a Non-Executive Director who, apart from receiving director's remuneration, does not have any material pecuniary relationship or transactions with the Company, its promoters or its management or its subsidiaries and associates which in the judgment of the Board, may affect his independence of judgment and complying with other conditions as prescribed under Clause 49 of the listing agreement.

The Agenda papers containing all the necessary information are made available to the Board well in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as a part of Agenda papers, the same are tabled at the Meeting.

All the relevant information suggested under the clause 49 is furnished to the Board from time to time. The information regularly supplied to the Board inter-alia includes the following:

- The Annual Operating Plans and budgets and any updates thereon.
- Capital Budgets and updates, if any.
- Minutes of meetings of Audit Committee and other committees of the Board.
- Legal Compliance report and certificates.
- General notices of interest.
- Review of operations.
- Strategic decisions relating to various ventures.
- Statutory matters.
- Review and adoption of Annual accounts and quarterly and annual financial results.

The Company has also laid down procedures to inform the Board Members about the risk assessment and mitigation procedure.

### CODE OF CONDUCT

Omax's Board has laid down a code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the Company's website [www.omaxauto.com](http://www.omaxauto.com)

All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by Managing Director to this effect is enclosed at the end of this report.

### AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted and headed by an Independent Director. The Composition, quorum, power, role, review of information etc. of the Audit Committee is in accordance with the Section 292A of Companies Act, 1956 and Clause 49 II of the Listing Agreement. Presently the Audit Committee comprises of Four Non-Executive Independent Directors, One Non-Executive Director and One Executive Director. All the members of the Committee have requisite financial and management expertise/knowledge and have rich experience of the industry.



The Composition of the Audit Committee is given herein below:

Member's Name	Category	Designation
Dr. Ramesh Chandra Vaish	Non-Executive Independent Director	Chairman
Dr. Triloki Nath Kapoor	Non-Executive Independent Director	Member
Mr. Atul Raheja	Non-Executive Independent Director	Member
Mr. Verinder Kumar Chhabra	Non-Executive Independent Director	Member
Mr. Salil Bhandari	Non-Executive Director	Member
Mr. Jatender Kumar Mehta	Managing Director	Member

Company Secretary of the Company acts as Secretary of the Audit Committee. Internal auditors, Management and other Senior Personnel of the Company, also attend the Meeting of Audit Committee, as and when required. Dr. Ramesh Chandra Vaish, Chairman of Audit Committee was present at last Annual General Meeting held on 30<sup>th</sup> September 2011 to provide any clarification on matter relating to the audit.

The terms of reference of Audit Committee include the matters specified in clause 49(II) of the Listing Agreement with the Stock Exchanges and section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee inter-alia includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and removal of statutory auditor, fixation of audit fee and approval of payment for any other services.
- Reviewing with the management the quarterly and annual financial statements before submission to the Board, focusing primarily on:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (2AA) of Section 217 of the Companies Act.
  - Any change in the accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualification on draft audit report, if any.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transaction of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- Reviewing with the management the quarterly financial results before submission to the Board for approval.
- Reviewing with management, external and internal auditor, adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the Structure & strength of internal audit department, coverage and frequency of internal audit, financial & risk management policies particularly relating to foreign exchange exposure.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payments of declared dividends) and creditors.
- Approval of Appointment of Chief Financial Officer.
- Carrying out any other function as per directions from the Board from time to time.

Apart from above, the committee also reviews other matters as required under Clause 49 of the Listing Agreement, Section 292A of Companies Act, 1956 and other laws, rules and regulations.

During the financial year under review, five (5) Audit Committee Meetings were held on the following dates:

28<sup>th</sup> May 2011, 6<sup>th</sup> July 2011, 6<sup>th</sup> August 2011, 24<sup>th</sup> October 2011 and 30<sup>th</sup> January 2012.

As per the requirement of the Listing Agreement, the gap between any two meetings of the Committee is less than four months. The adequate quorum was present at every Audit Committee meeting.

Attendance of members at Audit Committee Meetings:

Member's Name	No. of Meetings attended
Dr. Ramesh Chandra Vaish	5
Dr. Triloki Nath Kapoor	5
Mr. Atul Raheja	1
Mr. Salil Bhandari	4
Mr. Verinder Kumar Chhabra	-
Mr. Jatender Kumar Mehta	5

### REMUNERATION OF DIRECTORS

#### Remuneration Committee

The Company is transparent in compensation policy of Directors. The Committee sets the overall policy on remuneration and the other terms of employment of Executive Directors of the Company within the overall ceiling fixed by the members of the Company and recommend the same for the approval of the Board. The Committee recommends remuneration package of Executive Directors to the Board with reference to individual performance, experience and market conditions with a view to provide a package, which is appropriate for the responsibilities involved.

The Composition of the Remuneration Committee is given herein below:

Member's Name	Category	Designation
Dr. Ramesh Chandra Vaish	Non-Executive Independent Director	Chairman
Dr. Triloki Nath Kapoor	Non-Executive Independent Director	Member
Mr. Verinder Kumar Chhabra	Non-Executive Independent Director	Member

During the financial year under review, three (3) remuneration Committee meetings were held on 6<sup>th</sup> August 2011, 24<sup>th</sup> October 2011 and 30<sup>th</sup> January 2012.

Attendance of members at Remuneration Committee Meeting:

Member's Name	No. of Meetings attended
Dr. Ramesh Chandra Vaish	3
Dr. Triloki Nath Kapoor	3
Mr. Verinder Kumar Chhabra	-

**REMUNERATION POLICY OF DIRECTORS:**
**Executive Directors:**

The remuneration paid to the Executive Directors i.e. Managing Directors and Whole Time Director is recommended by the Remuneration Committee and approved by the Board of Directors subject to shareholders' approval in the subsequent General Meeting.

**Non-Executive Directors:**

The Board of Directors in its Meeting held on 28<sup>th</sup> May 2011 has revised the payment of sitting fees and as per the said revision, the Non-Executive Directors are being paid by way of sitting fee of ₹ 20,000/- for every meeting of the Board and ₹ 5000/- per meeting for Committees of the Board, if any, attended by them. The Members have at the Annual General Meeting of the Company on September 30, 2011 approved the payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 1956. The said commission is decided by the Board of Directors and given to the Non-Executive Directors based on their contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at meetings.

**Details of remuneration paid/payable to Directors for the Financial Year 2011-12 are as follows:**

Name of Director	Sitting Fees (₹)	Comm. on Profits (₹)	Salary (₹)	Contribution to Statutory Funds (₹)	Perquisites (₹)	Others (₹)	Total (₹)
<b>EXECUTIVE DIRECTORS</b>							
Mr. Jatender Kumar Mehta	–	–	90,00,000	10,80,000	19,05,749	–	1,19,85,749
Mr. Ravinder Mehta	–	–	7,20,000	86,400	35,136	–	8,41,536
Mr. Krishan Chand Chawla	–	–	48,46,777	1,91,232	72,800	–	51,10,809
<b>NON-EXECUTIVE DIRECTORS</b>							
Mr. Suresh Mathur	90,000	10,00,000	–	–	–	–	10,90,000
Dr. Triloki Nath Kapoor	1,82,500	–	–	–	–	–	1,82,500
Dr. Ramesh Chandra Vaish	1,37,500	3,00,000	–	–	–	–	4,37,500
Mr. Salil Bhandari	1,00,000	–	–	–	–	–	1,00,000
Mr. Lalit Bhasin	80,000	–	–	–	–	–	80,000
Mr. Atul Raheja	95,000	–	–	–	–	–	95,000
Mr. Verinder Kumar Chhabra	–	–	–	–	–	–	–

**Note.:**

- Up to 28<sup>th</sup> May, 2011, of the year under review i.e Financial year 2011-12, the Company has paid sitting fees of ₹ 10000/- per meeting to its Non-Executive Directors for attending meetings of the Board and 2500/- per meeting for Committees of the Board.
- The company is not making any payment to its directors by way of performance-linked incentives. The appointment of the executive directors is on contractual basis and notice period is of 3 months of either side. There is no stock option in the company granted to the directors.

**Shareholders'/Investors' Grievance Committee:**

The Shareholders' & Investor Grievance Committee has been constituted to attend and redress the shareholders/investors' grievances. The Committee is headed by Dr. Triloki Nath Kapoor, Independent Director of the Company.

### The Present composition of Shareholders'/Investors' Grievance Committee is as under:

Member's Name	Category	Designation
Dr. Triloki Nath Kapoor	Non Executive Independent Director	Chairman
Mr. Salil Bhandari	Non-Executive Director	Member
Mr. Jatender Kumar Mehta	Executive Director	Member
Mr. Krishan Chand Chawla	Executive Director	Member

During the financial year under review, six (6) Shareholders /Investors' Grievance Committee meetings were held on the following dates: 15<sup>th</sup> April 2011, 15<sup>th</sup> June 2011, 30<sup>th</sup> July 2011, 23<sup>rd</sup> September 2011, 15<sup>th</sup> November 2011 and 31<sup>st</sup> March 2012.

### Attendance of members at Shareholders /Investors' Grievance Committee Meetings:

Member's Name	No. of Meetings attended
Dr. Triloki Nath Kapoor	6
Mr. Salil Bhandari	5
Mr. Jatender Kumar Mehta	6
Mr. Krishan Chand Chawla	6

### Name, Designation and Address of Compliance Officer:

Mr. Sanjeev Kumar, Sr. Manager Legal & Company Secretary has been designated as Compliance Officer of the Company.

#### Omax Autos Limited

Plot No. B-26, Sector 32,  
Institutional Area,  
Gurgaon (Haryana)-122001  
Phone: +91-124-4343000  
Email: cs@omaxauto.com

The functioning and broad terms of reference of the Shareholders /Investors' Grievance Committee as adopted by the Board are as under:

- a) To monitor work related to
  - Transfer and/ or transmission of the shares of the Company;
  - Dematerialisation/ rematerialisation of the shares of the Company;
  - Subdivision, consolidation and/or replacement of any share certificate(s) of the Company;
- b) Approval of issue of duplicate share certificates against the original share certificates.
- c) To look into the Redressal of shareholders' and investors' Grievances like transfer of shares, non-receipt of Balance sheet, non-receipt of declared dividend, review of dematerialisation, rematerialisation, shareholding pattern, distribution schedules etc.
- d) To do all other acts or deeds as may be necessary or incidental thereto.

The main object of the Investors' Grievance and Share Transfer Committee is to strengthen investor relations.

The Compliance Officer, is entrusted with the responsibility, to specifically, look into the Redressal of the shareholders and investors complaints and report the same to the Shareholders'/Investors' Grievance Committee.

### Details of Investor Complaints:

The Corporate Secretarial Department of the Company and Link Intime India Private Limited, the Registrar and Share Transfer Agent (RTA) of the Company attend all the grievances of the shareholders and investors received directly or through Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs (MCA), Registrar of Companies (ROC) etc.

The details of Complaints received; resolved/pending during the financial year 2011-12 are given below:

Brought Forward: NIL                      Received: 04                      Resolved 04                      Pending: NIL

No request for share transfer or payment of dividend is pending except those which are disputed.

#### EXECUTIVE COMMITTEE:

The Executive Committee has been constituted to look after the general routine matters. An independent Director heads the Committee.

#### Composition of Executive Committee:-

The Present composition of Executive Committee is as under:

Member's Name	Category	Designation
Dr. Triloki Nath Kapoor	Non Executive Independent Director	Chairman
Mr. Jatender Kumar Mehta	Executive Director	Member
Mr. Krishan Chand Chawla	Executive Director	Member

During the year under review, six (6) Executive committee meetings were held on following dates:

20<sup>th</sup> April 2011, 6<sup>th</sup> June 2011, 8<sup>th</sup> August 2011, 26<sup>th</sup> September 2011, 23<sup>rd</sup> November 2011 and 18<sup>th</sup> January 2012.

#### Attendance of members at Executive Committee Meetings:

Member's Name	No. of Meetings attended
Dr. Triloki Nath Kapoor	6
Mr. Jatender Kumar Mehta	6
Mr. Krishan Chand Chawla	6

#### PROJECT COMMITTEE:

In order to have better Corporate Governance, the Board of Directors has constituted a project Committee to review, assess and recommend the project proposals to the Board.

#### Composition of Project Committee:

The Present composition of Project Committee is as under:

Member's Name	Category	Designation
Dr. Ramesh Chandra Vaish	Non Executive Independent Director	Chairman
Mr. Salil Bhandari	Non-Executive Director	Member
Mr. Atul Raheja	Non Executive Independent Director	Member
Mr. Jatender Kumar Mehta	Executive Director	Member

During the year under review, two (2) Project Committee meetings were held on 6th August 2011 and 24th October 2011.

#### Attendance of members at Project Committee Meeting:

Member's Name	No. of Meetings attended
Dr. Ramesh Chandra Vaish	2
Mr. Salil Bhandari	2
Mr. Atul Raheja	-
Mr. Jatender Kumar Mehta	2

### GENERAL BODY MEETINGS

Details of the last three Annual General Meetings held are as follows:

Financial Year	Date of AGM	Time	Venue	Whether Special Resolution passed
2010-2011	30.09.2011	11:00 AM	69 KM Stone, Delhi Jaipur Highway, Dharuhera, Distt. Haryana	YES
2009-2010	30.09.2010	11:00 AM	69 KM Stone, Delhi Jaipur Highway, Dharuhera, Distt. Haryana	YES
2008-2009	30.09.2009	11:00 AM	69 KM Stone, Delhi Jaipur Highway, Dharuhera, Distt. Haryana	NO

All the Resolutions, including the special resolution set out in the respective notices were passed by the requisite majority of shareholders.

No Extra-Ordinary General Meeting was held by the Company during the financial year ended 31<sup>st</sup> March 2012.

### POSTAL BALLOT

During the year 2011-12, in terms of the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the resolution by postal ballot) Rules, 2011, the company has passed three resolution through Postal Ballot out of which two were Special Resolutions. The matters were as follows:

1. Approve the appointment and remuneration of Mrs. Sakshi Kaura, relative of Managing Director, as CEO of Home Furnishing Division of the Company.
2. Revision in the remuneration of Mr. Jatender Kumar Mehta, Managing Director of the Company.
3. Revision in the remuneration of Mr. Ravinder Mehta, Managing Director of the Company.

Related procedure for voting by postal ballot has been followed by the company. Dr. S. Chandrasekaran Senior Partners of M/s. Chandrasekaran Associates, a firm of Company Secretaries had been appointed as scrutinizers, who conducted this postal Ballot exercise in a fair and transparent manner and submitted their report to the Chairman of the company.

### PROCEDURE FOLLOWED

- I. The company has issued the postal ballot notice on 17<sup>th</sup> February 2012 for passing the above mentioned Resolutions. The draft resolutions together with the explanatory statement and postal ballot forms and self addressed business reply envelopes were sent to the members and other concerned under certificate of posting;
- II. The company has made an advertisement regarding dispatch of postal ballot notice in the Newspaper Business Standard (English) and (Hindi) on 20<sup>th</sup> day of February 2012.
- III. Members were advised to read the instructions carefully printed on the postal ballot form and return the duly completed form in the attached self- addressed business reply envelope, so as to reach the scrutinizer not later than the close of working hours on 21<sup>st</sup> March 2012;
- IV. After due scrutiny of all the postal ballot forms received upto the close of working hours on 21<sup>st</sup> March 2012, Dr. S. Chandrasekaran Senior Partners of M/s Chandrasekaran Associates, a firm of Company Secretaries (the Scrutinizer) submitted his report on Monday, 26<sup>th</sup> March 2012;
- V. The results of the postal ballot were declared by Mr. Jatender Kumar Mehta, Managing director of the company on Wednesday, 28<sup>th</sup> March 2012 at 02:00 P.M. at the Corporate Office of the Company at Plot No. B-26, Institutional Area, Sector-32, Gurgaon, Haryana - 122001. The date of declaration of results was taken as the date of passing of the Resolution. Mr. Jatender Kumar Mehta, Managing director declared that all the Resolutions specified in the notice have been passed with requisite majority;
- VI. The results of the postal ballot were published in the newspapers, Business Standard (English) and (Hindi) on Thursday the 29<sup>th</sup> day of March, 2012.

The detail of voting pattern is as follows:

Particulars	Total No. of Votes received	No. of Votes for which right is not Exercised	No. of votes have been rejected	Net No. of Valid Votes cast through postal ballot	No. of votes cast in favour of resolution.	No. of votes cast in against of resolution
Appointment of Mrs. Sakshi Kaura, as CEO of Home Furnishing Division of the Company.	12025236	2203	2000	12021033	12004618	16415
Revision in the remuneration of Mr. Jatender Kumar Mehta, Managing Director	12025236	28703	2000	11994533	11981718	12815
Revision in the remuneration of Mr. Ravinder Mehta, Managing Director	12025236	28703	2000	11994533	11980518	14015

#### DISCLOSURES

- There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large. Transactions with the related party are disclosed in the notes to the accounts in this Annual Report as per Accounting Standard 18 of the Institute of Chartered Accountants of India.
- There is no non-compliance by the Company and no penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- There is no requirement in the Company to maintain Whistle Blower Policy.
- All mandatory requirements of Clause 49 of the Listing Agreement have been complied with by the company.

#### MEANS OF COMMUNICATION

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Clause 41 of the Listing Agreement.
- The approved financial results are forthwith sent to the Stock Exchanges where the Company is listed (i.e BSE and NSE) and are published normally in the following Newspapers in accordance with provision of clause 41 of Listing Agreement:-

Particulars	Name of the News paper
English Newspapers in which quarterly/half yearly/yearly results were published.	Business Standard
Vernacular Newspapers (Hindi) in which quarterly/half yearly/yearly results were published	Business Standard

- The Company's financial results are also displayed on the Company's Website [www.omaxauto.com](http://www.omaxauto.com).
- The Company is not displaying any official releases. The Company is not making any presentations to Institutional investors or to the Analysts.

#### SUBSIDIARY COMPANIES - MONITORING FRAMEWORK

The Company monitors performance of its subsidiary company, inter alia, by the following means:

The Board of Directors reviews the Board meeting minutes and statements of all significant transactions and arrangements, if any, of the subsidiary companies. Under Clause 49 of the Listing Agreement, a "material non-listed Indian subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

OMAX does not have a material non-listed Indian subsidiary.

Management Discussion and Analysis Report form part of this Annual Report

The complete Management Discussion and Analysis report is placed in the separate section of the Annual Report.

### GENERAL SHAREHOLDERS' INFORMATION

#### 29th Annual General Meeting:

Day & Date	: 08 <sup>th</sup> day of September 2012
Time	: 11.00 AM
Venue	: 69 KM Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari, Haryana-122106
Financial year	: 1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012

### DATES OF BOOK CLOSURE

The register of members and share transfer books of the company will remain closed Tuesday, 4th day of 2012 to Saturday, 8th day of 2012 (both days inclusive), for the purpose of Annual General Meeting and payment of dividend, if declared.

### DIVIDEND PAYMENT DATE

The dividend @ ₹ 2.00/- per equity share of ₹ 10/- each as recommended by the Board of Directors, if declared at the meeting will be paid/ credited/ dispatched between 13<sup>th</sup> day of September, 2012 to 20<sup>th</sup> day of September, 2012.

- To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the company by National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) as on 3<sup>rd</sup> day of September 2012 after closing of business hours.
- To all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the company / its Registrar and Transfer Agent on or before 3<sup>rd</sup> day of September, 2012 before closing of business hours.

For Demat Shareholders and Physical shareholders who have opted for ECS facility, dividend amount will be credited directly to their respective bank accounts through ECS.

### LISTING ON STOCK EXCHANGES

At present the equity shares of the Company are listed on the following Stock Exchanges.

Name of Stock Exchanges	Stock Code	ISIN With NSDL & CDSL
<b>BSE LIMITED (formerly Bombay Stock Exchange Limited)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	520021	INE 090B01011
<b>National Stock Exchange of India Limited</b> "Exchange Plaza", Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051	OMAX AUTO	

### LISTING FEES

The Annual Listing Fees for the Financial Year 2011-2012 has been paid to all the aforesaid Stock Exchanges wherein the equity shares of the Company are listed, within the stipulated time.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments

- No GDRs / ADRs have been issued by the Company.
- During the year under review the Company has no outstanding convertible instruments.

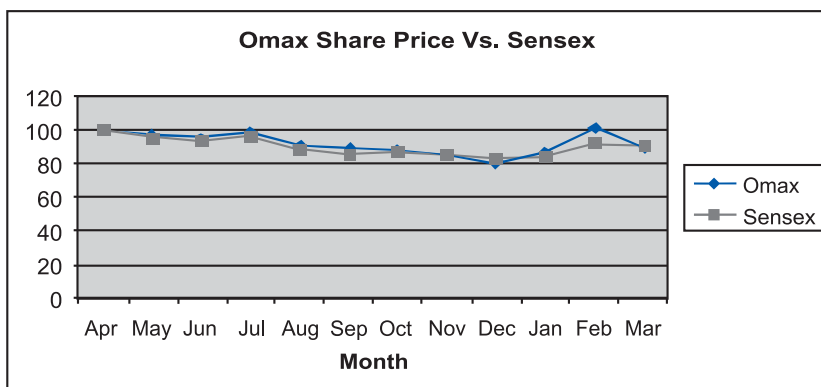


**MARKET PRICE DATA**

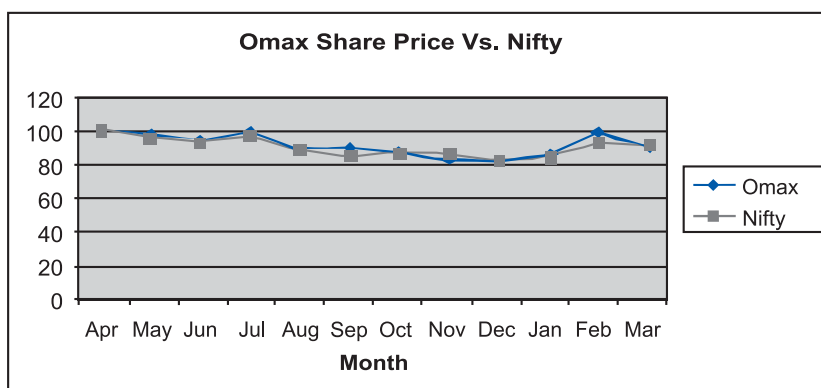
Monthly High and Low prices of equity shares of Omax at BSE Limited (BSE) and at the National Stock Exchange of India Limited (NSE) during the period under review in comparison to BSE (Sensex) and NSE (Nifty)

Month	NSE				BSE			
	Share Prices		Nifty		Share Prices		Sensex	
	High	Low	High	Low	High	Low	High	Low
April, 2011	47.7	40.65	5944.45	5693.25	48	40.6	19,811.14	18,976.19
May	46.85	39.55	5775.25	5328.7	47.25	39.65	19,253.87	17,786.13
June	44.8	38.05	5657.9	5195.9	46.3	38.25	18,873.39	17,314.38
July	46.8	40.7	5740.4	5453.95	46.25	40.8	19,131.70	18,131.86
August	45	34	5551.9	4720	46	35	18,440.07	15,765.53
Sept	42.85	36.7	5169.25	4758.85	42.5	36.7	17,211.80	15,801.01
Oct	41	36.3	5399.7	4728.3	41.2	36.55	17,908.13	15,745.43
Nov	41.25	31.65	5326.45	4639.1	41.4	34	17,702.26	15,478.69
Dec	40	32.05	5099.25	4531.15	39	32	17,003.71	15,135.86
Jan, 2012	42.6	33.5	5217	4588.05	42.7	33.9	17,258.97	15,358.02
Feb	48.7	38.4	5629.95	5159	48.7	40.8	18,523.78	17,061.55
March	44.8	34.9	5499.4	5135.95	43.5	35	18,040.69	16,920.61

**Performance in comparison to broad based indices - NSE NIFTY**  
Base 100= April 2011



**Performance in comparison to broad based indices - BSE SENSEX:**  
Base 100= April 2011



### SHAREHOLDERS REFERENCE

Unclaimed Dividend Pursuant to Section 205A of the Companies Act, 1956 for the financial year 2003-04 has been transferred to the Investors Education and Protection fund (IEPF) established by the Central Government Pursuant to Section 205C of the Companies Act, 1956.

The company will transfer the Dividend for the following years remaining unclaimed to IEPF according to the schedule given below. Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issue of duplicate warrant(s) by writing to the Link Intime India Pvt. Ltd. confirming non-encashment/non receipt of dividend warrant(s). Once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

F.Y. Ended	Date of Declaration of Dividend	Last Date for Claim
2004-05	19.09.2005	18.09.2012
2005-06	26.09.2006	25.09.2013
2006-07	28.09.2007	27.09.2014
2007-08	30.09.2008	29.09.2015
2008-09	30.09.2009	29.09.2016
2009-10	30.09.2010	29.09.2017
2010-11	30.09.2011	29.09.2018

### REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

M/s Link Intime India Private Limited, New Delhi has been appointed as the Registrar and Share Transfer Agent of the Company for handling the share related work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerialisation, rematerialisation etc. can be made at the following address.

M/s Link Intime India Private Limited  
 Unit: Omax Autos Limited  
 A-40, 2nd Floor, Naraina Industrial Area,  
 Phase-II, Near Batra Banquet Hall, New Delhi-110028  
 Tel: +91-11-41410592-94, Fax: +91-11-41410591  
 E-Mail: delhi@linkintime.co.in

### SHARE TRANSFER SYSTEM

The Company processes the share transfer and other related shareholders services through Registrar & Share transfer Agent (RTA) on a fortnight basis. The share transfer in physical form is registered within 15 days from the date of receipt, provided the documents are complete in all respects. The Company has a Shareholders' / Investors' Grievance Committee, which meets twice in a month if required, to consider and approve the share transfers and to resolve any query or problem in relation thereto.

### Distribution of Share Holding as on March 31, 2012

Nominal Value of shares(In Rupees)		Number of holders	% to total holders	Total face value (In Rupees)	% to total face value
From	To				
01	2500	8546	64.728	7985160	3.733
2501	5000	1793	13.580	7249580	3.390
5001	10000	1648	12.482	11984540	5.603
10001	20000	666	5.044	9707980	4.539
20001	30000	197	1.492	5107330	2.388
30001	40000	76	0.576	2706190	1.265
40001	50000	75	0.568	3446910	1.612
50001	100000	106	0.803	7552420	3.531
100001	above	96	0.727	158142020	73.939
<b>Total</b>		<b>13203</b>	<b>100</b>	<b>213882130</b>	<b>100</b>

## Shareholding pattern as on March 31, 2012

S. No.	Category	No. of Shares	% of shareholding
<b>1</b>	<b>Promoters' Holding</b>		
	(a) Indian Promoters	72,88,060	34.08
	(b) Bodies Corporate	38,94,504	18.21
<b>2</b>	<b>Non Promoters' Holding</b>		
	(a) Mutual Funds and UTI	0	0.00
	(b) Banks, FIs, Insurance Companies	0	0.00
	(c) Foreign Institutional Investors	0	0.00
	(d) Private Corporate Bodies	3274798	15.31
	(e) Indian Public		
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	4850095	22.68
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	982517	4.59
	(f) Non Resident Indians	627484	2.93
	(g) Others	470755	2.20
	<b>Total</b>	<b>21388213</b>	<b>100.00</b>

## DEMATERIALIZATION OF SHARES AND LIQUIDITY

The equity shares of the Company are compulsory traded and settled only in the dematerialised form under ISIN No. INE 090B01011. M/s Link Intime India Private Limited, the Company's Registrar & Share Transfer Agent looks after the dematerialization of shares and other related works.

The details of the equity shares of the Company dematerialised as on March 31, 2012 are given hereunder:

Particulars	Number of Shares	Percentage
No. of shares in dematerialised form	20753025	97.03
No. of shares in Physical form	635188	2.97
<b>Total</b>	<b>21388213</b>	<b>100.00</b>

## PLANT LOCATIONS

- : Registered Office & Dharuhera Plant**  
**Omax Autos Limited**  
 69 KM Stone, Delhi Jaipur Highway  
 Dharuhera, Distt. Rewari, Haryana-122106
- Sidhrawali Plant**  
 Speedomax (A unit of Omax Autos Limited)  
 64 KM Stone, Delhi-Jaipur Highway  
 Village Sidhrawali, Gurgaon, Haryana-123413
- Manesar Plant and R&D Centre**  
 Omax Autos Limited  
 Plot No. 6, Sector-3,  
 IMT Manesar, Gurgaon, Haryana-122050
- Dharuhera Plant - II**  
 Indital (A unit of Omax Autos limited)  
 69 KM Stone, Delhi-Jaipur Highway  
 Dharuhera, Distt. Rewari, Haryana-122106

**Bangalore Plant**

Omax Autos Limited  
Plot No 6, Bommasandra - Jigani Link Road  
Bommasandra, Bangalore, Karnataka-560099

**Binola Plant**

Automax (A unit of Omax Autos Limited)  
Delhi Jaipur Highway,  
Village & P.O. Binola, Gurgaon, Haryana-123413

**Dharuhera Plant III**

Omax Autos Limited - Sprocket Division  
69 KM Stone, Delhi-Jaipur Highway  
Dharuhera, Distt. Rewari, Haryana-122106

**Lucknow Plant**

Omax Autos Limited  
Tata Motors Vender park  
Chinhat Industrial area  
Deva Road, Lucknow (UP)- 226019

**Bawal Plant**

Omax Autos Limited  
(Home Furnishing division)  
Plot No. 2, Sector-5, Bawal  
Distt. Rewari, Haryana-123501

**Railway Equipment Division**

Omax Autos Limited  
1 KM, Piyala Road  
Village- Sikri,  
Distt. Faridabad-121004, Haryana.

**Pant Nagar Plant**

Omax Autos Ltd.  
Vill & P.O. Lalpur, Rudrapur-Kichha Road  
Khasra No. 180A, 181, 183, 175  
Distt. Udham Singh Nagar (Uttrakhand)-203153

**Compliance status of clause 49 of Listing Agreement**

: The Company has complied with all the mandatory requirements prescribed in the clause 49 of the listing agreement.

**Corporate & Head Office**

Investors Relations Cell & Address for correspondence

: Plot No. B-26, Institutional Area,  
Sector-32, Gurgaon (Haryana)-122001  
Phone No. : +91-124-4343000 (30 Lines)  
Fax No. : +91-124-2580016  
E-mail : cs@omaxauto.com  
investors@omaxauto.com

## Certificate on Corporate Governance

To

The Members of Omax Autos Limited

We have examined the compliance of conditions of Corporate Governance by Omax Autos Ltd. for the year ended on 31st March 2012, as stipulated in the Clause 49 of Listing Agreement of the Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been in the manner described in the Guidance Note on Certification issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an 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 and based on our reliance upon the representations made by the management that there were no transactions of material nature with the management or relatives that may have potential conflict with the interest of the company at large.

We have been explained that no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the Company.

We certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that the compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **A. KUMAR GUPTA & CO.**  
Chartered Accountants

Place : Ludhiana  
Date : 28<sup>th</sup> July 2012

**(A. K. Gupta)**  
Partner  
Membership No. 12765

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## Declaration for Compliance with the Code of Conduct

This is to certify that the company has laid down its Code of Conduct for all the Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company - [www.omaxauto.com](http://www.omaxauto.com)

It is hereby affirmed that during the year 2011-12, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given a confirmation in this regard.

Place : New Delhi  
Date : 28<sup>th</sup> July 2012

**Jatender Kumar Mehta**  
Managing Director

### CEO & CFO Certifications

THE BOARD OF DIRECTORS

**OMAX AUTOS LIMITED**

We Jatender Kumar Mehta, Managing Director and Pushpendra Kumar Bansal, Chief Financial Officer of the company certified to the Board of Directors that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year 2011-12 and that to the best of our knowledge and belief:
  - (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 comply with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transaction entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's code of conduct.

Further, we accept that it is our responsibility to establish and maintain internal controls for financial reporting. Accordingly, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, wherever applicable.

- (i) deficiencies in the design or operation of such internal controls, if any, which came to our notice and steps have been taken or proposed to be taken to rectify these deficiencies.
- (ii) Significant changes in internal control financial reporting during the year.
- (iii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
- (iv) Instances of significant fraud of which we became aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Gurgaon

Date : 28<sup>th</sup> April, 2012

**Pushpendra Kumar Bansal**

President & CFO

**Jatender Kumar Mehta**

Managing Director

### Secretarial Audit Report

Omax Autos Limited  
69 KM Stone, Delhi- Jaipur Highway  
Dharuhera, Distt.- Rewari,  
Haryana - 122106 India.

We have examined the registers, records and documents of Omax Autos Limited (the Company) for the financial year ended 31<sup>st</sup> March 2012 in the light of the provisions contained in-

The Companies Act, 1956 and the Rules made thereunder.

- The Depositories Act, 1996 and the Rules made thereunder and the bye-laws of the Depositories who have been given the requisite Certificates of Registration under the Securities and Exchange Board of India Act, 1992
- The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- The listing agreement with the Bombay Stock Exchange and National Stock Exchange

- A.** Based on our examination and verification of the records made available to us and according to the clarifications and explanations given to us by the Company, we report that the Company has, in our opinion, complied with the applicable provisions of the Companies Act, 1956 and the rules made thereunder, listing agreement, SEBI Regulations and of the Memorandum and Articles of Association of the Company, with regard to:
1. Maintenance of various statutory registers and documents and making necessary changes therein as and when the occasion demands.
  2. Filing with the Registrar of Companies the Forms, returns and resolutions.
  3. Service of the requisite documents by the Company on its members and Stock Exchanges.
  4. Composition of the Board, appointment, retirement and resignation of directors.
  5. Remuneration of executive and non executive directors.
  6. Service of notice and agenda of Board Meetings and Meetings of the committee of directors.
  7. Meetings of the Board and its Committees.
  8. Holding Annual General Meeting and production of the various registers thereat.
  9. Recording the minutes of proceedings of Board meetings, Committee meetings and General Meetings.
  10. Appointment and remuneration of Auditors.
  11. Registration of transfer of shares held in physical mode.
  12. Dematerialisation and Rematerialisation of shares.
  13. The Company has declared dividend and paid to the eligible shareholders in compliance with the provisions of section 205 of the Act during the year.
  14. The Company has transferred the unclaimed/unpaid dividend to Investor Education and Protection Fund in compliance with the provisions of section 205C of the Act during the year.
  15. Requirements set out in the listing agreement with the Stock Exchange.
  16. Requirements of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011.
  17. Requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992
- B. We further report that during the year-**
- (i) the Company has complied with various requirements relating to disclosures, declarations made by the Directors with respect to directorships, memberships of committees of the Board of Companies of which they are directors, their shareholding and interest of concern in the contracts entered into by the Company in the pursuing its normal business and
  - (ii) There was no prosecution initiated against or show cause notice received by the Company and no fine or penalties were imposed on the company under the aforementioned Acts, Rules, Regulations and guidelines made thereunder or on its directors and officers.

For **Chandrasekaran Associates**  
Company Secretaries

Place : New Delhi  
Date : 1<sup>st</sup> June, 2012

**Dr. S Chandrasekaran**  
Senior Partner  
FCS: 1644  
CP : 715

To  
The Members of  
**OMAX AUTOS LIMITED**

1. We have audited the attached Balance Sheet of Omax Autos Limited, as at 31<sup>st</sup> March, 2012, the Profit and Loss Account and the Cash flow Statement of the Company for the year ended as on that date 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 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 any material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 [as amended by Companies (Auditor's Report) (Amendment) Order, 2004] issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a Statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in Annexure referred to above, we report that:

- a) 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;
- b) In our opinion, proper books of account, as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the Books of Account of the Company;
- d) In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956,

- e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts 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;
  - In the case of the Balance Sheet, of the state of the affairs of the Company as at 31<sup>st</sup> March 2012;
  - In the case of the Profit and Loss Account, of the profit for the year ended on that date and
  - In the case of the Cash Flow statement, of the cash flows of the Company for the year ended on that date.

For and on behalf of  
**A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Reg No. 000182N

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**(A.K. GUPTA)**  
PARTNER  
M. No. 12765

### ANNEXURE TO AUDITORS' REPORT

The Annexure referred to in the auditor's report to the members of Omax Autos Limited for the year ended March 31, 2012. We report that:

1. a) The Company is maintaining proper records showing full particulars including quantitative details & situation of fixed assets.
- b) As explained to us, the Company has a system of physical verification, which is designed to cover all assets over a period of three years and in accordance herewith, physical verification of certain fixed assets of the Company was carried out during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No major discrepancy has been noticed during verification.



- c) Fixed assets disposed off during the year were not substantial. According to the information and explanations given to us, we are of the opinion that the disposal of fixed assets has not affected the going concern status of the company.
2. a) According to the information and explanations given to us, the inventory of finished goods, stores, spare parts and raw materials including components have been physically verified by the management during the year including for stock lying with third parties. The frequency of such verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material in relation to the operations of the Company and the same have been properly dealt within the books of accounts.
3. a) According to information and explanations given to us, the Company has granted unsecured loans to a Company covered in the register maintained under section 301 of the Companies Act, 1956. The Maximum Amount involved is ₹ 30.08 Lac & Closing Balance is ₹ 12.42 Lac.
- b) According to the information & explanations given to us, rate of interest and other terms and conditions of the aforesaid unsecured short term loans given by the Company are not prima facie prejudicial to the interest of the Company.
- c) In our opinion and according to the information given to us, receipts of principal & interest of the aforesaid unsecured loan are regular.
- d) During the year, the company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the explanations given to us, there are adequate internal control procedures, commensurate with the size of Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no weakness has been noticed in the internal controls.
5. a) As per information and explanations given to us, all the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 and need to be entered into the register maintained under that section have been so entered.
- b) In our opinion and according to the information and explanations given to us the transactions made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five Lacs in respect of any party during the year, have been made at the prices which are reasonable having regard to the prevailing market prices at that time.
6. The Company has not accepted any deposits during the year under report from the public under Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and therefore, the provisions of clause 4(vi) of Companies (Auditor's Report) Order, 2003 (as Amendment) are not applicable to the Company.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. 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 clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts & records have been kept by the Company so far as appears from our examination of the books of account of the Company. Further, the Company is also required to get these records audited under Section 233B and obtained the Cost Auditors' Report for the same.
9. a) According to the information and explanation given to us and on the basis of our examination of the books of accounts, the Company has been regular in depositing the statutory dues with appropriate authorities. There was no undisputed amount outstanding at the end for a period more than six months from the date they become payable.
- b) According to the information and explanations given to us, The Disputed Statutory dues aggregating to ₹ 516.96 Lac. That have not been deposited on account of matters pending before the appropriate authority are as under :

Sr.	Nature of the Statute No.	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (₹ in Lac)
1	Central Excise Act, 1944	Disallowance of Cenvat Credit	CESTAT	2004-05 onwards	233.28
2.	Central Excise Act, 1944	Disallowance of Cenvat Credit	Commissioner/ Dy. Commissioner (Appeal)	2004-05 onwards	190.42
3	VAT	Rejection of Sale Return	Joint Commissioner(Appeal)	2007-08 onwards	27.46
4	Under VAT	Disallowance of Input Credit	Sales Tax Appellant Tribunal	2007-08	3.50
5	Income Tax Act, 1961	Incorrect PAN	Income Tax Officer (TDS)	2009-10	62.30

10. The company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institutions or banks.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, during the year under audit.
13. In our opinion, the Company is not a Chit Fund or Nidhi/ Mutual Benefits Fund/Society. Therefore the provision of clause 4 (xii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
14. Based on our audit procedures and according to the information and explanations given to us by the management, the Company has maintained proper records of transactions & contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in it's own name.
15. According to the information and explanations given to us by the management, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. Based on our audit procedures and according to the information & explanation given to us, the terms loans were applied for which the loans were obtained.
17. In our opinion and according to the information & explanations given to us, the funds raised on short term basis have not been used for long-term investment.
18. The company has not made any preferential allotment of shares covered in the register maintained under Section 301 of the Companies Act, 1956.
19. During the period covered by our audit report, the Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For and on behalf of  
**A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Reg No. 000182N

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**(A.K. GUPTA)**  
PARTNER  
M. No. 12765

₹ in lac

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	1	2,138.82	2,138.82
(b) Reserves and surplus	2	18,054.07	15,738.71
(c) Money received against share warrant		-	-
<b>Sub-total</b>		<b>20,192.89</b>	<b>17,877.53</b>
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	3	9,741.93	13,094.87
(b) Deferred tax liabilities (Net)	4	2,109.43	1,664.56
(c) Other Long term liabilities	5	151.92	189.28
(d) Long-term provisions		-	-
<b>Sub-total</b>		<b>12,003.28</b>	<b>14,948.70</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	6	5,481.94	9,087.23
(b) Trade payables	7	16,365.77	14,532.14
(c) Other current liabilities	8	5,756.25	5,508.94
(d) Short-term provisions	9	2,998.50	2,630.61
<b>Sub-total</b>		<b>30,602.46</b>	<b>31,758.91</b>
<b>Total Equity &amp; Liabilities</b>		<b>62,798.63</b>	<b>64,585.15</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		31,671.36	29,997.86
(ii) Intangible assets		166.93	79.33
(iii) Capital work-in-progress		189.54	95.55
(iv) Intangible assets under Development		-	-
<b>Sub-total</b>		<b>32,027.83</b>	<b>30,172.74</b>
(b) Non-current investments	11	5.00	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	2,716.62	3,611.39
(e) Other non-current assets	13	315.65	285.03
<b>Sub-total</b>		<b>3,037.27</b>	<b>3,896.42</b>

₹ in lac

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
<b>2. Current assets</b>			
(a) Current investments		-	-
(b) Inventories	14	<b>4,437.85</b>	5,141.10
(c) Trade receivables	15	<b>12,158.03</b>	13,165.61
(d) Cash and cash equivalents	16	<b>4,648.50</b>	5,058.49
(e) Short-term loans and advances	17	<b>6,489.15</b>	7,150.79
(f) Other current assets		-	-
<b>Sub-total</b>		<b>27,733.53</b>	30,515.99
<b>Total Assets</b>		<b>62,798.63</b>	64,585.15
Accompanying notes to the financials statements	18		

For and on the behalf of the Board of Directors

As per our report of even date  
For **A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Registration No. : 000182N

**PUSHPENDRA KUMAR BANSAL**  
(Chief Financial Officer)

**JATENDER KUMAR MEHTA**  
(Managing Director)

**A. K GUPTA**  
(Partner)  
M. No. 12765

**SANJEEV KUMAR**  
(Company Secretary)

**KRISHAN CHAND CHAWLA**  
(Whole-time Director)

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

₹ in lac

Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
I. Revenue from operations	A	128,702.27	115,682.14
II. Other income	B	1,072.95	1,539.61
<b>III. Total Revenue (I + II)</b>		<b>129,775.22</b>	<b>117,221.75</b>
IV. Expenses:			
Cost of materials consumed		92,440.42	83,558.01
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(112.05)	(846.49)
Employee benefits expense		13,207.80	11,460.97
Finance costs	C	3,152.90	3,405.41
Depreciation and amortization expense		2,968.16	2,916.50
Other expenses	D	14,425.59	14,106.07
<b>Total expenses</b>		<b>126,082.83</b>	<b>114,600.47</b>
V. <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>3,692.39</b>	<b>2,621.28</b>
VI. Exceptional items		728.00	531.68
VII. <b>Profit before extraordinary items and tax (V+VI)</b>		<b>4,420.39</b>	<b>3,152.96</b>
VIII. Extraordinary Items / Prior period adjustments		(5.38)	(14.03)
IX. <b>Profit before tax (VII+VIII)</b>		<b>4,415.01</b>	<b>3,138.93</b>
X Tax expense:			
(1) Current tax		1,157.62	944.96
(2) Deferred tax		444.87	65.06
XI Profit (Loss) for the period from continuing operations (IX-X)		2,812.52	2,128.91
XII <b>Profit/(loss) from discontinuing operations</b>		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations(after tax)(XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		2,812.52	2,128.91
XVI Earnings per equity share:			
(1) Basic / Diluted (refer note no. 18 2(p))		13.15	9.95
<b>Accompanying notes to the financials statements</b>	18		
<b>Particulars</b>		<b>Current Year</b>	<b>Previous Year</b>
<b>Appropriation of profit</b>			
Dividends proposed to be distributed to equity shareholders (₹ in lacs)		427.76	427.76
Tax on Dividend		69.39	71.05
Dividends per Share (₹)		2.00	2.00
Transfer to General Reserve (₹ in lacs)		450.00	200.00
Surplus Carried to Balance Sheet (₹ in lacs)		1,865.37	1,430.10
<b>Total appropriation of profit</b>		<b>2,812.52</b>	<b>2,128.91</b>
As per our report of even date For <b>A. KUMAR GUPTA &amp; CO.</b> Chartered Accountants Firm Registration No. : 000182N <b>A. K GUPTA</b> (Partner) M. No. 12765 Place: Gurgaon Date : 28 <sup>th</sup> April, 2012	For and on the behalf of the Board of Directors <b>PUSHPENDRA KUMAR BANSAL</b> (Chief Financial Officer)  <b>SANJEEV KUMAR</b> (Company Secretary)	<b>JATENDER KUMAR MEHTA</b> (Managing Director)  <b>KRISHAN CHAND CHAWLA</b> (Whole-time Director)	

(₹ in lac)

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
(i) Net Profit before Tax	4,415.01	3,138.93
Adjustment for:		
Depreciation	2,968.16	2,916.50
(Profit)/Loss on Sale of Fixed Assets	128.69	(360.40)
Interest & other financial charges	3,152.90	6,249.75
		3,405.41
(ii) Operating Profit before Working Capital Changes	10,664.76	9,100.44
Adjustment for:		
Trade & Other Receivable	1,007.58	(553.64)
Inventories	703.25	(1,870.57)
Trade Payables	690.76	5,659.69
Loans & Advances	1,711.37	4,112.95
		(591.79)
(iii) Cash Generated from Operations	14,777.72	11,744.12
Direct Taxes Paid	(1,066.58)	(965.91)
(iv) Net Cash Flow from Operating Activities	13,711.14	10,778.21
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(5,678.86)	(3,446.50)
Sale of Fixed Assets	1,170.37	2,404.14
Sale of Investment	(5.00)	-
Refund of Capital Advances	436.00	385.00
Net Cash Used in Investing Activities	(4,077.49)	(657.36)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Unsecured Loans	(26.47)	1,000.00
Repayment of Unsecured Loans	(1,000.00)	(3,593.24)
Proceeds from Long term Borrowings	2,035.90	6,601.14
Repayment of Long Term Borrowings	(4,797.84)	(3,957.29)
Bank Overdraft limits/ Demand loan	(2,605.29)	(4,812.13)
Interest & financial charges	(3,152.90)	(3,405.41)
Dividend & Tax	(497.15)	(498.81)
Net cash Used in Financing Activities	(10,043.75)	(8,665.74)
Net Increase/ (Decrease) in Cash	(410.10)	1,455.11
Cash & cash Equivalent as on 01.04.2011	5,058.59	3,603.48
Cash & cash Equivalent as on 31.03.2012	4,648.50	5,058.59

- Notes:** 1. Above Statement has been prepared in Indirect Method  
2. Cash and Cash equivalents consists of Cash in hand and balances with banks

### Auditors' Certificate

We have examined the attached Cash Flow Statement of OMAX AUTOS LTIMITED for the year ended 31<sup>st</sup> March, 2012. The statement has been prepared by the Company in accordance with the requirements of listing agreement Clause No. 32 and is based on and in agreement with the corresponding Profit & Loss a/c and Balance Sheet of the Company covered by our report of 28<sup>th</sup> April, 2012 to the members of the Company.

For **A. KUMAR GUPTA & COMPANY**  
Chartered Accountants  
Firm Registration No. : 000182N

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**A.K.Gupta**  
(PARTNER)  
M.N. 12765

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 1 : SHARE CAPITAL</b>		
<b>1 Authorised Capital :</b>		
2,65,00,000 (Previous Year 2,65,00,000) Equity Shares of ₹ 10/-each	2650	2650
20,00,000 (Previous Year 20,00,000) Equity Shares of ₹ 10/- each with Differential Voting Rights	200	200
1,50,000 (Previous Year 1,50,000) 12% Optionally Convertible Cummulative Preference Shares of ₹ 100/- each	150	150
<b>TOTAL</b>	<b>3000</b>	<b>3000</b>
<b>2 Issued Subscribed and paid up Capital :</b>		
2,13,88,213 (Previous Year 2,13,88,213) Equity Shares of ₹ 10/- each	2,138.82	2,138.82
(Out of the above 1,61,25,000 Equity Shares have been allotted as fully paid-up by way of Bonus Shares by Capitalisation of Share Premium & General Reserve and 78,213 Equity Shares have been allotted as fully paid up in terms of the scheme of amalgamation		
<b>TOTAL</b>	<b>2,138.82</b>	<b>2,138.82</b>
<b>3 Reconciliation of the Opening and Closing Outstanding no. of shares shown</b>	<b>NIL</b>	<b>NIL</b>
Opening No. of Equity Shares (No. of Shares)	2,13,88,213	2,13,88,213
Closing No. of Equity Shares (No. of Shares)	2,13,88,213	2,13,88,213
<b>4 Rights, Preferences and restrictions attaching to each class of shares shown including restrictions on Dividends distribution and Repayment of Capital</b>	<b>NIL</b>	<b>NIL</b>
<b>5 Shares (in aggregate) of each class held by-</b>	<b>NIL</b>	<b>NIL</b>
Its Holding Company		
Ultimate Holding Company		
Subsidiaries		
Associates of the Holding Company		
Associates of the Ultimate Holding Company		
<b>6 Shareholders having more than 5% of the shares shown, specifying the number of Shares</b>		
M/s Forerunner Capital Investments Limited (No. of Shares)	3894504	3894504
Mr. Jatender Kumar Mehta (No. of Shares)	1304986	1304986
Mr. Ravinder Kumar Mehta (No. of Shares)	1364600	1364600
<b>7 Terms and amount of</b>		
Shares reserved for issue under option of control	NIL	NIL
Commitments for the sale of shares/disinvestments.	NIL	NIL
<b>8 For the preceding five years:</b>		
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL

₹ in lac

	As at 31.03.2012		As at 31.03.2011	
Aggregate number and class of shares allotted as fully paid Bonus Shares	NIL		NIL	
Aggregate number and class of shares bought back	NIL		NIL	
<b>9 Terms of conversion of securities into equity/preference share capital with earliest date of conversion being shown in descending order starting from the farthest such date</b>	NIL		NIL	
<b>10 Calls unpaid shown as:</b>				
by directors and officers	NIL		NIL	
by others	NIL		NIL	
<b>11 Forfeited Shares shown (amount originally paid up)</b>	NIL		NIL	
<b>NOTE - 2 : RESERVE AND SURPLUS</b>				
<b>(a) Capital Reserves ;</b>				
<b>Opening Balance :</b>	<b>207.63</b>		207.63	
Add- Addition during the year	-		-	
Less :- Deduction during the year	-		-	
<b>Closing Balance :</b>	<b>207.63</b>	<b>207.63</b>	207.63	207.63
<b>(b) Capital Redemption Reserve;</b>				
<b>Opening Balance :</b>	<b>136.53</b>		136.53	
Add- Addition during the year	-		-	
Less :- Deduction during the year	-		-	
<b>Closing Balance :</b>	<b>136.53</b>	<b>136.53</b>	136.53	136.53
<b>(c) Securities Premium Reserve;</b>				
<b>Opening Balance :</b>	<b>1,568.00</b>		1,568.00	
Add- Addition during the year	-		-	
Less :- Deduction during the year	-		-	
<b>Closing Balance :</b>	<b>1,568.00</b>	<b>1,568.00</b>	1,568.00	1,568.00
<b>(d) General Reserves -</b>				
<b>Opening balance :</b>	<b>10,745.90</b>		10,437.42	
Add :Current Year Hedge Reserve Account	-		108.48	
Add : Transfer from Profit & Loss A/c	<b>450.00</b>	<b>11,195.90</b>	200.00	10,745.90
<b>e) Surplus i.e Profit</b>				
<b>Opening balance :</b>	<b>3,080.66</b>		1,650.56	
Add : Net profit after tax for the year	<b>2,812.52</b>		2,128.91	
	<b>5,893.18</b>		3,779.47	
<b>Appropriation of profit -</b>				
Dividend proposed to be distributed to equity shareholders @ 2/- per share	<b>427.76</b>		427.76	
Tax on Dividend	<b>69.39</b>		71.05	
Transfer to General Reserve	<b>450.00</b>		200.00	
<b>Surplus closing balance</b>	<b>4,946.01</b>	<b>4,946.02</b>	3,080.66	3,080.66
		<b>18,054.07</b>		15,738.71



₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 3 : LONG TERM BORROWINGS*</b>		
(a) Bonds/debentures	—	—
(b) Term Loans		
— from Banks (Secured)		
— United Bank of India-II	—	319.67
— United Bank of India-III	1,877.20	2,561.20
— Royal Bank of Scotland	120.00	600.00
— ICICI Bank Ltd.	1,095.16	1,825.26
— DBS Bank Ltd.	1,735.71	3,000.00
— Standard Chartered Bank	3,037.70	2,015.32
— from Banks (Unsecured)		
— Kotak Mahindra Bank Ltd	186.80	205.27
— from Other Parties		
— Tata Capital Ltd (Secured)	1,157.53	1,821.67
	<b>9,210.10</b>	<b>12,348.38</b>
(c) Deferred payment liabilities		
Sales Tax Deferment	498.51	680.48
Vehicle Loan- Secured		
— from IndusInd Bank Ltd.	7.61	33.23
— from TATA Capital Ltd.	25.72	32.78
	<b>9,741.93</b>	<b>13,094.87</b>

\*Long-Term Borrowings - No amount of default as on the balance sheet date in repayment of loans and interest.

- a) Term Loan II & III from United Bank of India are secured by way of first charge/mortgage by deposit of title deeds of Land & Building of Speedomax Plant & Bangalore Plant and hypothecation of other moveable fixed assets of these plants. Further hypothecation charge on plant and machinery and other moveable fixed assets of ₹ 6.82 crore installed at Manesar plant. TL II is bearing 12.35% P.A interest and finally repayable by Aug. 2012 in two remaining installements of avg. ₹ 160 lac each. TL-III is bearing 13.35% P.A interest and finally repayable by Oct. 2015 in fifteen remaining installements of avg. ₹ 171 lac each.
- b) Term Loan from Royal Bank of Scotland is secured by way of first charge/mortgage by deposit of title deeds of Land & Building of Corporate Office at Sec-32, Gurgaon and deposit of title deeds of institutional plot no. 2 situated at Faridabad. Term Loan is bearing 10.35% P.A interest and finally repayable by Aug. 2013 in six remaining installements of avg. ₹ 100 lac each.
- c) Fully hedged ECB Term Loan from ICICI Bank Ltd. is secured by way of first charge/mortgage by deposit of title deeds of Land & Building of Dharuhera Plant and hypothecation of other movable assets both present and future. Term Loan is bearing 9.85% P.A interest and finally repayable by June 2014 in five remaining installements of avg. ₹ 365 lac each.
- d) Term Loan from DBS Bank Limited is secured by way of first charge /mortgage by deposit of title deed of Land & Building of Sprocket Plant and hypothecation of other moveable fixed assets of Sprocket Plant and Bawal Plant. Term Loan is bearing 11.50% P.A interest and finally repayable by March 2016 in Sixteen installements beginning from June 2012 of avg. ₹ 113 lac each.
- e) Fully hedged ECB Term Loans from Standard Chartered Bank is secured by deposit of title deed of Land & Building of Manesar plant & hypothecation of other moveable assets except hypothecation charge on plant & machinery and other moveable fixed assets of ₹ 6.82 crore installed at Manesar plant and financed by United bank of India under their Term Loan III. Term Loan is bearing 10.25% P.A interest and finally repayable by March 2016 in sixteen installements beginning from June 2012 of avg. ₹ 253 lac each.
- f) Term Loan from Kotak Mahindra Limited is based on Escrow of receivables of Hero Moto Corp Ltd from Speedomax Unit of Omax Autos Ltd. Term Loan is bearing average 12.55% P.A interest and finally repayable by November 2013 in twenty remaining installements of avg. ₹ 35 lac each.
- g) Term Loan from TATA Capital Limited is secured by way of exclusive charge on all the present and future fixed assets (excluding land & building) of Lucknow project and negative lien on the building/ super structure created on the land covered under term loan and equitable mortgage by deposit of title deed of Sector-44, institutional plot, Gurgaon and hypothecation of receivables of Lucknow plant in respect of supply to TATA Motor Ltd. Term Loan is bearing 11.50% P.A interest and finally repayable by December 2014 in eleven remaining installements of avg. ₹ 166 lac each.
- h) Sales Tax Deferment is fully secured by way of bank guarantees issued by bank. This is interest free and finally repayable by Jan. 2017 in remaining fifty four installements of avg. ₹ 13 lac each.
- i) Vehicle Loans are secured by way of hypothecation charge. IndusInd Bank loan is bearing 6.50% p.a interest and finally repayable by Feb. 2014 in remaining 23 monthly installments of avg. ₹ 1.45 lac each. TATA Capital loan is bearing 10.50% p.a interest and finally repayable by Feb. 2016 in remaining 47 monthly installments of avg. ₹ 0.75 lac each.

₹ in lac

	As at 31.03.2012		As at 31.03.2011	
<b>NOTE - 4 : DEFERRED TAX LIABILITIES (NET)</b>				
<b>Deferred Tax Liability</b>				
Opening Balance	1,664.56		1,599.50	
Add : Deferred Tax Liabilities for the Year (Ref. to Note No. 18 2(g))	444.87	2,109.43	65.06	1,664.56
		2,109.43		1,664.56
<b>NOTE - 5 : OTHER LONG TERM LIABILITIES</b>				
<b>Trade Payables</b>	—		—	
<b>Others</b>				
Securities from business Customers / Contractors etc	66.91		116.03	
Securities from Employees	85.00		73.25	
	151.92		189.28	
<b>NOTE - 6 : SHORT-TERM BORROWINGS</b>				
<b>Working Capital Loans</b>				
(a) Loans repayable on demand				
— from Banks ( Secured)				
— State Bank of India	-		947.82	
— Citi Bank	403.04		1,554.00	
— Standard Chartered Bank	302.10		-	
— HDFC Bank Ltd	1,466.52		-	
— The Hongkong & Shanghai Banking Corporation Ltd.	68.09	2,239.75	1,000.00	3,501.82
— Canara bank-Overdraft Against FDR's		3,242.19		4,585.41
— from Banks (Unsecured)				
— IndusInd Bank Ltd	-		1,000.00	
	5,481.94		9,087.23	
*Short Term Borrowings - No amount of default as on the balance sheet date in repayment of loans and interest.				
Working Capital Loans from Banks are secured by way of hypothecation of stock & book debts and further secured by second pari passu charges on fixed assets of Lucknow, DHR, Banglore, Speedomax, Sprocket and Manesar unit.				
Overdraft Against FDR's are secured by by way of pledge of Company FDR's worth ₹ 3506 lacs.				
<b>NOTE - 7 : TRADE PAYABLES</b>				
<b>Trade Payable</b>				
Micro Small & Medium Enterprises's (Refer Note No. 18 2(d))	-		-	
Others	16,365.77	16,365.77	14,532.14	14,532.14
	16,365.77		14,532.14	

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 8 : OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of long-term debt;		
— from Banks (Secured)		
— United Bank of India-II	319.66	667.06
— United Bank of India-III	684.00	681.47
— Royal Bank of Scotland	480.00	660.00
— ICICI Bank Ltd.	730.10	730.10
— DBS Bank Ltd.	64.29	-
— Standard Chartered Bank	1,012.52	-
— from Banks (Unsecured)		
— Kotak Mahindra Bank Ltd	518.47	417.24
— from Other Parties		
— Tata Capital Ltd (Secured)	664.14	608.92
<b>Deferred payment liabilities</b>		
— Sales Tax Deferment	181.97	312.22
<b>Vehicle Loan</b>		
— from IndusInd Bank Ltd.	25.62	13.75
— from TATA Capital Ltd.	7.06	6.07
(b) Current maturities of finance lease obligations;		
(c) Interest accrued but not due on borrowings; (Interest Payable)	46.24	40.58
(d) Interest accrued and due on borrowings;	-	-
(e) Income received in advance;	-	-
(f) Unpaid dividends	32.37	37.86
(g) Application money received for allotment of securities and due for refund and interest accrued thereon.	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables -		
Direct Tax Payables	93.78	78.43
Indirect Tax Payables	142.57	346.54
Chairman Commission payable	11.70	3.46
Other Liabilities	704.60	841.62
Advances from Customers	37.16	63.63
	<b>5,756.25</b>	<b>5,508.94</b>
*Other Current Liabilities-No amount of default as on the balance sheet date in repayment of loans and interest.		
<b>NOTE - 9 : SHORT-TERM PROVISIONS</b>		
(a) Provision for employee benefits.	1,343.72	1,186.84
(b) Others		
Provision for Taxation	1,157.62	944.96
Proposed Dividend	427.76	427.76
Provision for Dividend Distribution Tax	69.39	71.05
	<b>2,998.50</b>	<b>2,630.61</b>

₹ in lac

**NOTE - 10 : FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2011	ADDITIONS	SALE / TRANSFER	TOTAL AS ON 31.03.2012	AS ON 01.04.2011	FOR THE YEAR	ADJUSTMENT DURING THE	UP TO 31.03.2012	AS ON 31.03.2012	AS ON 31.03.2011
LAND	2656.92	1355.93	(959.37)	3053.47	-	-	-	-	3053.47	2656.92
BUILDING	11884.22	242.85	0.00	12127.08	1810.74	371.49	0.00	2182.24	9944.84	10073.48
PLANT & MACHINERY	25850.35	3540.72	(697.89)	28693.18	10962.30	1753.63	(445.28)	12270.65	16422.53	14888.05
DIES & TOOLS	3475.90	343.55	(73.09)	3746.36	2920.19	330.04	(38.96)	3211.27	535.09	555.71
FURNITURE & FIXTURE	3178.74	199.33	(62.03)	3316.05	2220.95	245.29	(54.79)	2411.46	904.59	957.80
OFFICE EQUIPMENTS	474.80	32.22	0.00	507.02	324.52	42.57	0.00	367.10	139.92	150.27
COMPUTER & OTHER EQUIPMENTS	667.39	98.45	(1.12)	764.72	516.94	71.12	(0.62)	587.43	177.28	150.45
VEHICLES	985.30	77.45	(124.09)	938.66	420.12	103.76	(78.86)	445.02	493.64	565.18
INTANGIBLE ASSET	598.84	137.83	0.00	736.67	519.51	50.24	0.00	569.75	166.93	79.33
<b>TOTAL</b>	<b>49772.46</b>	<b>6028.33</b>	<b>(1917.59)</b>	<b>53883.20</b>	<b>19695.27</b>	<b>2968.16</b>	<b>(618.52)</b>	<b>22044.91</b>	<b>31838.29</b>	<b>30077.19</b>
Previous Year	47886.45	5036.39	(3150.38)	49772.46	17885.41	2916.50	(1106.64)	19695.27	30077.19	30001.04

₹ in lac

	Current Year	Previous Year
<b>CAPITAL WORK IN PROGRESS &amp; ADVANCE</b>		
MACHINERY UNDER INSTALLATION	19.76	37.53
BUILDING UNDER CONSTRUCTION	73.04	58.02
FURNITURE & FITTING UNDER INSTALLATION	-	-
DIES & TOOLS UNDER INSTALLATION	-	-
PREOPERATIVE EXPENSES	96.74	-
	<b>189.54</b>	<b>95.56</b>

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 11 : NON-CURRENT INVESTMENTS</b>		
Trade Investments		
Other Investments #		
(a) Investment property;	-	-
(b) Investments in Equity Instruments (non quoted); Wholly Owned Subsidiary - Gmax Auto Ltd.	5.00	-
(c) Investments in preference shares	-	-
(d) Investments in Government or trust securities;	-	-
(e) Investments in debentures or bonds;	-	-
(f) Investments in Mutual Funds;	-	-
(g) Investments in partnership firms	-	-
(h) Other non-current investments (specify nature)	-	-
	5.00	-
# No provision required for diminuation in value of Investment.		
<b>NOTE - 12 : LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured considered good;</b>		
(a) Capital Advances;		
– to related party- Haridwar Estates (P) Ltd.	1,384.00	1,827.46
– to Others	1,087.20	1,523.20
(b) Security Deposits;	232.99	230.65
(c) Loans and advances to related parties		
– Omax Fusion Ltd	12.42	30.08
(d) Other loans and advances:	-	-
	2,716.62	3,611.39
<b>NOTE - 13 : OTHER NON-CURRENT ASSETS</b>		
(i) Long Term Trade Receivables	-	-
(ii) Others		
– Fixed Deposits with bank against BG / as Security	315.65	285.03
	315.65	285.03

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 14 : INVENTORIES</b>		
<b>Inventories (as valued and certified by the management)</b>		
(a) Raw materials and Components;	2,025.41	2,829.65
(b) Work-in-progress;	1,236.20	1,312.28
(c) Finished goods;	776.48	575.13
(d) Stores and spares;	299.74	264.94
(e) Others - Scrap	100.02	113.24
<b>Goods-in-transit</b>		
— Raw materials;	-	45.86
	<b>4,437.85</b>	<b>5,141.10</b>
The valuation of Stock is as per Accounting Standard on "Valuation of Inventories" (AS-2) issued by the Institute of Chartered Accountants of India.		
— Stores & spares parts and loose tools are stated at cost.		
— Raw material & components, finished goods and work in progress are valued at cost or net realisable value whichever is lower.		
— Scrap is valued at net realisable value.		
<b>NOTE - 15 : TRADE RECEIVABLES</b>		
Trade Receivable (Unsecured)		
- <b>Outstanding and overdue over six months</b>		
Considered Good	125.31	60.29
Considered Doubtful	188.53	394.05
	313.84	454.34
Less : Allowance for Doubtful Debts.	188.53	394.05
	125.31	60.29
- <b>Other receivable (unsecured)</b>		
Considered Good	12,032.72	13,105.32
	<b>12,158.03</b>	<b>13,165.61</b>
	<b>12,158.03</b>	<b>13,165.61</b>
<b>NOTE - 16 : CASH AND CASH EQUIVALENTS</b>		
<b>Cash and cash equivalents</b>		
(a) Balances with Scheduled banks;		
— In Current account	85.71	210.19
— In Cash Credit Account	103.84	228.12
(b) Cheques, drafts in hand;	-	227.54
(c) Cash in hand;	10.32	37.52
(d) Others-		
Fixed Deposits		
(i) Fixed Deposit more than 12 months maturity	181.18	29.28
(ii) Fixed Deposits under lien with bank against OD limit.	3,506.09	3,381.12
(ii) Fixed Deposits Pledged with bank against LC	83.72	245.14
(iv) Other Fixed Deposits	520.72	593.94
(v) Interest accrued	124.54	67.79
Unpaid dividend	32.37	37.86
	<b>4,648.50</b>	<b>5,058.49</b>

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 17 : SHORT-TERM LOANS AND ADVANCES</b>		
Short-term loans and advances (unsecured, considered good)		
(a) Loans and advances to wholly owned subsidiary :		
— Gmax Auto Ltd.	459.37	-
(b) Others		
Export Incentines	277.03	727.01
Gratuity Recoverable	10.02	13.00
Insurance claim recoverable	18.57	3.37
Excise Balances	782.14	1,390.15
Sales Tax Receivables	54.81	84.36
Advance Tax & TDS	1,438.26	1,293.39
Advance to vendor (against supply / services)	3,101.43	3,566.98
Others	347.52	72.53
	<b>6,489.15</b>	<b>7,150.79</b>

**NOTE : A**

₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
Sale of products	135125.04	122016.42
Sale of services	2,036.53	502.17
Wind Power Project Revenue	0.03	-
Other operating revenues ( Note A1)	4,291.83	4,480.59
Less:		
Excise duty	(12,751.17)	(11,317.05)
<b>Total</b>	<b>128,702.27</b>	<b>115,682.14</b>

**NOTE A1 : OTHER OPERATING REVENUES**

	For the year ended 31.03.2012	For the year ended 31.03.2011
Sale of Raw Material & Other Sale	813.31	1,676.27
Sale of Scrap	3,229.41	2,320.02
Incentives on Export	249.12	484.30
	<b>4,291.83</b>	<b>4,480.59</b>

₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - B : OTHER INCOME</b>		
Interest Income	682.28	753.23
Profit from Sale of Fixed Asset.	24.95	292.46
Cash Discounting	104.15	126.91
Prov. for doubtful debts written back	190.73	-
Other Income	70.84	367.02
<b>Total</b>	<b>1,072.95</b>	<b>1,539.61</b>
<b>NOTE - C : FINANCE COSTS</b>		
(a) Interest expense;		
— Interest to banks	2,177.95	2,607.28
— Cash Discounting Charges	610.36	417.04
(b) Other borrowing costs;	89.42	93.48
(c) Currency (gain) / loss	275.17	287.61
<b>Total</b>	<b>3,152.90</b>	<b>3,405.41</b>

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	Ref. No.	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - D : ADDITIONAL INFORMATION REGARDING AGGREGATE EXPENDITURE AND INCOME</b>			
(a) Employee Benefits Expense :	Note-a		
(i) salaries and wages,			
(ii) contribution to provident and other funds,			
(iii) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP),		13,207.80	11,460.97
(iv) staff welfare expenses			
(b) Depreciation and amortization expense;		2968.16	2,916.50
(c) Interest Income;		682.28	753.23
(d) Interest Expense;		-	-
(e) Dividend Income;		-	-
(f) Net gain/ loss on sale of investments;		-	-
(g) Adjustments to the carrying amount of investments;		-	-
(h) Net gain or loss on foreign currency transaction and translation (incl. In Other income / Other exp.)		35.86	(22.83)
(i) Payments to the auditor as			
a. auditor,		5.00	4.50
b. for taxation matters ( Tax Audit),		2.00	1.50
c. for company law matters,		-	-
d. for management services,		-	-
e. for other services,		1.00	1.00
f. for reimbursement of expenses;		2.52	1.62



₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	Ref. No.	For the year ended 31.03.2012	For the year ended 31.03.2011
(j) Details of items of exceptional and extraordinary nature;	Note-b	728.00	531.68
(k) Prior period items;	Note-c	5.38	14.03
(l) In the case of manufacturing companies,-	Note-d-1, 2,3,4,a1		
(1) Raw materials under broad heads			
(2) Goods purchased under broad heads			
(3) Goods sold under broad heads			
(4) Works-in-progress under broad heads			
(m) (a) The aggregate of amounts set aside to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance-sheet is made up.		450.00	200.00
(b) The aggregate of any amounts withdrawn from such reserves.		-	-
(c) The aggregate, if material, of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.		-	-
(d) The aggregate, if material, of the amounts withdrawn from such provisions, as no longer required.		-	-
(n) Expenditure incurred on each of the following items, separately for each item:-			
(a) Consumption of stores and spare parts		3,532.79	3,066.13
(b) Power and fuel		3,068.44	3,190.86
(c) Rent		106.74	84.16
(d) Repairs to buildings		64.63	58.79
(e) Repairs to machinery		840.76	701.80
(f) Insurance		158.57	151.17
(g) Rates and taxes, excluding, taxes on income		24.26	26.01
(h) Outside Job work Expenses		1,716.49	1,630.60
(i) Packing Material Consumed		1,074.67	1,171.90
(j) Loss on Sale of Fixed Assets		153.64	463.74
(k) Provision for doubtful debts		195.09	(8.91)
(l) Other admin and Selling expenses		3,489.51	3,569.82
<b>Total</b>		<b>14,425.59</b>	<b>14,106.07</b>

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - a : EMPLOYEE BENEFIT EXPENSE</b>		
(a) Salaries and incentives	12,466.43	10,682.17
(b) Contributions to -		
(i) Provident fund & Other Funds	331.88	306.41
(ii) Superannuation scheme	6.28	6.72
(c) Gratuity fund contributions	180.96	130.46
(d) Social security and other benefit plans for overseas employees	-	-
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-	-
(f) Staff welfare expenses	56.45	178.21
(g) Directors Remuneration & Perks	165.80	157.01
<b>Total</b>	<b>13,207.80</b>	<b>11,460.97</b>

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - b : EXCEPTIONAL INCOME</b>		
Sale Consideration (a)	-	1,301.05
Cost of the assets sold	-	805.98
Less: Accumulated Book Depreciation	-	(36.61)
Book Value Net	-	769.37
Expenses Incidental to sale	-	-
Total cost of sale (b)	-	769.37
Maturity amount of Key Man Insurance from LIC	728.00	-
Net Profit	<b>728.00</b>	<b>531.68</b>

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - c : EXTRAORDINARY ITEMS/PRIOR PERIOD ADJUSTMENTS</b>		
(i) Short Provision for Taxation & other items pertain to previous year	4.79	1.19
ii) Others	0.60	12.84
<b>Total</b>	<b>5.38</b>	<b>14.03</b>

## NOTE : d1

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	For the year ended 31.03.2012 Consumption	For the year ended 31.03.2011 Consumption
<b>Raw Material</b>		
SHEET	15,568.44	13,956.93
TUBE	12,297.39	11,413.02
BOUGHT OUT PARTS	59,163.40	52,570.87
PAINT	3,388.23	3,778.36
ELECTROPLATING	1,913.35	1,794.14
Others	109.62	44.69
<b>Total</b>	<b>92,440.42</b>	<b>83,558.01</b>

## NOTE : d2

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	For the year ended 31.03.2012 Purchase	For the year ended 31.03.2011 Purchase
<b>Raw Material</b>		
SHEET	15,388.78	14,092.03
TUBE	12,167.70	11,580.97
BOUGHT OUT PARTS	58,658.29	53,222.68
PAINT	3,384.22	3,785.13
ELECTROPLATING	1,912.34	1,790.60
Others	78.99	69.74
<b>Total</b>	<b>91,590.32</b>	<b>84,541.16</b>

## NOTE : d3

₹ in lac

Additional Information regarding aggregate expenditure and income of following items-	For the year ended 31 March	Sale Values	Cls Inventory**	Opening Inventory**
<b>Manufactured goods</b>				
Finished goods-Assembling of Long Member, ASSY OUTRIGGE, Gear Boox Gusset, Piston Rod etc.	2012	26,711.28	331.13	175.45
	2011	20,048.49	175.45	68.62
Home appliances	2012	8,706.59	103.55	51.12
	2011	9,672.80	51.12	16.42
GREEN TOILET, ACCESS DOOR etc.	2012	453.35	38.32	131.40
	2011	130.78	131.40	4.41
Frame Body, Chain case, Breaks, Sprocket, Handle, SPD & other two wheeler parts	2012	92,830.04	303.48	217.17
	2011	85,830.10	217.17	125.86
<b>Total</b>	2012	128,701.26	776.48	575.13
	2011	115,682.17	575.13	215.31

\*\* includes provision of excise duty

**NOTE : d4**

₹ in lac

Value of Raw Material and Store (including components, spares & packing material consumed)	For the year ended 31.03.2012	For the year ended 31.03.2011
Work in Progress		
Finished goods -Assembleing of Long Member, ASSY OUTRIGGE, Gear Boox Gusset, Piston Rod etc	458.24	571.31
Home appliances	121.11	137.86
GREEN TOILET,ACCESS DOOR etc	41.94	56.47
Frame Body, Chain case, Breaks, Sprocket, Handle, SPD & other two wheeler parts	614.91	546.64
<b>Total</b>	<b>1,236.20</b>	<b>1,312.28</b>

**NOTE - a1**

Value of raw material and stores (including components, spares &amp; packing material consumed)

₹ in lac

Class of Goods	Classification	Current Year 31.03.2012		Previous Year 31.03.2011	
		%	Value	%	Value
Sheet	Imported	0.83	129.46	1.58	219.85
	Indigenous	99.17	15,438.98	98.42	13,737.08
Tube	Imported	0.69	85.37	0.14	16.37
	Indigenous	99.31	12,212.02	99.86	11,396.65
Bought out Goods	Imported	0.93	549.85	0.99	518.04
	Indigenous	99.07	58,613.55	99.05	52,052.83
Paints	Imported	-	-	-	-
	Indigenous	100.00	3,388.23	100.00	3,778.36
Electroplating	Imported	-	-	-	-
	Indigenous	100.00	1,913.35	100.00	1,794.14
Others	Imported	-	-	-	-
	Indigenous	100.00	109.62	100.00	44.69
Consumables store, tools & packing material	Imported	1.22	56.20	0.88	37.19
	Indigenous	98.78	4,551.26	99.12	4,200.84
<b>Total</b>			<b>97,047.89</b>		<b>87,796.04</b>

**NOTE - 18****1. SIGNIFICANT ACCOUNTING POLICIES :****(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The Financial Statements are prepared on accrual basis of accounting under the historical cost convention , in accordance with the mandatory applicable accounting standards issued by The Institute of Chartered Accountants of India and the relevant presentational requirements of the Company Act, 1956.

**(b) REVENUE RECOGNITION :**

The revenue from sale of products is recognised at the point of dispatches of finished goods to the customers.

Export benefits are accounted on an accrual basis.

Interest income is recognised on proportionate basis inclusive of tax deducted at source thereon.

**(c) FIXED ASSETS :**

Fixed assets are stated at cost of acquisition including installation cost. Cost of Acquisition is inclusive of freight, taxes, duties , insurance, interest and other incidental expenses, net of cenvat credits, wherever applicable .

**(d) INTANGIBLE ASSETS :**

Intangible Assets are amortised using Straight Line Method @ 25% p.a as per AS-26 on “Intangible Assets” issued by The Institute of Chartered Accountants of India.

**(e) DEPRECIATION :**

Depreciation on all the fixed assets is provided on pro rata basis by using the straight-line method at rates on double shift basis wherever applicable, in the manner specified in Schedule XIV of the Companies Act, 1956 except in the case of the following assets where depreciation rate is provided at rates indicated against each asset:

Name of assets	Dep. Rates
Dies, Tools & Fixtures	33.33%
Rack, Bins & Trollies	20.00%
Computer	25.00%
Computer Software	25.00%
Furniture & Fixture	10.00%
Office Equipment	10.00%
Vehicle	12.00%
Solar Plant	4.75%
Wind Turbine Generator	5.28%

**(f) VALUATION OF INVENTORIES :**

The valuation of Stock is as per Accounting Standard on “Valuation of Inventories” (AS-2) issued by the Institute of Chartered Accountants of India.

Stores & spares parts and loose tools are stated at cost.

Raw material & components, finished goods and work in progress are valued at cost or net realisable value whichever is lower.

Scrap is valued at net realisable value.

**The basis for determining the cost of various inventories are as under**

Raw material & Stores Tools                      At yearly weighted average cost.

Work in Progress                                      Material cost plus appropriate portion of labour and production overheads.

Finished Goods & Goods in transit              At cost or net realisable value whichever is less.

Finished Goods and Scrap are inclusive of Excise Duty thereon.

**(G) INVESTMENTS :**

Current Investment are carried at the lower of cost and quoted/fair value, computed category wise. Long term Investment are stated at cost . Provision for diminution in the value of long term Investment, if any, is made only if such a decline is other than temporary in the opinion of management.

**(h) INSURANCE CLAIMS :**

Insurance claims receivable are accounted for depending on the certainty of receipts and are being credited to the respective heads of expenses.

**(i) FOREIGN CURRENCY TRANSACTIONS :**

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of transaction.

Exchange differences arising on foreign currency transaction settled during the year are recognized in the Profit & Loss Account for the year.

All the Monetary items denominated in foreign currency outstanding at the year end are translated at exchange rates prevailing on the date of balance sheet. The resulted exchange difference whether any income or expenses on account of exchange difference either on settlement or on translation are recognised in Profit & Loss Account for the year.

In case of Forward contracts, the differences between the forward rate and the exchange rate on the date of the transaction is recognized in the Profit & loss Account.

**(j) BORROWING COSTS :**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets of new projects are capitalised as part of the cost of such assets.

A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**(k) TAXATION :**

Provision for Income Tax (current tax ) is made on the basis of result of the year at the current rate of tax in accordance with Income Tax Act,1961. Deferred tax reflect the impact of current year timing difference between taxable income and timing difference of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date as per AS-22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India.The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the profit and loss account in the year of change.Deferred tax assets arising from temporary timing difference are recognised to the extent there is a reasonable certainty that the assets can be realised in the future.

**(l) IMPAIRMENT OF ASSETS :**

At each Balance Sheet date, the company reviews, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceed its recoverable amount an impairment loss is recognised in the Profit & Loss account to the extent the carrying amount exceeds the recoverable amount.

**(m) RETIREMENT BENEFITS :**

Liabilities in respect of retirement benefits to employees are provided for as follows:

**(i) Defined Benefit Plan**

Gratuity Liability is computed on the basis of premium paid to LIC of India as per actuarial valuation under Projected Unit Credit Method.

**(ii) Defined Contribution Plans**

Liability for superannuation fund on the basis of the premium paid to LIC of India in respect of employees covered under Superannuation Fund Policy. Provident fund & ESI on the basis of actual liability accrued and paid to authority.

- (iii) Provision for due earned leaves are determined using Projected Unit Cost method, with actuarial valuation being carried out at Balance Sheet date. Actual gain / loss arising after such valuation are charged to profit & loss account in the year in which earned leaves are settled.

## 2. NOTES TO THE ACCOUNTS

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>(a) Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>(i) Contingent Liabilities</b>		
(A) Claims against the company not acknowledged as debt		
(i) Excise & Service Tax matters	423.70	366.20
(ii) Sale Tax	30.96	4.51
(iii) Income Tax	62.30	-
(B) Outstanding Guarantees issued by bank	20.30	89.17
(C) Other money for which the company is contingently liable		
(i) Letter of credits	-	395.19
(ii) Bills discounted	-	1,000.00
<b>(ii) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	307.81	424.12
(ii) Uncalled liability on shares and other investments partly paid	0.00	0.00
<b>(b) Other commitments</b>	0.00	0.00

(c) The Company had entered in to a Swap transaction of amount in INR into amount in USD. The outstanding amount as on 31<sup>st</sup> March 2012 is NIL (₹ 1140.35 lac Previous Year) and in USD NIL (USD 25.54 lac Previous Year). At the end of 31<sup>st</sup> March 2012 no outstanding remain in this regards. The actual loss/ gain has account for under "Financial Cost" as Currency loss/gain.

(d) Enterprises covered under the Micro, Small & Medium Enterprises Development Act 2006 have been identified by the company on the basis of information available. There is no outstanding balance payable more than the period stipulated in the said Act.

### (e) Computation of Net Profit in Accordance with Section 198 of the Companies Act, 1956.

₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
Profit before tax as per Profit and Loss Account	4,420.39	3,152.96
Add: Directors Remuneration (Including perquisites)	165.81	157.01
Add: (Profit)/Loss on Sale of Fixed Assets (net)	128.69	(360.40)
Net Profit as per Section 349 of the Companies Act, 1956	4,714.89	2,949.57
Maximum Limit for managerial remuneration to the Directors @ 10% of net profit as above	471.49	294.96
Maximum Limit for commission to non whole time Directors @ 1% of net profit as above	47.15	29.50

(f) \*Remuneration and perks paid / payable to Directors :

₹ in lac

	For the year ended 31.03.2012		For the year ended 31.03.2011	
	Mr. Jatender Mehta (Managing Director)	Others (Directors)	Mr. Jatender Mehta (Managing Director)	Others (Directors)
Salary	90.00	55.67	90.00	52.86
Perks	19.06	1.08	11.54	2.61
Commission	-	13.00	-	5.00
Provident Fund	10.80	2.78	10.80	2.59
	<b>119.86</b>	<b>72.53</b>	<b>112.34</b>	<b>63.06</b>

**\*Note :** The total remuneration of Mr. Jatender Kumar Mehta and Mr. Ravinder Mehta had been approved in Annual General Meeting held on 30.09.2010 further the Government of India (Ministry of Company Affairs) has also accorded its approval vide letter no. B03342409/5/2011/CL/VII dated 18<sup>th</sup> April 2011. Further remuneration of Mr. Jatender Kumar Mehta and Mr. Ravinder Mehta have been revised w.e.f. 01.04.2012 with approval of shareholders through postal ballot process on 28<sup>th</sup> March, 2012, present salary (per month) of Mr. Jatender Kumar Mehta is ₹ 12,00,000-1,25,000-17,50,000 and Mr. Ravinder Mehta salary is ₹ 1,50,000/-

(g) **Deferred Tax (AS-22)**

The break up of the net deferred tax liability arising on account of timing difference for the year ended 31<sup>st</sup> March, 2012 is as under:

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>Deferred Tax Liability</b>		
Depreciation	<b>342.80</b>	146.43
Others	<b>102.07</b>	(81.37)
<b>Net Deferred tax liability</b>	<b>444.87</b>	65.06

- (h) Gross turnover is net of inter unit transfer of ₹ 8,259.50 lac (Previous Year ₹ 7,228.91 lac)
- (i) Gross turnover includes direct & deemed exports of ₹ 9,671.63 lac (Previous Year ₹ 10,710.72 lac)
- (j) Exceptional Income includes ₹ 728 lac maturity amount of Key Man Insurance Policy from LIC, In previous year, it represents Profit on Sale of Land and Behrampur warehouse.
- (k) The Company incorporated a wholly owned Subsidiary Company on 20th Oct, 2011 in the name of "Gmax Auto Ltd.". This subsidiary company is yet to commence business.
- (l) During the current year, Company has installed two 1.25 MW each Wind Turbine Generator in Rajasthan, India which have successfully commissioned and started to generate power.
- (m) In the opinion of the Board, any of the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- (n) Related Party Disclosure as required under Accounting Standard-18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are given below :



## 1) Relationship :

## a) Key management Personnel &amp; their Relatives :

Mr. Jatender Kumar Mehta	Managing Director
Mrs. Kiran Mehta	Wife
Mr. Devashish Mehta	Son
Mrs. Sakshi Kaura	Daughter
Mrs. Sandhya Katyal	Daughter
Mr. Ravinder Kumar Mehta	Managing Director
Mrs. Usha Mehta	Wife
Mrs. Ekta Dewan	Daughter
Mrs. Sarika Dhanda	Daughter
Mr. Varun Mehta	Son
Mr. S.M.Mehta	Brother
Mr. S.K.Mehta	Brother
Mr. K. C. Chawla	Whole Time Director
Mrs. Savita Chawla	Wife
Mrs. Deepti Kumar	Daughter

## b) Entities over which key management personnel and their relatives are able to exercise significant influence.

- i) Forerunner Capital Investments Limited
- ii) Green Systems Limited
- iii) Mehta Engineers Limited
- iv) Omax Bikes (P) Limited
- v) Omax Fusions Limited
- vi) Vishal Engineers
- vii) Autotech Components (P) Ltd
- viii) J.K. Mehta (HUF)
- ix) R.K. Mehta (HUF)
- x) S.K. Mehta (HUF)
- xi) S.M. Mehta (HUF)
- xii) Gurgaon Energy & Infrastructure Ltd.
- xiii) Haridwar Estates Pvt. Ltd.
- xiv) B.G.J.C & Associates
- xv) Gmax Auto Ltd.

## 2) The following transactions were carried out with related parties in the ordinary course of business and on arms length basis.

₹ in lac

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>Purchase of Goods from Associate Parties</b>		
Omax Fusion Ltd.	6.15	6.88
Mehta Eng. Ltd.	1,514.31	1,494.68
Autotech Components P Ltd.	2,060.14	2,002.36
Green Systems Ltd.	-	12.60
<b>Sale of Goods incl Jobwork to Associate Parties</b>		
Omax Fusion Ltd.	1.43	1.05
Autotech Components P Ltd.	0.01	0.50

₹ in lac

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>Sale of Fixed Assets to Associate Parties</b>		
Gmax Auto Ltd- Subsidiary	959.36	-
<b>Interest Recd. From Associate Parties</b>		
Omax Fusion Ltd.	2.65	7.93
Mehta Eng. Ltd.	3.14	3.14
<b>Rent Paid (Relatives of Key Management Personnel)</b>		
Mrs. Kiran Mehta	38.00	36.49
Omax Fusion Ltd.	13.75	28.00
<b>Consultancy Charges (Associates Party)</b>		
B.G.J.C & Associates	30.00	8.27
<b>Advance recovered against Purchase of Land (to Associate Party)</b>		
Haridwar Estates Pvt. Ltd.	436.00	85.00
<b>Loans/Advance paid to Associate Parties</b>		
Mehta Eng. Ltd.	-	100.00
<b>Loans/Advance recovered from Associates Party</b>		
Omax Fusion Ltd.	18.85	35.92
Mehta Eng. Ltd.	-	100.00
<b>Dividend</b>		
Key Management Personnel	53.68	40.04
Relatives of Key Management Personnel	22.74	18.88
Associate Parties	113.84	85.38
<b>Directors Remuneration &amp; Perks</b>		
Director's remuneration	165.81	157.01
Director's Commission	13.00	5.00

(o) **Segment Reporting:**

The company is primarily engaged in the business of Auto Components for Two Wheeler and Four wheeler industry, which are governed by the same set of risk and returns. As the company's business activity falls within a single primary business segment, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by The Institute of Chartered Accountants of India are not applicable. Exports being less than 10%, Geographical segment reporting is also not required.

(p) **Basic/Diluted EPS**

	For the year ended 31.03.2012	For the year ended 31.03.2011
(i) Net Profit (₹ in lac) available for equity shareholders	2,812.52	2,128.91
(ii) Weighted Average No. of equity shares	21,388,213	21,388,213
(iii) Basic / Diluted Earning per share (₹) (Equity Share of face value of ₹ 10/- each)	13.15	9.95
(iv) Nominal Value of Share (₹)	10.00	10.00

- (q) Previous Year's figures have been regrouped, rearranged & recasted wherever necessary to make them comparable with the current year's figures.
- (r) Figures has been rounded off to the nearest ₹ in lac.
- (s) Accompanying notes to the financial statements are an integral part of the Balance Sheet.
- (t) **Additional information to Balance Sheet 31.03.2012** ₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>Value of Imports on CIF Basis</b>		
Raw Material	764.68	754.26
Capital Goods	228.62	199.36
Consumables	56.20	37.19
<b>Expenditure incurred in foreign currency</b>		
Professional & Technical fees	6.61	3.90
Commission	-	-
Travelling Expenses	9.50	0.41
Export Business Promotion Expenses	8.22	9.08
Freight & packaging	-	-
Testing Charges	11.46	4.37
Warranty claim rejections	13.62	0.56
Segregation Charges	-	0.57
Postage & telegram	0.17	
Books & Periodical	-	0.73
Dividends*	-	-
Clearing & Forward	0.42	
<b>Foreign currency earnings</b>		
FOB Value of Exports	731.12	1243.46

\*All payments are made in ₹.

For and on the behalf of the Board of Directors

As per our report of even date  
For **A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Registration No. : 000182N

**PUSHPENDRA KUMAR BANSAL**  
(Chief Financial Officer)

**JATENDER KUMAR MEHTA**  
(Managing Director)

**A. K GUPTA**  
(Partner)  
M. No. 12765

**SANJEEV KUMAR**  
(Company Secretary)

**KRISHAN CHAND CHAWLA**  
(Whole-time Director)

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**(u) REPORT UNDER AS - 15 (REVISED 2005) AS AT 31<sup>st</sup> MARCH, 2012 IN RESPECT OF GGCA SCHEME  
MP no. 312344**

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>1 Assumptions</b>		
Discount Rate	8.0%	8.0%
Salary Escalation	3%	3%
<b>2 Table showing changes in present value of obligations</b>		
Present value of obligations as at beginning of year	50,747,536	40,837,437
Interest cost	4,059,803	3,266,995
Current Service Cost	5,314,938	4,153,651
Benefits Paid	(5,124,024)	(4,709,947)
Actuarial (gain)/loss on obligations	33,583,322	7,199,400
Present value of obligations as at end of year	88,581,575	50,747,536
<b>3 Table showing changes in the fair value of plan assets</b>		
Fair value of plan assets at beginning of year	48,006,633	37,834,853
Expected return on plan assets	5,457,964	4,239,508
Contributions	30,390,896	10,642,219
Benefits paid	(5,124,024)	(4,709,947)
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	78,731,469	48,006,633
<b>4 Table showing fair value of plan assets</b>		
Fair value of plan assets at beginning of year	48,006,633	37,834,853
Actual return on plan assets	5,457,964	4,239,508
Contributions	30,390,896	10,642,219
Benefits Paid	(5,124,024)	(4,709,947)
Fair value of plan assets at the end of year	78,731,469	48,006,633
Funded status	(9,850,106)	(2,740,903)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	NIL	NIL
<b>5 Actuarial Gain/Loss recognized</b>		
Actuarial gain/(loss) for the year -Obligation	33,583,322	7,199,400
Actuarial gain/(loss) for the year - plan assets	NIL	NIL
Total gain/(loss) for the year	(33,583,322)	(7,199,400)
Actuarial gain/(loss) recognized in the year	(33,583,322)	(7,199,400)
<b>6 The amounts to be recognized in the balance sheet and statements of profit and loss</b>		
Present value of obligations as at the end of year	88,581,575	50,747,536
Fair value of plan assets as at the end of the year	78,731,469	48,006,633
Funded status	(9,850,106)	(2,740,903)
Net Asset/(Liability) recognized in balance sheet	9,850,106	2,740,903
<b>7 Expenses Recognised in statement of Profit &amp; loss</b>		
Current Service cost	5,314,938	4,153,651
Interest Cost	4,059,803	3,266,995
Expected return on plan assets	(5,457,964)	(4,239,508)
Net Actuarial (gain)/loss recognised in the year	33,583,322	7,199,400
Expenses recognised in statement of Profit & loss	37,500,099	10,380,538

The Board of Directors,  
**OMAX Autos Limited**

We have audited the attached consolidated balance sheet of OMAX Autos Limited group, as at 31<sup>st</sup> March, 2012 and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto.

These financial statements are the responsibility of the OMAX Autos Limited's management and have been prepared by the management based on separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material aspects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes

assessing the accounting principles used and 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.

We report that the consolidated financial statements have been prepared by the Omax Autos Ltd.'s management in accordance with the requirements of AS-21 on consolidated financial statement issued by the Institute of Chartered Accountants of India.

Based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) In the case of the consolidated balance sheet, of the state of affairs of OMAX Autos Limited., and its subsidiary as at 31<sup>st</sup> March, 2012;
- b) In the case of the consolidated profit and loss account, of the profit of OMAX Autos Limited ., and its subsidiary as at 31<sup>st</sup> March, 2012;
- c) In the case of the consolidated cash flow statement, of the cash flows of OMAX Autos Limited., and its subsidiary as at 31<sup>st</sup> March, 2012;

For and on behalf of  
**A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Reg No. 000182N

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**(A.K. GUPTA)**  
PARTNER  
M. No. 12765

₹ in lac

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	1	2,138.82	2,138.82
(b) Reserves and surplus	2	18,054.07	15,738.71
(c) Money received against share warrant		-	-
<b>Sub-total</b>		<b>20,192.89</b>	<b>17,877.53</b>
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	3	10,880.88	13,094.86
(b) Deferred tax liabilities (Net)	4	2,109.43	1,664.56
(c) Other Long term liabilities	5	151.92	189.28
(d) Long-term provisions		-	-
<b>Sub-total</b>		<b>13,142.23</b>	<b>14,948.70</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	6	5,481.94	9,087.23
(b) Trade payables	7	16,365.77	14,532.14
(c) Other current liabilities	8	5,862.95	5,508.94
(d) Short-term provisions	9	2,999.03	2,630.61
<b>Sub-total</b>		<b>30,709.70</b>	<b>31,758.91</b>
<b>Total Equity &amp; Liabilities</b>		<b>64,044.82</b>	<b>64,585.15</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
<b>(a) Fixed assets</b>	10		
(i) Tangible assets		32,630.89	29,997.86
(ii) Intangible assets		166.93	79.33
(iii) Capital work-in-progress		909.28	95.55
(iv) Intangible assets under Development		-	-
<b>Sub-total</b>		<b>33,707.10</b>	<b>30,172.74</b>
<b>(b) Non-current investments</b>		-	-
<b>(c) Deferred tax assets (net)</b>		-	-
<b>(d) Long-term loans and advances</b>	11	2,718.58	3,611.39
<b>(e) Other non-current assets</b>	12	317.02	285.03
<b>Sub-total</b>		<b>3,035.60</b>	<b>3,896.42</b>

₹ in lac

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
<b>2. Current assets</b>			
(a) Current investments		-	-
(b) Inventories	13	4,437.85	5,141.10
(c) Trade receivables	14	12,158.04	13,165.61
(d) Cash and cash equivalents	15	4,676.19	5,058.49
(e) Short-term loans and advances	16	6,030.03	7,150.79
(f) Other current assets		-	-
<b>Sub-total</b>		<b>27,302.12</b>	30,515.99
<b>Total Assets</b>		<b>64,044.82</b>	64,585.15
Accompanying notes to the financials statements	17		

For and on the behalf of the Board of Directors

As per our report of even date  
For **A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Registration No. : 000182N

**PUSHPENDRA KUMAR BANSAL**  
(Chief Financial Officer)

**JATENDER KUMAR MEHTA**  
(Managing Director)

**A. K GUPTA**  
(Partner)  
M. No. 12765

**SANJEEV KUMAR**  
(Company Secretary)

**KRISHAN CHAND CHAWLA**  
(Whole-time Director)

Place: Gurgaon  
Date : 28<sup>th</sup> April, 2012

₹ in lac

Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>I. Revenue from operations</b>	A	128,702.27	115,682.13
<b>II. Other income</b>	B	1,072.95	1,539.62
<b>III. Total Revenue (I + II)</b>		129,775.22	117,221.75
<b>IV. Expenses:</b>			
Cost of materials consumed		92,440.42	83,558.01
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(112.05)	(846.49)
Employee benefits expense		13,207.80	11,460.97
Finance costs	C	3,152.90	3,405.41
Depreciation and amortization expense		2,968.16	2,916.50
Other expenses	D	14,425.60	14,106.07
<b>Total expenses</b>		126,082.83	114,600.47
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		3,692.39	2,621.28
VI. Exceptional items		728.00	531.68
VII. Profit before extraordinary items and tax (V + VI)		4,420.39	3,152.95
VIII. Extraordinary Items / Prior period adjustments		(5.38)	(14.03)
<b>IX. Profit before tax (IX- X)</b>		4,415.01	3,138.93
X Tax expense:			
(1) Current tax		1,157.62	944.96
(2) Deferred tax		444.87	65.06
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		2,812.52	2,128.91
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV Profit (Loss) for the period (XI + XIV)</b>		2,812.52	2,128.91
XVI Earnings per equity share:			
(1) Basic / Diluted (refer note no. 17 2(q))		13.15	9.95
<b>Accompanying notes to the financials statements</b>	17		
<b>Particulars</b>		<b>Current Year</b>	<b>Previous Year</b>
<b>Appropriation of profit</b>			
Dividends proposed to be distributed to equity shareholders (₹ in lacs)		427.76	427.76
Tax on Dividend		69.39	71.05
Dividends per Share (₹)		2.00	2.00
Transfer to General Reserve (₹ in lacs)		450.00	200.00
Surplus Carried to Balance Sheet (₹ in lacs)		1,865.37	1,430.10
<b>Total appropriation of profit</b>		2,812.52	2,128.91
As per our report of even date For <b>A. KUMAR GUPTA &amp; CO.</b> Chartered Accountants Firm Registration No. : 000182N <b>A. K GUPTA</b> (Partner) M. No. 12765 Place: Gurgaon Date : 28 <sup>th</sup> April, 2012	For and on the behalf of the Board of Directors <b>PUSHPENDRA KUMAR BANSAL</b> (Chief Financial Officer)  <b>SANJEEV KUMAR</b> (Company Secretary)	<b>JATENDER KUMAR MEHTA</b> (Managing Director)  <b>KRISHAN CHAND CHAWLA</b> (Whole-time Director)	



# Consolidated Cash Flow Statement

for the year ended 31.03.2012



₹ in lacs

	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
(i) <b>Net Profit before Tax &amp; Extraordinary Items</b>	4,415.01	3,138.93
Adjustment for:		
Depreciation	2,968.16	2916.50
(Profit)/Loss on Sale of Fixed Assets	128.69	(360.40)
Interest & other financial charges	3,152.90	3,405.41
	6,249.75	5,961.51
(ii) <b>Operating Profit before Working Capital Changes</b>	10,664.76	9,100.44
Adjustment for:		
Trade & Other Receivable	1,003.99	(553.64)
Inventories	703.25	(1,870.57)
Trade Payables	690.76	5,659.69
Other Payables	566.60	
Loans & Advances	1,711.37	(591.79)
	4,675.97	2,643.68
(iii) <b>Cash Generated from Operations</b>	15,340.73	11,744.12
Direct Taxes Paid	(1,066.58)	(965.91)
(iv) <b>Net Cash Flow from Operating Activities</b>	14,274.15	10,778.21
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(7,358.12)	(3,446.50)
Sale of Fixed Assets	1,170.37	2,404.14
Refund of Capital Advances	436.00	385.00
<b>Net Cash Used in Investing Activities</b>	(5,751.75)	(657.36)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Unsecured Loans	1,112.48	1,000.00
Repayment of Unsecured Loans	(1,000.00)	(3,593.24)
Proceeds from Long term Borrowings	2,035.90	6,601.14
Repayment of Long Term Borrowings	(4,797.84)	(3,957.29)
Bank Overdraft limits/ Demand loan	(2,605.29)	(4,812.13)
Interest & financial charges	(3,152.90)	(3,405.41)
Dividend & Tax	(497.15)	(498.81)
<b>Net cash Used in Financing Activities</b>	(8,904.80)	(8,665.74)
Net Increase/ (Decrease) in Cash	(382.40)	1,455.11
Cash & cash Equivalent as on 01.04.2011	5,058.59	3,603.48
Cash & cash Equivalent as on 31.03.2012	4,676.19	5,058.59

- Notes:** 1. Above Statement has been prepared in Indirect Method  
2. Cash and Cash equivalents consists of Cash in hand and balances with banks

### Auditors' Certificate

We have examined the attached Cash Flow Statement of **OMAX AUTOS LIMITED** for the year ended 31<sup>st</sup> March, 2012. The statement has been prepared by the Company in accordance with the requirements of listing agreement Clause No. 32 and is based on and in agreement with the corresponding Profit & Loss a/c and Balance Sheet of the Company covered by our report of 28<sup>th</sup> April, 2012 to the members of the Company.

For **A. KUMAR GUPTA & COMPANY**  
Chartered Accountants  
Firm Registration No. : 000182N

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**A.K.Gupta**  
(PARTNER)  
M.N. 12765

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 1 : SHARE CAPITAL</b>		
<b>1 Authorised Capital :</b>		
2,65,00,000 (Previous Year 2,65,00,000) Equity Shares of ₹ 10/-each	2650	2650
20,00,000 (Previous Year 20,00,000) Equity Shares of ₹ 10/-each with Differential Voting Rights	200	200
1,50,000 (Previous Year 1,50,000) 12% Optionally Convertible Cumulative Preference Shares of ₹ 100/- each	150	150
<b>TOTAL</b>	<b>3,000</b>	<b>3,000</b>
<b>2 Issued Subscribed and paid up Capital :</b>		
2,13,88,213 (Previous Year 2,13,88,213) Equity Shares of ₹ 10/- each	2,138.82	2,138.82
(Out of the above 1,61,25,000 Equity Shares have been allotted as fully paid-up by way of Bonus Shares by Capitalisation of Share Premium & General Reserve and 78,213 Equity Shares have been allotted as fully paid up in terms of the scheme of amalgamation		
<b>TOTAL</b>	<b>2,138.82</b>	<b>2,138.82</b>
<b>3 Reconciliation of the Opening and Closing Outstanding no. of shares shown</b>	<b>NIL</b>	<b>NIL</b>
Opening No. of Equity Shares (No. of Shares)	2,13,88,213	2,13,88,213
Closing No. of Equity Shares (No. of Shares)	2,13,88,213	2,13,88,213
<b>4 Rights, Preferences and restrictions attaching to each class of shares shown including restrictions on Dividends distribution and Repayment of Capital</b>	<b>NIL</b>	<b>NIL</b>
<b>5 Shares (in aggregate) of each class held by-</b>	<b>NIL</b>	<b>NIL</b>
Its Holding Company		
Ultimate Holding Company		
Subsidiaries		
Associates of the Holding Company		
Associates of the Ultimate Holding Company		
<b>6 Shareholders having more than 5% of the shares shown, specifying the number of Shares</b>		
M/s Forerunner Capital Investments Limited	3894504	3894504
Mr. Jatender Kumar Mehta (No. of Shares)	1304986	1304986
Mr. Ravinder Mehta (No. of Shares)	1364600	1364600
<b>7 Terms and amount of</b>		
Shares reserved for issue under option of control	<b>NIL</b>	<b>NIL</b>
Commitments for the sale of shares/disinvestments.	<b>NIL</b>	<b>NIL</b>
<b>8 For the preceding five years:</b>		
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	<b>NIL</b>	<b>NIL</b>
Aggregate number and class of shares allotted as fully paid Bonus Shares	<b>NIL</b>	<b>NIL</b>
Aggregate number and class of shares bought back	<b>NIL</b>	<b>NIL</b>

₹ in lac

	As at 31.03.2012		As at 31.03.2011	
<b>9 Terms of conversion of securities into equity/preference share capital with earliest date of conversion being shown in descending order starting from the farthest such date</b>	NIL		NIL	
<b>10 Calls unpaid shown as:</b>				
by directors and officers	NIL		NIL	
by others	NIL		NIL	
<b>11 Forfeited Shares shown (amount originally paid up)</b>	NIL		NIL	
<b>NOTE - 2 : RESERVE AND SURPLUS</b>				
<b>(a) Capital Reserves</b>				
Opening Balance :	207.63		207.63	
Add- Addition during the year	-		-	
Less :- Deduction during the year	-		-	
Closing Balance :	207.63	207.63	207.63	207.63
<b>(b) Capital Redemption Reserve;</b>				
Opening Balance :	136.53		136.53	
Add- Addition during the year	-		-	
Less :- Deduction during the year	-		-	
Closing Balance :	136.53	136.53	136.53	136.53
<b>(c) Securities Premium Reserve;</b>				
Opening Balance :	1,568.00		1,568.00	
Add- Addition during the year	-		-	
Less :- Deduction during the year	-		-	
Closing Balance :	1,568.00	1,568.00	1,568.00	1,568.00
<b>(d) General Reserves -</b>				
Opening balance	10,745.90		10,437.42	
Add :Current Year Hedge Reserve Account	-		108.48	
Add : Transfer from Profit & Loss A/c	450.00	11,195.90	200.00	10,745.89
<b>e) Surplus i.e Profit</b>				
Opening balance	3,080.65		1,650.56	
Add : Net profit after tax for the year	2,812.52		2,128.91	
	5,893.17		3,779.47	
<b>Appropriation of profit -</b>				
Dividend proposed to be distributed to equity shareholders @ 2/- per share	427.76		427.76	
Tax on Dividend	69.39		71.05	
Transfer to General Reserve	450.00		200.00	
	947.16		698.81	
Surplus closing balance	4,946.01	4,946.01	3,080.66	3,080.66
	18,054.07		15,738.71	

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 3 : LONG TERM BORROWINGS*</b>		
(a) Bonds/debentures	—	—
(b) Term Loans		
— from Banks (Secured)		
— United Bank of India-II	—	319.67
— United Bank of India-III	1,877.20	2,561.20
— Royal Bank of Scotland	120.00	600.00
— ICICI Bank Ltd.	1,095.16	1,825.26
— DBS Bank Ltd.	1,735.71	3,000.00
— Standard Chartered Bank	3,037.69	2,015.31
— from Banks (Unsecured)		
— Kotak Mahindra Bank Ltd	186.80	205.27
— from Other Parties		
— Tata Capital Ltd (Secured)	1,157.53	1,821.67
— A.G. Industries Pvt Ltd (Unsecured)	1,138.95	- 12,348.38
(c) Deferred payment liabilities		
Sales Tax Deferment	498.51	680.48
Vehicle Loan- Secured		
— from IndusInd Bank Ltd.	7.61	33.23
— from TATA Capital Ltd.	25.72	32.78
	<b>10,880.88</b>	<b>13,094.86</b>

\*Long-Term Borrowings - No amount of default as on the balance sheet date in repayment of loans and interest.

- (a) Term Loan II & III from United Bank of India are secured by way of first charge/mortgage by deposit of title deeds of Land & Building of Speedomax Plant & Bangalore Plant and hypothecation of other moveable fixed assets of these plants. Further hypothecation charge on plant and machinery and other moveable fixed assets of ₹ 6.82 crore installed at Manesar plant. TL II is bearing 12.35% P.A interest and finally repayable by Aug. 2012 in two remaining installements of avg. ₹ 160 lac each. TL-III is bearing 13.35% P.A interest and finally repayable by Oct. 2015 in fifteen remaining installements of avg. ₹ 171 lac each.
- (b) Term Loan from Royal Bank of Scotland is secured by way of first charge/mortgage by deposit of title deeds of Land & Building of Corporate Office at Sec.-32, Gurgaon and deposit of title deeds of institutional plot no. 2 situated at Faridabad. Term Loan is bearing 10.35% P.A interest and finally repayable by Aug. 2013 in six remaining installements of avg. ₹ 100 lac each.
- (c) Fully hedged ECB Term Loan from ICICI Bank Ltd. is secured by way of first charge/mortgage by deposit of title deeds of Land & Building of Dharuhera Plant and hypothecation of other movable assets both present and future. Term Loan is bearing 9.85% P.A interest and finally repayable by June 2014 in five remaining installements of avg. ₹ 365 lac each.
- (d) Term Loan from DBS Bank Limited is secured by way of first charge /mortgage by deposit of title deed of Land & Building of Sprocket Plant and hypothecation of other moveable fixed assets of Sprocket Plant and Bawal Plant. Term Loan is bearing 11.50% P.A interest and finally repayable by March 2016 in sixteen installements beginning from June 2012 of avg. ₹ 113 lac each.
- (e) Fully hedged ECB Term Loans from Standard Chartered Bank is secured by deposit of title deed of Land & Building of Manesar plant & hypothecation of other moveable assets except hypothecation charge on plant & machinery and other moveable fixed assets of ₹ 6.82 crore installed at Manesar plant and financed by United bank of India under their Term Loan III. Term Loan is bearing 10.25% P.A interest and finally repayable by March 2016 in sixteen installements beginning from June 2012 of avg. ₹ 253 lac each.
- (f) Term Loan from Kotak Mahindra Limited is based on Escrow of receivables of Hero Moto Corp Ltd from Speedomax Unit of Omax Autos Ltd. Term Loan is bearing average 12.55% P.A interest and finally repayable by November 2013 in twenty remaining installements of avg. ₹ 35 lac each.
- (g) Term Loan from TATA Capital Limited is secured by way of exclusive charge on all the present and future fixed assets ( excluding land & building ) of Lucknow project and negative lien on the building/ super structure created on the land covered under term loan and equitable mortgage by deposit of title deed of Sector-44, institutional plot, Gurgaon and hypothecation of receivables of Lucknow plant in respect of supply to TATA Motor Ltd. Term Loan is bearing 11.50% P.A interest and finally repayable by December 2014 in eleven remaining installements of avg. ₹ 166 lacs each.
- (h) Sales Tax Deferment is fully secured by way of bank guarantees issued by bank. This is interest free and finally repayable by Jan. 2017 in ramaning fifty four installments of avg. ₹ 13 lacs each.
- (i) Vehicle Loans are secured by way of hypothecation charge. IndusInd Bank loan is bearing 6.50% p.a interest and finally repayable by Feb. 2014 in remaining 23 monthly installments of avg. ₹ 1.45 lacs each. TATA Capital loan is bearing 10.50% p.a interest and finally repayable by Feb. 2016 in remaining 47 monthly installments of avg. ₹ 0.75 lacs each.

₹ in lac

	As at 31.03.2012		As at 31.03.2011	
<b>NOTE - 4 : DEFERRED TAX LIABILITIES (NET)</b>				
<b>Deferred Tax Liability</b>				
Opening Balance	1,664.56		1,599.50	
Add : Deferred Tax Liab. for the Year (Ref. to Note No. 17 2(g))	444.87	2,109.43	65.06	1,664.56
		2,109.43		1,664.56
<b>NOTE - 5 : OTHER LONG TERM LIABILITIES</b>				
<b>Trade Payables</b>				
Others				
Securities from business Customers / Contractors etc	66.92		116.03	
Securities from Employees	85.00		73.25	
		151.92		189.28
<b>NOTE - 6 : SHORT-TERM BORROWINGS*</b>				
<b>Working Capital Loans</b>				
(a) Loans repayable on demand				
— from Banks (Secured)				
— State Bank of India	-		947.82	
— Canara Bank	-		-	
— Citi Bank	403.04		1,554.00	
— Standard Chartered Bank	302.10		-	
— Royal Bank of Scotland.	-		-	
— HDFC Bank Ltd	1,466.52		-	
- The Hongkong & Shanghai Banking Corporation Ltd.	68.09	2,239.75	1,000.00	3,501.82
- Canara bank-Overdraft Against FDR's		3,242.19		4,585.41
— from Banks (Unsecured)				
— IndusInd Bank Ltd	-		1,000.00	
		5,481.94		9,087.23
*Short Term Borrowings - No amount of default as on the balance sheet date in repayment of loans and interest.				
Working Capital Loans from Banks are secured by way of hypothecation of stock & book debts and further secured by second pari passu charges on fixed assets of Lucknow, Dharuhera, Bangalore, Speedomax, Sprocket and Manesar unit.				
Overdraft Against FDR's are secured by by way of pledge of Company FDR's worth ₹ 3506 lacs.				
<b>NOTE - 7 : TRADE PAYABLES</b>				
<b>Trade Payable</b>				
Micro Small & Medium Enterprises's (Refer Note No. 17 2 (d))	-		-	
Others	16,365.77	16,365.77	14,532.14	14,532.14
		16,365.77		14,532.14

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 8: OTHER CURRENT LIABILITIES*</b>		
(a) Current maturities of long-term debt;		
— from Banks (Secured)		
— United Bank of India-II	319.66	667.06
— United Bank of India-III	684.00	681.47
— Royal Bank of Scotland.	480.00	660.00
— ICICI Bank Ltd.	730.10	730.10
— DBS Bank Ltd.	64.29	-
— Standard Chartered Bank	1,012.52	-
— from Banks (Unsecured)		
— Kotak Mahindra Bank Ltd	518.47	417.24
— from Other Parties		
— Tata Capital Ltd (Secured)	664.14	608.92
<b>Deferred payment liabilities</b>		
Sales Tax Deferment	181.97	312.22
<b>Vehicle Loan</b>		
— from IndusInd Bank Ltd.	25.62	13.75
— from TATA Capital Ltd.	7.06	6.07
(b) Current maturities of finance lease obligations;		
(c) Interest accrued but not due on borrowings; (Interest Payable)	46.24	40.58
(d) Interest accrued and due on borrowings;	-	-
(e) Income received in advance;	-	-
(f) Unpaid dividends	32.37	37.86
(g) Application money received for allotment of securities and due for refund and interest accrued thereon.	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables -		
Direct Tax Payables	98.94	78.43
Indirect Tax Payables	160.35	346.54
Chairman Commission payable	11.70	3.46
Other Liabilities	788.36	841.62
Advances from Customers	37.16	63.63
	<b>5,862.95</b>	<b>5,508.94</b>
*Other Current Liabilities - No amount of default as on the balance sheet date in repayment of loans and interest.		
<b>NOTE - 9: SHORT-TERM PROVISIONS</b>		
(a) Provision for employee benefits.	1,343.72	1,186.84
(b) Others		
Provision for Taxation	1,157.62	944.96
Proposed Dividend	427.77	427.76
Provision for Dividend Distribution Tax	69.39	71.05
	<b>2,999.03</b>	<b>2,630.61</b>

₹ in lac

## NOTE - 10 : FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2011	ADDITIONS	SALE / TRANSFER	TOTAL AS ON 31.03.2012	AS ON 01.04.2011	FOR THE YEAR	ADJUSTMENT DURING THE YEAR 31.03.2012	UP TO 31.03.2012	AS ON 31.03.2012	AS ON 31.03.2011
LAND	2,656.92	1,355.93	0.00	4,012.85	0.00	0.00	0.00	0.00	4,012.85	2,656.92
BUILDING	11,884.22	242.85	0.00	12,127.08	1,810.74	371.49	0.00	2,182.24	9,944.83	10,073.48
PLANT & MACHINERY	25,850.35	3,540.72	(697.89)	28,693.17	10,962.30	1,753.63	(445.28)	12,270.65	16,422.53	14,888.05
DIES & TOOLS	3,475.90	343.55	(73.09)	3,746.36	2,920.19	330.04	(38.96)	3,211.27	535.09	555.71
FURNITURE & FIXTURE	3,178.74	199.39	(62.03)	3,316.11	2,220.95	245.30	(54.79)	2,411.46	904.66	957.80
OFFICE EQUIPMENTS	474.80	32.27	0.00	507.07	324.52	42.57	0.00	367.10	139.97	150.27
COMPUTER & OTHER EQUIPMENTS	667.39	98.50	(1.12)	764.77	516.94	71.12	(0.62)	587.43	177.33	150.45
VEHICLES	985.30	77.45	(124.09)	938.66	420.12	103.76	(78.86)	445.02	493.64	565.18
INTANGIBLE ASSET	598.84	137.83	0.00	736.67	519.51	50.24	0.00	569.75	166.93	79.33
<b>TOTAL</b>	<b>49,772.45</b>	<b>6,028.49</b>	<b>(958.22)</b>	<b>54,842.72</b>	<b>19,695.27</b>	<b>2,968.15</b>	<b>(618.51)</b>	<b>22,044.92</b>	<b>32,797.82</b>	<b>30,077.19</b>
Previous Year	47,886.45	5,036.39	(3,150.38)	49,772.46	17,885.41	2,916.50	(1,106.64)	19,695.27	30,077.18	30,001.04

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 11 : LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured considered good;</b>		
(a) Capital Advances;	<b>1,384.00</b>	1,827.46
— to related party- Haridwar Estate (P) Ltd.	<b>1,087.20</b>	1,523.20
— to Others		
(b) Security Deposits;	<b>234.96</b>	230.65
(c) Loans and advances to related parties		
— Omax Fusion Ltd	<b>12.42</b>	30.08
(d) Other loans and advances:	-	-
	<b>2,718.58</b>	3,611.39
<b>NOTE - 12 : OTHER NON-CURRENT ASSETS</b>		
<b>Unsecured considered good;</b>		
(i) Long Term Trade Receivables	-	-
(ii) Preliminary Expenses (company's incorporation expenses to the extent not written off)	<b>1.37</b>	
(iii) Others		
- Fixed Deposits with bank against BG / as Security	<b>315.665</b>	285.03
	<b>317.02</b>	285.03
<b>NOTE - 13 : INVENTORIES</b>		
<b>Inventories (as valued and certified by the management)</b>		
(a) Raw materials and Components;	<b>2,025.41</b>	2,829.65
(b) Work-in-progress;	<b>1,236.20</b>	1,312.28
(c) Finished goods;	<b>776.48</b>	575.13
(d) Stores and spares;	<b>299.74</b>	264.94
(e) Others - Scrap	<b>100.02</b>	113.24
<b>Goods-in-transit</b>		
Raw materials;	-	45.86
	<b>4,437.85</b>	5,141.10
The valuation of Stock is as per Accounting Standard on "Valuation of Inventories" (AS-2) issued by the Institute of Chartered Accountants of India.		
- Stores & spares parts and loose tools are stated at cost.		
- Raw material & components, finished goods and work in progress are valued at cost or net realisable value whichever is lower.		
- Scrap is valued at net realisable value.		



₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>NOTE - 14 : TRADE RECEIVABLES</b>		
Trade Receivable (Unsecured)		
- <b>Outstanding and overdue over six months</b>		
Considered Good	125.31	60.29
Considered Doubtful	188.53	394.05
	313.84	454.34
Less : Allowance for Doubtful Debts.	188.53	394.05
	125.31	60.29
- <b>Other receivable (unsecured)</b>		
Considered Good	12,032.72	13,105.32
	12,158.04	13,165.61
	12,158.04	13,165.61
<b>NOTE - 15 : CASH AND CASH EQUIVALENTS</b>		
<b>Cash and cash equivalents</b>		
(a) Balances with Scheduled banks;		
— In Current account	113.09	210.19
— In Cash Credit Account	103.85	228.12
(b) Cheques, drafts in hand;	-	227.54
(c) Cash in hand;	10.62	37.52
(d) Others-		
Fixed Deposits		
(i) Fixed Deposit more than 12 months maturity	181.18	29.28
(ii) Fixed Deposits under lien with bank against OD limit.	3,506.09	3,381.12
(ii) Fixed Deposits Pledged with bank against LC	83.72	245.14
(iii) Other Fixed Deposits	520.72	593.94
(iii) Interest accrued	124.54	67.79
<b>Unpaid dividend</b>	32.37	37.86
	4,676.19	5,058.49
<b>NOTE - 16 : SHORT-TERM LOANS AND ADVANCES</b>		
<b>Short-term loans and advances (unsecured, considered good)</b>		
(a) Loans and advances to wholly owned subsidiary	-	-
(b) Others		
Export Incentines	277.03	727.01
Gratuity Recoverable	10.02	13.00
Insurance claim recoverable	18.57	3.37
Excise Balances	782.39	1,390.15
Sales Tax Receivables	54.81	84.36
Advance Tax & TDS	1,438.26	1,293.39
Advance to Vendor (against supply/services)	3,101.43	3,566.98
Others	347.52	72.53
	6,030.03	7,150.79

₹ in lac

**NOTE : A**

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
Sale of products	135125.04	122016.42
Sale of services	2,036.53	502.17
Wind Power Project Revenue	0.03	-
Other operating revenues (Note A1)	4,291.84	4,480.59
Less:		
Excise duty	(12751.17)	(11317.05)
<b>Total</b>	<b>128,702.27</b>	<b>115,682.13</b>

**NOTE A1 : OTHER OPERATING REVENUES**

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
Sale of Raw Material & Other Sale	813.31	1,676.27
Sale of Scrap	3,229.41	2,320.02
Incentive on Export	249.12	484.30
	4,291.84	4,480.59

**NOTE B : OTHER INCOME**

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
Interest Income	682.28	753.22
Profit from Sale of Fixed Asset.	24.95	292.46
Cash Discounting	104.15	126.91
Prov. for doubtful debts written back	190.73	-
Other Income	70.84	367.02
<b>Total</b>	<b>1,072.95</b>	<b>1,539.61</b>

**NOTE - C : FINANCE COSTS**

(a) Interest expense;		
— Interest to banks	2,177.95	2,607.28
— Cash Discounting Charges	610.36	417.04
(b) Other borrowing costs;	89.42	93.48
(c) Currency (gain) / loss	275.17	287.61
<b>Total</b>	<b>3,152.90</b>	<b>3,405.41</b>

## NOTE : D

₹ in lac

Additional information regarding aggregate expenditure and income of following items	Ref. No.	For the year ended 31.03.2012	For the year ended 31.03.2011
(a) Employee Benefits Expense : (i) salaries and wages, (ii) contribution to provident and other funds, (iii) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), (iv) staff welfare expenses	Note-a	13,207.80	11,460.97
(b) Depreciation and amortization expense;		2968.16	2,916.50
(c) Interest Income;		682.28	753.23
(d) Interest Expense;		-	-
(e) Dividend Income;		-	-
(f) Net gain/ loss on sale of investments;		-	-
(g) Adjustments to the carrying amount of investments;		-	-
(h) Net gain or loss on foreign currency transaction and translation (incl. In Other income / Other exp.)		35.86	(22.83)
(i) Payments to the auditor as			
a. auditor,		5.00	4.50
b. for taxation matters ( Tax Audit),		2.00	1.50
c. for company law matters,		-	-
d. for management services,		-	-
e. for other services,		1.00	1.00
f. for reimbursement of expenses;		2.52	1.62
(j) Details of items of exceptional and extraordinary nature;	Note-b	728.00	531.68
(k) Prior period items;	NOte-c	5.38	14.03
(l) In the case of manufacturing companies,-	Note-d-1,		
(1) Raw materials under broad heads	2,3,4,a1		
(2) Goods purchased under broad heads			
(3) Goods sold under broad heads			
(4) Works-in-progress under broad heads			
(m) (a) The aggregate of amounts set aside to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance-sheet is made up.		450.00	200.00
(b) The aggregate of any amounts withdrawn from such reserves.		-	-
(c) The aggregate, if material, of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.		-	-

Additional information regarding aggregate expenditure and income of following items	For the year ended 31.03.2012	For the year ended 31.03.2011
(d) The aggregate, if material, of the amounts withdrawn from such provisions, as no longer required.	-	-
(n) Expenditure incurred on each of the following items, separately for each item:-		
(a) Consumption of stores and spare parts.	<b>3,532.79</b>	3,066.13
(b) Power and fuel.	<b>3,068.44</b>	3,190.86
(c) Rent.	<b>106.74</b>	84.16
(d) Repairs to buildings.	<b>64.63</b>	58.79
(e) Repairs to machinery.	<b>840.76</b>	701.80
(f) Insurance	<b>158.57</b>	151.17
(g) Rates and taxes, excluding, taxes on income.	<b>24.26</b>	26.01
(h) Outside Job work Expenses	<b>1,716.49</b>	1,630.60
(i) Packing Material Consumed	<b>1,074.67</b>	1,171.90
(j) Loss on Sale of Fixed Assets	<b>153.64</b>	463.74
(k) Provision for doubtful debts	<b>195.09</b>	(8.91)
(l) Other admin and Selling expenses,	<b>3,489.51</b>	3,569.82
<b>Total</b>	<b>14,425.59</b>	14,106.07

₹ in lac

Additional information regarding aggregate expenditure and income of following items	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - a : EMPLOYEE BENEFIT EXPENSE</b>		
(a) Salaries and incentives	12,466.43	10,682.17
(b) Contributions to -		
(i) Provident fund & Other Funds	331.88	306.41
(ii) Superannuation scheme	6.28	6.72
(c) Gratuity fund contributions	180.96	130.46
(d) Social security and other benefit plans for overseas employees	-	-
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-	-
(f) Staff welfare expenses	56.45	178.21
(g) Directors Remuneration & Perks	165.80	157.01
<b>Total</b>	<b>13,207.80</b>	<b>11,460.97</b>

₹ in lac

Additional information regarding aggregate expenditure and income of following items	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - b : EXCEPTIONAL INCOME</b>		
Sale Consideration (a)		1,301.05
Cost of the assets sold		805.98
Less: Accumulated Book Depreciation		-36.61
Book Value Net		769.37
Expenses Incidental to sale		-
Total cost of sale (b)		769.37
Maturity amount of Key Man Insurance from LIC	728.00	
<b>Net Profit</b>	<b>728.00</b>	<b>531.68</b>

₹ in lac

Additional information regarding aggregate expenditure and income of following items	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>NOTE - c : EXTRAORDINARY ITEMS/PRIOR PERIOD ADJUSTMENTS</b>		
(i) Short Provision for Taxation & other items pertain to previous year	4.79	1.19
(ii) Others	0.59	12.84
<b>Total</b>	<b>5.38</b>	<b>14.03</b>

**NOTE : d1**

₹ in lac

Additional information regarding aggregate expenditure and income of following items	For the year ended 31.03.2012 Consumption	For the year ended 31.03.2011 Consumption
<b>Raw Material</b>		
SHEET	15,568.44	13,956.93
TUBE	12,297.39	11,413.02
BOUGHT OUT PARTS	59,163.39	52,570.87
PAINT	3,388.23	3,778.36
ELECTROPLATING	1,913.35	1,794.14
Others	109.62	44.69
<b>Total</b>	<b>92,440.42</b>	<b>83,558.01</b>

**NOTE : d2**

₹ in lac

Additional information regarding aggregate expenditure and income of following items	For the year ended 31.03.2012 Purchase	For the year ended 31.03.2011 Purchase
<b>Raw Material</b>		
SHEET	15,388.78	14,092.03
TUBE	12,167.70	11,580.97
BOUGHT OUT PARTS	58,658.29	53,222.69
PAINT	3,384.22	3,785.13
ELECTROPLATING	1,912.34	1,790.60
Others	78.99	69.74
<b>Total</b>	<b>91,590.32</b>	<b>84,541.16</b>

**NOTE : d3**

₹ in lac

Additional information regarding aggregate expenditure and income of following items	For the year ended 31 March	Sale Values	Cls Inventory**	Opening Inventory**
<b>Manufactured goods</b>				
Finished goods -Assembleing of Long Member, ASSY OUTRIGGE, Gear Box Gusset, Piston Rod etc	<b>2012</b>	<b>26,711.28</b>	<b>331.131</b>	<b>175.45</b>
	2011	20,048.49	175.45	68.62
Home appliances	<b>2012</b>	<b>8,706.59</b>	<b>103.55</b>	<b>51.12</b>
	2011	9,672.80	51.12	16.42
GREEN TOILET,ACCESS DOOR etc	<b>2012</b>	<b>453.35</b>	<b>38.32</b>	<b>131.40</b>
	2011	130.78	131.40	4.41
Frame Body, Chain case, Breaks, Sprocket, Handle, SPD & other two wheeler parts	<b>2012</b>	<b>92,830.04</b>	<b>303.48</b>	<b>217.16</b>
	2011	85,830.10	217.16	125.86
<b>Total</b>	<b>2012</b>	<b>128,701.26</b>	<b>776.48</b>	<b>575.13</b>
	2011	115,682.17	575.13	215.31

\*\* includes provision of excise duty

**NOTE : d4**

₹ in lac

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
Work in Progress		
Finished goods -Assembleing of Long Member, ASSY OUTFRIGGE, Gear Boox Gusset, Piston Rod etc	458.24	571.31
Home appliances	121.11	137.86
Green Toilet, Access Door etc	41.94	56.47
Frame Body, Chain case, Breaks, Sprocket, Handle, SPD & other two wheeler parts	614.91	546.64
<b>Total</b>	<b>1,236.20</b>	<b>1,312.28</b>

**NOTE - a1**

Value of raw material and stores (including components, spares &amp; packing material consumed)

₹ in lac

Class of Goods	Classification	Current Year 31.03.2012		Previous Year 31.03.2011	
		%	Value	%	Value
Sheet	Imported	0.83	129.46	1.58	219.85
	Indigenous	99.17	15,438.98	98.42	13,737.08
Tube	Imported	0.69	85.37	0.14	16.37
	Indigenous	99.31	12,212.02	99.86	11,396.65
Bought out Goods	Imported	0.93	549.85	0.99	518.04
	Indigenous	99.07	58,613.55	99.05	52,052.83
Paints	Imported	-	-	-	-
	Indigenous	100.00	3,388.23	100.00	3,778.36
Electroplating	Imported	-	-	-	-
	Indigenous	100.00	1,913.35	100.00	1,794.14
Others	Imported	-	-	-	-
	Indigenous	100.00	109.62	100.00	44.69
Consumables store, tools & packing material	Imported	1.22	56.20	0.88	37.19
	Indigenous	98.78	4,551.26	99.12	4,200.84
			<b>97,047.89</b>		<b>87,796.04</b>

**NOTE- 17**

**1. SIGNIFICANT ACCOUNTING POLICIES :**

**(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The Financial Statements are prepared on accrual basis of accounting under the historical cost convention, in accordance with the mandatory applicable accounting standards issued by The Institute of Chartered Accountants of India and the relevant presentational requirements of the Company Act, 1956.

**(b) REVENUE RECOGNITION :**

The revenue from sale of products is recognised at the point of dispatches of finished goods to the customers.

Export benefits are accounted on an accrual basis.

Interest income is recognised on proportionate basis inclusive of tax deducted at source thereon.

**(c) FIXED ASSETS :**

Fixed assets are stated at cost of acquisition including installation cost. Cost of Acquisition is inclusive of freight, taxes, duties, insurance, interest and other incidental expenses, net of cenvat credits, wherever applicable .

**(d) INTANGIBLE ASSETS :**

Intangible Assets are amortised using Straight Line Method @ 25% p.a as per AS-26 on "Intangible Assets" issued by The Institute of Chartered Accountants of India.

**(e) DEPRECIATION :**

Depreciation on all the fixed assets is provided on pro rata basis by using the straight-line method at rates on double shift basis and Single shift basis for Omax & Gmax respectively, wherever applicable, in the manner specified in Schedule XIV of the Companies Act, 1956 except in the case of the following assets where depreciation rate is provided at rates indicated against each asset:

Name of assets	Dep. Rates	
	GMAX (Single Shift)	OMAX (Double Shift)
Dies, Tools & Fixtures		33.33%
Rack, Bins & Trollies		20.00%
Computer	6.21%	25.00%
Computer Software		25.00%
Furniture & Fixture	6.33%	10.00%
Office Equipment	6.33%	10.00%
Vehicle		12.00%
Solar Plant		4.75%
Wind Turbine Generator		5.28%

**(f) VALUATION OF INVENTORIES :**

The valuation of Stock is as per Accounting Standard on "Valuation of Inventories" (AS-2) issued by the Institute of Chartered Accountants of India.

Stores & spares parts and loose tools are stated at cost.

Raw material & components, finished goods and work in progress are valued at cost or net realisable value whichever is lower.

Scrap is valued at net realisable value.

**The basis for determining the cost of various inventories are as under**

Raw material & Stores Tools                      At yearly weighted average cost.

Work in Progress                                      Material cost plus appropriate portion of labour and production overheads.

Finished Goods & Goods in transit              At cost or net realisable value whichever is less.

Finished Goods and Scrap are inclusive of Excise Duty thereon.



**(g) INVESTMENTS :**

Current Investment are carried at the lower of cost and quoted/fair value, computed category wise. Long term Investment are stated at cost . Provision for diminution in the value of long term Investment, if any, is made only if such a decline is other than temporary in the opinion of management.

**(h) INSURANCE CLAIMS :**

Insurance claims receivable are accounted for depending on the certainty of receipts and are being credited to the respective heads of expenses.

**(i) FOREIGN CURRENCY TRANSACTIONS :**

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of transaction. Exchange differences arising on foreign currency transaction settled during the year are recognized in the Profit & Loss Account for the year.

All the Monetary items denominated in foreign currency outstanding at the year end are translated at exchange rates prevailing on the date of balance sheet. The resulted exchange difference whether any income or expenses on account of exchange difference either on settlement or on translation are recognised in Profit & Loss Account for the year.

In case of Forward contracts, the differences between the forward rate and the exchange rate on the date of the transaction is recognized in the Profit & loss Account for the year.

**(j) BORROWING COSTS :**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets of new projects are capitalised as part of the cost of such assets.

A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**(k) TAXATION :**

Provision for Income Tax (current tax ) is made on the basis of result of the year at the current rate of tax in accordance with Income Tax Act, 1961. Deferred tax reflect the timing difference of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively impact of current year timing difference between taxable income and enacted at the balance sheet date as per AS-22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the profit and loss account in the year of change. Deferred tax assets arising from temporary timing difference are recognised to the extent there is a reasonable certainty that the assets can be realised in the future.

**(l) IMPAIRMENT OF ASSETS :**

At each Balance Sheet date, the company reviews, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceed its recoverable amount an impairment loss is recognised in the Profit & Loss account to the extent the carrying amount exceeds the recoverable amount.

**(m) RETIREMENT BENEFITS :**

Liabilities in respect of retirement benefits to employees are provided for as follows:

**(i) Defined Benefit Plans**

Gratuity Liability is computed on the basis of premium paid to LIC of India as per actuarial valuation under Projected Unit Credit Method.

**(ii) Defined Contribution Plans**

Liability for superannuation fund on the basis of the premium paid to LIC of India in respect of employees covered under Superannuation Fund Policy. Provident fund & ESI on the basis of actual liability accrued and paid to authority.

**(iii) Provision for due earned leaves**

Provisions are determined using Projected Unit Cost method, with actuarial valuation being carried out at Balance Sheet date. Actual gain / loss arising after such valuation are charged to profit & loss account in the year in which earned leaves are settled.

2. NOTES TO THE ACCOUNTS

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>(a) Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>(i) Contingent Liabilities</b>		
(A) Claims against the company not acknowledged as debt		
(i) Excise & Service Tax matters	423.70	366.20
(ii) Sale Tax	30.96	4.51
(iii) Income Tax	62.30	-
(B) Outstanding Guarantees issued by bank	20.30	89.17
(C) Other money for which the company is contingently liable		
(i) Letter of credits	-	395.19
(ii) Bills discounted	-	1,000.00
<b>(ii) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,591.98	424.12
(ii) Uncalled liability on shares and other investments partly paid	-	-
<b>(b) Other commitments</b>	-	-

(c) The Company had entered in to a Swap transaction of amount in INR into amount in USD. The outstanding amount as on 31<sup>st</sup> March 2012 is NIL (₹ 1140.35 lac Previous Year) and in USD NIL (USD 25.54 lac Previous Year). At the end of 31<sup>st</sup> March 2012 no outstanding remain in this regards. The actual loss/ gain has account for under "Financial Cost" as Currency loss/gain.

(d) Enterprises covered under the Micro, Small & Medium Enterprises Development Act 2006 have been identified by the company on the basis of information available. There is no outstanding balance payable more than the period stipulated in the said Act.

**(e) Computation of Net Profit in Accordance with Section 198 of the Companies Act,1956.**

₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
Profit before tax as per Profit and Loss Account	4,420.39	3,152.96
Add: Directors Remuneration (Including perquisites)	165.81	157.01
Add: (Profit)/Loss on Sale of Fixed Assets (net)	128.69	(360.40)
Add: (Profit)/Loss on sale of investment	-	-
Net Profit as per Section 349 of the Companies Act,1956	4,714.89	2,949.57
Maximum Limit for managerial remuneration to the Directors @ 10% of net profit as above	471.49	294.96
Maximum Limit for commission to non whole time Directors @ 1% of net profit as above	47.15	29.50

## (f) Remuneration and perks paid / payable to Directors :

₹ in lac

	For the year ended 31.03.2012		For the year ended 31.03.2011	
	Mr. Jatender Mehta (Managing Director)	Others (Directors)	Mr. Jatender Mehta (Managing Director)	Others (Directors)
Salary	90.00	55.67	90.00	52.86
Perks	19.06	1.08	11.54	2.61
Commission	-	13.00	-	5.00
Provident Fund	10.80	2.78	10.80	2.59
	<b>119.86</b>	<b>72.53</b>	<b>112.34</b>	<b>63.06</b>

**\*Note :** The total remuneration of Mr. Jatender Kumar Mehta and Mr. Ravinder Mehta had been approved in Annual General Meeting held on 30.09.2010 further the Government of India (Ministry of Company Affairs) has also accorded its approval vide letter no. B03342409/5/2011/CL/VII dated 18<sup>th</sup> April 2011. Further remuneration of Mr. Jatender Kumar Mehta and Mr. Ravinder Mehta have been revised w.e.f. 01.04.2012 with approval of shareholders through postal ballot process on 28<sup>th</sup> March, 2012, present salary (per month) of Mr. Jatender Kumar Mehta is ₹ 12,00,000-1,25,000-17,50,000 and Mr. Ravinder Mehta salary is ₹ 1,50,000/-

## (g) Deferred Tax (AS-22)

The break up of the net deferred tax liability arising on account of timing difference for the year ended 31st March,2012 is as under:

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>Deferred Tax Liability</b>		
Depreciation	342.80	146.43
Others	102.07	(81.37)
<b>Net Deferred tax liability</b>	<b>444.87</b>	<b>65.06</b>

- (h) Gross turnover is net of inter unit transfer of ₹ 8,259.50 lac (Previous Year ₹ 7,228.91 lac)
- (i) Gross turnover includes direct & deemed exports of ₹ 9,671.63 lac (Previous Year ₹ 10,710.72 lac)
- (j) Exceptional Income includes ₹ 728 lac maturity amount of Key Man Insurance Policy from LIC, In previous year, it represents Profit on Sale of Land and Behrampur warehouse.
- (k) The Company incorporated a wholly owned Subsidiary Company on 20th Oct .2011 in the name of "Gmax Auto Ltd.". This subsidiary company is yet to commence business.
- (l) During the current year, Company has installed two 1.25 MW each Wind Turbine Generator in Rajasthan, India which have successfully commissioned and started to generate power.
- m) In the opinion of the Board, any of the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

- n) The manufacturing activities not yet started, hence no profit & loss statement has been prepared. The following expenses incurred during the period has been transferred to Pre-Operative expenses.

(₹ in lac)

Detail of Expenditure	Amount
i) Audit Fees	0.30
ii) Salaries & Wages	2.62
iii) Water, Power & Fuel charges	8.00
iv) Travelling & Conveyance	0.14
v) Recruitment Charges	0.19
vi) Security Charges	2.17
vii) Telephone Expenses	0.03
viii) Misc. Expenses	0.45
ix) Financial Charges	18.34
<b>Total</b>	<b>32.24</b>

- (o) Related Party Disclosure as required under Accounting Standard-18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are given below :

1) Relationship :

a) Key management Personnel & their Relatives :

Mr. Jatender Kumar Mehta	Managing Director
Mrs. Kiran Mehta	Wife
Mr. Devashish Mehta	Son
Mrs. Sakshi Kaura	Daughter
Mrs. Sandhya Katyal	Daughter
Mr. Ravinder Kumar Mehta	Managing Director
Mrs. Usha Mehta	Wife
Mrs. Ekta Dewan	Daughter
Mrs. Sarika Dhanda	Daughter
Mr. Varun Mehta	Son
Mr. S.M.Mehta	Brother
Mr. S.K.Mehta	Brother
Mr. K. C. Chawla	Whole Time Director
Mrs. Savita Chawla	Wife
Mrs. Deepti Kumar	Daughter
Mr. Naresh Tandon	Director
Mrs. Tina Tandon	Wife
Mr. Siddharth Tandon	Son
Ms. Aksitha Tandon	Daughter

b) Entities over which key management personnel and their relatives are able to exercise significant influence.

i) Forerunner Capital Investments Limited	ii) Green Systems Limited
iii) Mehta Engineers Limited	iv) Omax Bikes (P) Limited
v) Omax Fusions Limited	vi) Vishal Engineers
vii) Autotech Components (P) Ltd	viii) J.K. Mehta (HUF)
ix) R.K. Mehta (HUF)	x) S.K. Mehta (HUF)
xi) S.M. Mehta (HUF)	xii) Gurgaon Energy & Infrastructure Ltd.
xiii) Haridwar Estates Pvt. Ltd.	xiv) B.G.J.C & Associates
xv) Gmax Auto Ltd.	

- 2) The following transactions were carried out with related parties in the ordinary course of business and on arms length basis. ₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>Purchase of Goods from Associate Parties</b>		
Omax Fusion Ltd.	6.15	6.88
Mehta Eng. Ltd.	1,514.31	1,494.68
Autotech Components P Ltd.	2,060.14	2,002.36
Green Systems Ltd.	-	12.60
<b>Sale of Goods incl Jobwork to Associate Parties</b>		
Omax Fusion Ltd.	1.43	1.05
Autotech Components P Ltd.	0.01	0.50
<b>Sale of Fixed Assets to Associate Parties</b>		
Omax Fusion Ltd.	-	-
Autotech Components P Ltd.	-	-
Gmax Auto Ltd- Subsidiary	959.36	-
<b>Interest Recd. From Associate Parties</b>		
Omax Fusion Ltd.	2.65	7.93
Mehta Eng. Ltd.	3.14	3.14
<b>Rent Paid (Relatives of Key Management Personnel)</b>		
Mrs. Kiran Mehta	38.00	36.49
Omax Fusion Ltd.	13.75	28.00
<b>Consultancy Charges (Associates party)</b>		
B.G.J.C & Associates	30.00	8.27
<b>Advance Against Purchase of Land (to Associate Parties)</b>		
Haridwar Estates Pvt. Ltd.	-	-
<b>Advance recovered against Purchase of Land (Associates Party)</b>	436.00	85.00
Haridwar Estates Pvt. Ltd.		
<b>Loans/Advance paid to Associates Party</b>		
Mehta Eng. Ltd.	-	100.00
<b>Loans/Advance recovered from Associate Parties</b>		
Omax Fusion Ltd.	18.85	35.92
Mehta Eng. Ltd.	-	100.00
Autotech Components P Ltd.	-	-
<b>Dividend</b>		
Key Management Personnel	53.68	40.04
Relatives of Key Management Personnel	22.74	18.88
Associate Parties	113.84	85.38
<b>Directors Remuneration &amp; Perks</b>		
Key Management Personnel		
Director's remuneration	165.81	157.01
Directors' Commission	13.00	5.00

(p) **Segment Reporting:**

The company is primarily engaged in the business of Auto Components for Two Wheeler and Four wheeler industry, which are governed by the same set of risk and returns. As the company's business activity falls within a single primary business segment, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by The Institute of Chartered Accountants of India are not applicable. Exports being less than 10% ,Geographical segment reporting is also not required.

(q) Basic/Diluted EPS

	For the year ended 31.03.2012	For the year ended 31.03.2011
(i) Net Profit (₹ in lac) available for equity shareholders	2,812.53	2,128.91
(ii) Weighted Average No. of equity shares	21,388,213	21,388,213
(iii) Basic / Diluted Earning per share (₹) (Equity Share of face value of ₹ 10/- each)	13.15	9.95
(iv) Nominal Value of Share (₹)	10.00	10.00

(r) Previous Year's figures have been regrouped, rearranged & recasted wherever necessary to make them comparable with the current year's figures.

(s) Figures has been rounded off to the nearest ₹ in lac.

(t) Accompanying notes to the financial statements are an integral part of the Balance Sheet for the year ended 2011-12.

(u) Additional information to Balance Sheet 31.03.2012

₹ in lac

	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>Value of Imports on CIF Basis</b>		
Raw Material	764.68	754.26
Capital Goods	228.62	199.36
Consumables	56.20	37.19
<b>Expenditure incurred in foreign currency</b>		
Professional & Technical fees	6.61	3.90
Commission	-	-
Travelling Expenses	9.50	0.41
Export Business Promotion Expenses	8.22	9.08
Freight & packaging	-	-
Testing Charges	11.46	4.37
Warranty claim rejections	13.62	0.56
Segregation Charges	-	0.57
Postage & telegram	0.17	
Books & Periodical	-	0.73
Dividends*	-	-
Clearing & Forward	0.42	
<b>Foreign currency earnings</b>		
FOB Value of Exports	731.12	1243.46

\*All payments are made in Indian ₹.

As per our report of even date

For **A. KUMAR GUPTA & CO.**  
Chartered Accountants  
Firm Registration No. : 000182N

**A. K GUPTA**  
(Partner)  
M. No. 12765

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

For and on the behalf of the Board of Directors

**PUSHPENDRA KUMAR BANSAL**  
(Chief Financial Officer)

**SANJEEV KUMAR**  
(Company Secretary)

**JATENDER KUMAR MEHTA**  
(Managing Director)

**KRISHAN CHAND CHAWLA**  
(Whole-time Director)

STATEMENT PURSUANT TO GENERAL EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES, AS AT 31ST MARCH, 2012

Name of Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in subsidiary	Turnover	Profit before Taxation	Proposed Dividend
GMAX AUTO LIMITED	INR	₹ 5.00 Lac	NIL	₹ 1,710.55 Lac	₹ 1,710.55 Lac	NIL	NIL	NIL	NIL

For and on the behalf of the Board of Directors

**PUSHPENDRA KUMAR BANSAL**  
(Chief Financial Officer)

**JATENDER KUMAR MEHTA**  
(Managing Director)

**SANJEEV KUMAR**  
(Company Secretary)

**KRISHAN CHAND CHAWLA**  
(Whole-time Director)

Place : Gurgaon  
Date : 28<sup>th</sup> April, 2012

**REPORT UNDER AS - 15 (REVISED 2005) AS AT 31<sup>st</sup> MARCH, 2012 IN RESPECT OF GGCA SCHEME  
MP no. 312344**

₹ in lac

	As at 31.03.2012	As at 31.03.2011
<b>1 Assumptions</b>		
Discount Rate	8.0%	8.0%
Salary Escalation	3%	3%
<b>2 Table showing changes in present value of obligations</b>		
Present value of obligations as at beginning of year	50,747,536	40,837,437
Interest cost	4,059,803	3,266,995
Current Service Cost	5,314,938	4,153,651
Benefits Paid	(5,124,024)	(4,709,947)
Actuarial (gain)/loss on obligations	33,583,322	7,199,400
Present value of obligations as at end of year	88,581,575	50,747,536
<b>3 Table showing changes in the fair value of plan assets</b>		
Fair value of plan assets at beginning of year	48,006,633	37,834,853
Expected return on plan assets	5,457,964	4,239,508
Contributions	30,390,896	10,642,219
Benefits paid	(5,124,024)	(4,709,947)
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	78,731,469	48,006,633
<b>4 Table showing fair value of plan assets</b>		
Fair value of plan assets at beginning of year	48,006,633	37,834,853
Actual return on plan assets	5,457,964	4,239,508
Contributions	30,390,896	10,642,219
Benefits Paid	(5,124,024)	(4,709,947)
Fair value of plan assets at the end of year	78,731,469	48,006,633
Funded status	(9,850,106)	(2,740,903)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	NIL	NIL
<b>5 Actuarial Gain/Loss recognized</b>		
Actuarial gain/(loss) for the year -Obligation	33,583,322	7,199,400
Actuarial gain/(loss) for the year - plan assets	NIL	NIL
Total gain/(loss) for the year	(33,583,322)	(7,199,400)
Actuarial gain/(loss) recognized in the year	(33,583,322)	(7,199,400)
<b>6 The amounts to be recognized in the balance sheet and statements of profit and loss</b>		
Present value of obligations as at the end of year	88,581,575	50,747,536
Fair value of plan assets as at the end of the year	78,731,469	48,006,633
Funded status	(9,850,106)	(2,740,903)
Net Asset/(Liability) recognized in balance sheet	9,850,106	2,740,903
<b>7 Expenses Recognised in statement of Profit &amp; loss</b>		
Current Service cost	5,314,938	4,153,651
Interest Cost	4,059,803	3,266,995
Expected return on plan assets	(5,457,964)	(4,239,508)
Net Actuarial (gain)/loss recognised in the year	33,583,322	7,199,400
Expenses recognised in statement of Profit & loss	37,500,099	10,380,538



## Omax Autos Limited

REGISTERED OFFICE: 69 K.M. STONE, DELHI JAIPUR HIGHWAY,  
DHARUHERA, DISTT. REWARI, (HARYANA)



### PROXY FORM

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL		No. of Shares Held
LF No.	DP ID	CLIENT ID	

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a Member/Members of Omax Autos Limited hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or  
falling him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend  
and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday, September  
8<sup>th</sup>, 2012 at 11.00 A.M. at the Registered Office of the Company at 69 K.M. Stone, Delhi-Jaipur Highway, Dharuhera, District  
Rewari, Haryana -122106 and at any adjournment thereof.

Signature \_\_\_\_\_ Day of \_\_\_\_\_ 2012.

Affix  
Re. 1/-  
Revenue  
Stamp

#### Notes:

1. Please affix revenue stamp for appropriate value and sign across the stamp.
2. The Proxy Form must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for convening the meeting.
3. All alterations made in Proxy Form should be initialed.

## Omax Autos Limited

REGISTERED OFFICE: 69 K.M. STONE, DELHI JAIPUR HIGHWAY,  
DHARUHERA, DISTT. REWARI, (HARYANA)



### ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL		No. of Shares Held
LF No.	DP ID	CLIENT ID	

I hereby record my presence at the Annual General Meeting of the Company, being held on Saturday, the 8<sup>th</sup> September, 2012 at 11.00 A.M. at the Registered Office of the Company at 69 K.M. Stone, Delhi Jaipur Highway, Dharuhera, Distt. Rewari, Haryana-122106.

**FULL NAME OF THE MEMBER/JOINT MEMBER(S)/PROXY (IN BLOCK CAPITAL LETTERS):**

--

**IF PROXY FULL NAME OF MEMBER/JOINT MEMBER(S) (IN BLOCK CAPITAL LETTERS):**

--

\_\_\_\_\_  
Signature of Member/Joint Member(s)/Proxy

## ECS MANDATE FORM



To

M/s Link Intime India Private Ltd.  
(formerly Intime Spectrum Registry Ltd.)  
A-40, IInd Floor  
Naraina Industrial Area,  
Phase-II, Near Batra Banquet Hall,  
New Delhi - 110 028

FOR SHARES HELD IN PHYSICAL MODE  
Please complete this form and send to the  
Company's Registrar & Transfer Agents'  
Office mentioned herein.  
FOR SHARES HELD IN ELECTRONIC MODE  
Please inform your DP's directly.

I hereby consent to have the amount of dividend on my equity shares credited through the Electronic Clearing Service (Credit Clearing) - (ECS). The particulars are :

1. Folio No./ Client ID No./Cert. No. : \_\_\_\_\_

2. Name of 1st Registered Holder : \_\_\_\_\_

3. Bank Details:

\* Name of Bank : \_\_\_\_\_

\* Full Address of the Branch : \_\_\_\_\_  
\_\_\_\_\_

\* Account Number : \_\_\_\_\_

\* Bank Ledger No./ Bank Ledger Folio No. : \_\_\_\_\_

\* Account Type : (Please tick the relevant box for Savings Bank Account, Current Account or Cash Credit A/c)

10 -Savings	11- Current	12 - Cash Credit
-------------	-------------	------------------

\* 9 Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank (Please attach a photocopy of a Cheque for verifying the accuracy of the code number) :

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

\_\_\_\_\_  
(Signature of the Registered Holder as per  
the specimen signature with the Company)

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date : / / 2012

**FORM 2B**  
**NOMINATION FORM**



(To be filled in by individual(s) applying singly or jointly)

I/ We \_\_\_\_\_ and \_\_\_\_\_ and \_\_\_\_\_ the holder(s) of Shares/Debentures/Deposit Receipt bearing number(s) \_\_\_\_\_ of M/s. \_\_\_\_\_ wish to make a nomination and do hereby nominate the following persons(s) in whom all rights of transfer and/or amount payable in respect of shares or debentures of deposits shall vest in the event of my/our death.

Name(s) and Address(es) of Nominee(s)

Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Date of Birth : \_\_\_\_\_

(\* to be furnished in case the nominee is a minor)

\*\* The Nominee is a minor whose guardian is

Name and address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(\*\* To be deleted if not applicable)

Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Date : \_\_\_\_\_  
Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Date : \_\_\_\_\_  
Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Date : \_\_\_\_\_

Address, Name and Signature of two witnesses :

Name and Address

1. \_\_\_\_\_  
2. \_\_\_\_\_

**Instructions :**

1. The Nomination can only be made by individuals applying/holding shares/debentures on their own behalf singly or jointly, Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, Holder of power of attorney cannot nominate. If the shares are held jointly, all joint holders will sign the nomination form. Space is provided as a specimen. If there are more joint holders more sheets can be added for signatures of holders of shares/debentures and witness.
2. A minor can be nominated by a holder of shares/debentures/deposits and in that event the name and address of the guardian shall be given by the holders.
3. The nominee shall not be a trust, society, body corporate, parternship firm, Karta of Hindu Undivided Family or a power of attorney holder. A non-resident Indian can be a nominee on repatriable basis.
4. Nomination stands rescinded upon transfer of share/debenture or repayment/renewal of deposits made.

# **OMAX AUTOS LIMITED**

**Corporate Office**

**Plot No. B-26, Institutional Area, Sector 32, Gurgaon - 122001**

**Phone : 91 - 124-4343000 Fax : 91 - 124-2580016**

**[www.omaxauto.com](http://www.omaxauto.com)**