



AUTOMOBILE CORPORATION OF GOA LIMITED



Hi-Deck Luxury Bus



CV Award



Jejuri Pressing Unit

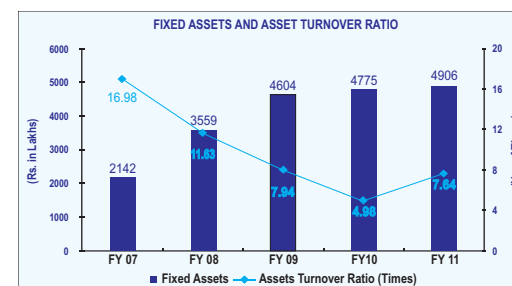
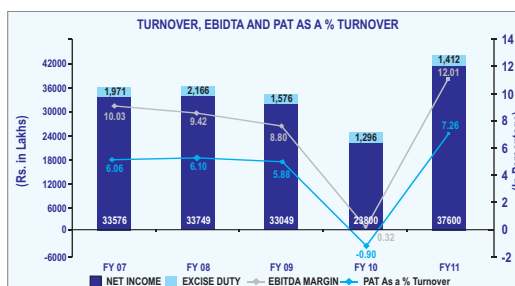
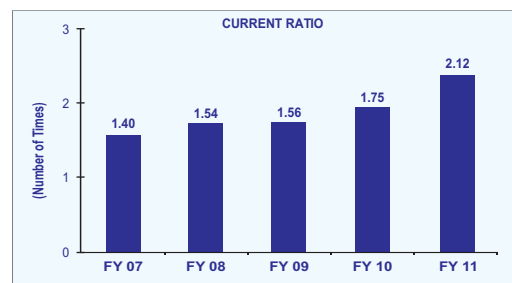
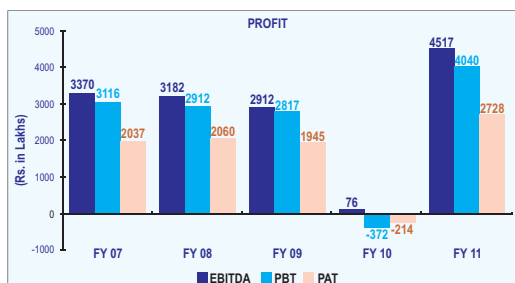
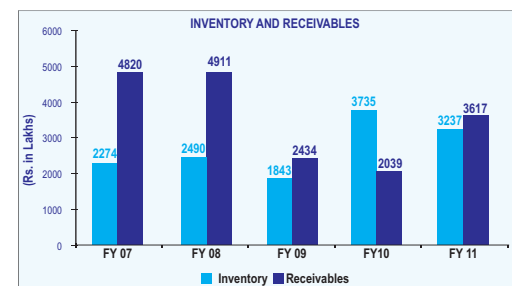
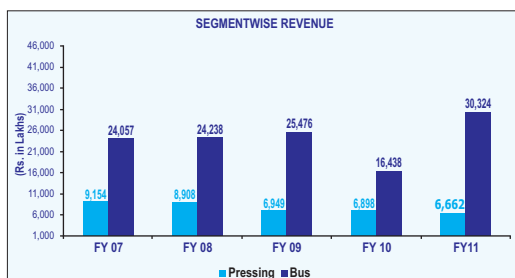
31st Annual Report
2010-2011



ACGL's Stall at Bus World Exhibition

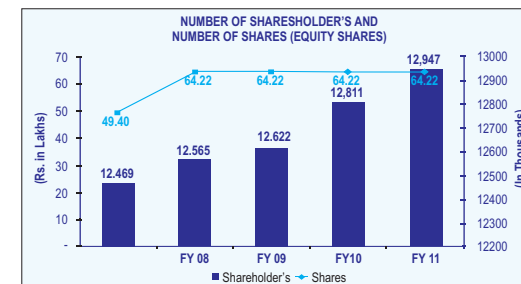
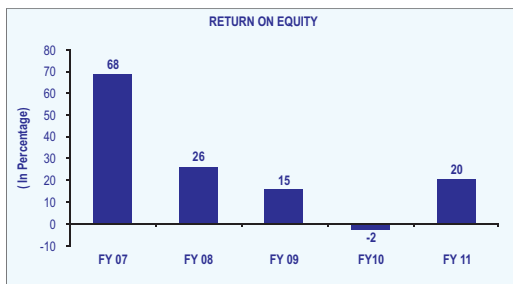
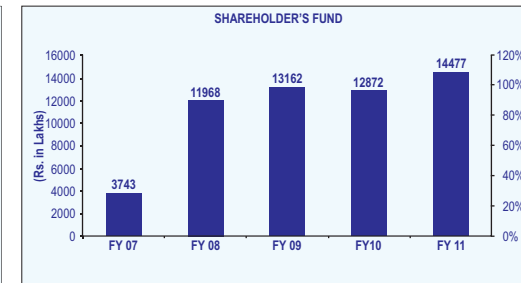
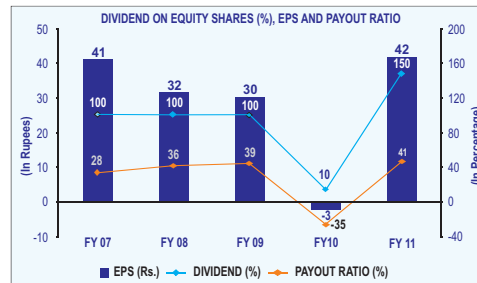
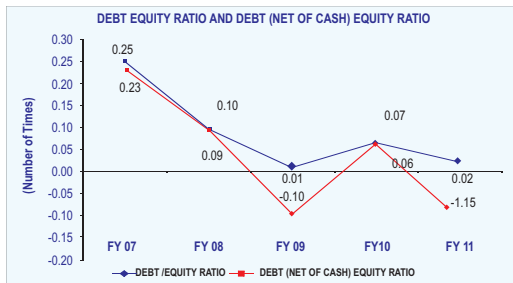
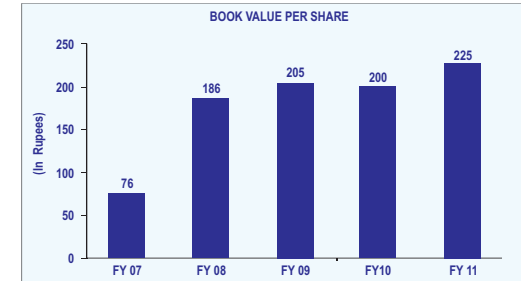
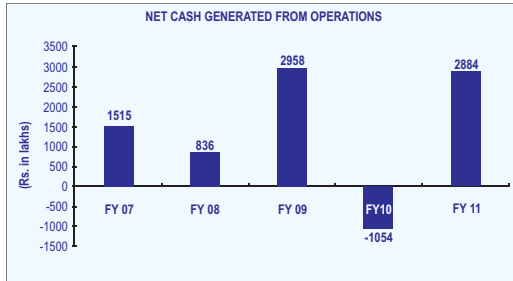
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AUTOMOBILE CORPORATION OF GOA LIMITED





BOARD OF DIRECTORS

S. V. Salgaocar - Chairman

P. F. X. D'Lima

P. M. Telang

R. S. Thakur
(upto 6.7.2010)

S. M. Kuvelker
(upto 7.8.2010)

Steven A Pinto
(w.e.f. 28.6.2010)

C. Ramakrishnan
(w.e.f. 7.8.2010)

N. R. Menon - Managing Director
(upto 1.8.2010)

V Krishnamurthi - Managing Director
(w.e.f. 18.10.2010)

Ananth Prabhu - Executive Director & Secretary

Share Registrars

TSR Darashaw Limited
6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr E Moses Road, Mahalaxmi,
Mumbai 400 011

Bankers

State Bank of India
HDFC Bank Ltd

Auditors

Deloitte Haskins & Sells

Registered Office

Honda, Sattari, Goa 403 530

Works

Honda (Goa)
Bhuimpal (Goa)
Dharwad (Karnataka)
Jejuri (Maharashtra)

31st ANNUAL GENERAL MEETING

5th August, 2011
2.00 p.m.
at Honda, Sattari, Goa - 403 530

Message From Chairman



Mr. S. V. Salgaocar

Dear Shareholders,

I am pleased to report that your Company has made a rapid turn-around since 2009-10 and has attained a significant profit in the current year. Much has changed over the past year, brought about by the efforts and perseverance of the management team and this is surely indicative of greater progress in the years to come. In keeping with the management's philosophy of rewarding the share holders, an all-time high dividend has been recommended for your approval.

Funds collected from shareholders through past rights issue are being put to use aggressively and I feel confident that the investment would generate increased revenues in the near future. The Company is expanding its sheet metal business at its Jejuri Plant and is already at an advanced stage of receiving large orders from existing as well as new customers.

I thank each one of you for your faith in the management and am sure you will continue to extend co-operation and support in times to come.

With regards,

Yours Sincerely,

S. V. Salgaocar

9th June, 2011
Goa

Message From Director



Mr. P. M. Telang



Dear Shareholders,

I am extremely glad to see results of your Company for the year 2010-11. From a loss of over Rs 3.71 Cr in 2009-10, your Company has quickly turned around to make a sizeable profit (before tax) of over Rs 40 Cr in the year 2010-11. During my long corporate experience of many years, very seldom have I come across companies who have turned around so quickly as in the case of ACGL. Moreover, the turnaround is so impressive that it makes me confident of expecting better and better results to come in the years ahead.

The new management have taken great efforts in improving the operating efficiency which has resulted in good numbers at the bottom-line. The senior management and the whole organisation were churned around to strive for better and better results in the respective areas of performance. Efforts throughout the year were focussed at improving the bottom-line by questioning the unquestioned.

The overall improvement has also been associated with minute attention to every aspect of the Company's business including cost control, new market development, consolidation of pressings business, new initiatives at Company's Plants at Jejuri and Dharwad, enhancement of quality by adopting international standards in the bus segment etc.

I am sure the Company would strive even harder in the coming years to bring out more and more good news to all of you.

With regards,

Yours Sincerely,

P. M. Telang

9th June, 2011
Mumbai

Message From Managing Director



Mr. V. Krishnamurthi



Dear Shareholders,

Results for the year 2010-11 are in front of you and am sure you must be pleasantly surprised to peruse them – especially in the backdrop of performance for previous year i.e. 2009-10. During the last over one year, I, along with my entire team at ACGL, have been relentlessly focusing on various difficulties that the Company was facing. We spent a lot of time in increasing order book position, getting additional business from private customers, eliminating waste, carrying out massive cost reduction drive and so on. As you can see from the figures, we have made good improvement in all-round operating efficiency which has enabled this performance. I can assure you that as I see it, future for ACGL is bright and this is only the beginning.

Another landmark in the performance for the year 2010-11 is surpassing the “best” so far achieved in the entire history of the Company since its inception – whether it is turnover or profit before tax or profit after tax or the number of buses sold and so on.

In the bus segment, we have more than doubled our production and sales with respect to that in 2009-10. This was done without much investment; we could only ramp up the volumes through productivity enhancement. I must thank Tata Motors for providing continuous bus orders last year. In the Pressings segment, we more or less generated the same revenue as in the previous year though a significant portion of the business was lost due to labour unrest in the past.

We have now been focussing on the Pressing segment more aggressively and in the current year we would be consolidating this business at the Company's plant at Jejuri near Pune. We have tapped additional business from our existing customers and growth in this segment is also going to be phenomenal in the next few years.

On the whole, the year gone by was a very satisfying one not only in terms of business growth but also in terms of improved profitability. I take this opportunity to thank each one of you for reposing faith in the management and I assure you that the Company will surpass even the best results that have been achieved during 2010-11.

With regards,

Yours Sincerely,

V Krishnamurthi
9th June, 2011
Goa



Notice

NOTICE is hereby given that the 31st Annual General Meeting of the Members of AUTOMOBILE CORPORATION OF GOA LTD. will be held on Friday the 5th August, 2011 at 2.00 pm at the Registered Office of the Company at Honda, Sattari, Goa, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2011 and the Balance Sheet as at that date together with the Report of the Directors and the Auditors thereon.
2. To declare a Dividend for the year ended 31st March, 2011.
3. To appoint a Director in place of Mr. S. V. Salgaocar, who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. P. F.X. D'Lima, who retires by rotation and is eligible for reappointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

6. Appointment of Mr. C Ramakrishnan as a Director
To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:

"Resolved that Mr. C. Ramakrishnan who was appointed by the Board of Directors as an Additional Director of the Company with effect from 7th August, 2010 and who holds office up-to the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 but who is eligible for appointment and in respect of whom the Company has received a notice from a member under section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a director of the Company whose office shall be liable to retirement by rotation."
7. Appointment of Mr. V Krishnamurthi as a Director
To consider and, if thought fit, to pass, with or without modification, if any, the following resolution as an Ordinary Resolution:



"Resolved that Mr. V. Krishnamurthi who was appointed by the Board of Directors as an Additional Director of the Company with effect from 18th October, 2010 and who holds office up-to the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 but who is eligible for appointment and in respect of whom the Company has received a notice from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed a Director of the Company."

8. Appointment of Mr. V Krishnamurthi as the Managing Director of the Company

To consider, and if thought fit, to pass with or without modifications, if any, the following resolution as a Special Resolution

"Resolved that pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves of the appointment and terms of remuneration of Mr. V. Krishnamurthi as the Managing Director of the Company for the period from 18th October, 2010 to 6th December, 2014 upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Krishnamurthi."

"Resolved further that the Board of Directors or a Committee thereof of the Company, be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Notes:

- (a) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under item No. 6 to 8 set out above and details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking appointment/re-appointment at the Annual General Meeting are annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

The Proxy forms should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.

- (C) The Register of Members and Transfer Books of the Company shall remain closed from 21st July, 2011 to 26th July, 2011 (both days inclusive).



- (d) The Dividend for the year, as approved by the members, shall be payable to those shareholders whose names appear on the Register of Members on the record date, i.e. 21st July, 2011, fixed for this purpose. The dividend in respect of shares held in dematerialized mode will be payable to the beneficial owners as per the details furnished by the Depositories for this purpose.
- (e) Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS, mandates, Nominations, power of attorney, change of address/name etc. to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and the Registrars & Transfer Agents to provide efficient service to the members.
- (f) Members holding Share certificates under different folio numbers but in the same order of names are requested to apply for consolidation of such folios and send relevant Share certificates to the Registrars and Transfer Agents of the Company.
- (g) Members attention is particularly drawn to the "Corporate Governance" section in respect of unclaimed and unpaid dividend.

By order of the Board of Directors

Ananth Prabhu
Executive Director (Commercial)
& Secretary

Dated: 15th June 2011

Registered Office:
Honda, Sattari,
Goa – 403 530.

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

Item No. 6

The Board of Directors appointed Mr. C. Ramakrishnan as an Additional Director at their meeting held on 7th August, 2010. Under Section 262 of the Companies Act, 1956 read with Article 154 of the Articles of Association of the Company, he holds office till the forthcoming Annual General Meeting.

Notice has been received from a member as required under Section 257 of the Companies Act, 1956 proposing his candidature for appointment as a Director. Brief particulars of the Director being appointed is given in the annexure.

Except Mr. C. Ramakrishnan who may be deemed to be concerned or interested in his own appointment, none of the other Directors are concerned or interested in the proposed resolution. Mr. Ramakrishnan is not related to any of the directors of the Company.

Item No. 7 and 8

The Board of Directors ("the Board") at the meeting held on 18th October, 2010, subject to the approval of members, appointed Mr. V. Krishnamurthi as the Managing Director of the Company to hold office from 18th October, 2010 to 6th December, 2014 and thereafter, the agreement between the Company and Mr. Krishnamurthi, in his capacity as the Managing Director was executed on 25th January, 2011. An abstract of the draft agreement between the Company and Mr. Krishnamurthi, under Section 302 of the Act, was sent to the members for their information. A Supplementary Agreement was also executed between the Company and Mr. Krishnamurthi on 5th May, 2011.

The salient terms of appointment of Mr. Krishnamurthi as Managing Director, as set out in the agreements are given below:

1. **Tenure of appointment :** October 18, 2010 to December 6, 2014 ("Term")
2. **Nature of Duties :** The Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

The MD shall also accept and discharge such other duties as may be assigned to him by the Board from time to time and which can be reasonably expected of him in consideration of his position as the MD.

3. Remuneration

- a. **Salary :** Rs.4,00,000/- per month upto a maximum of Rs.5,50,000/- per month. The increments will be decided by the Board once in 2 years and will be merit-based and take into account the Company's performance as well.

- b. Benefits, Perquisites, Allowances determined by the Board or Committee thereof:

In addition to the basic salary referred to in (a) above, the Managing Director shall be entitled to:

- (i) Transport, Telecommunication and other facilities:
 - Two cars, provided and maintained by the Company for official and personal use and salary of one driver.
 - Telecommunication facilities including broadband, internet and fax.
- (ii) Personal Accident Insurance and Club Membership fees as per Company rules.
- (iii) The Managing Director shall be entitled to leave in accordance with the Rules of the Company. Privilege Leave earned but not availed by the Managing Director is encashable in accordance with the Rules of the Company.
- (iv) The Managing Director shall also be paid House Rent Allowance of Rs. 35,000/- per month with effect from 18th October, 2010 with provision for an annual increase of 5% to take care of inflation.

The Managing Director will not be entitled to any retirement benefits.

- c. **Commission:** Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of each financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Act. The specific amount payable to the Managing Director will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.
- d. **Incentive Remuneration:** Such incentive remuneration not exceeding 200 %age of salary to be paid at the discretion of the Board annually, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.



4. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director remuneration by way of Salary, Benefits, Perquisites and Allowances, and Incentive Remuneration as specified above.
5. **Other Terms of appointment:**
 - i. The Managing Director shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
 - ii. The terms and conditions of the appointment of the Managing Director and / or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule XIII to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.
 - iii. This appointment may be terminated by either party by giving to the other party six months notice of such termination or the Company paying six months remuneration in lieu of the Notice.
 - iv. The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:
 - if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company to which he is required by the Agreement to render services; or
 - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement to be executed between the Company and the Managing Director; or
 - in the event the Board expresses its loss of confidence in the Managing Director.
 - v. In the event the Managing Director is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
 - vi. Upon the termination by whatever means of the Managing Director's employment:
 - the Managing Director shall immediately tender his resignation from office as Director of the Company and from such other offices



- held by him in the Company, without claim for compensation for loss of office.
 - the Managing Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company.
- vii. The Managing Director is being appointed by virtue of his employment in the Company and his appointment shall be subject to the provisions of Section 283(1) (l) of the Act.
- viii. The terms and conditions of appointment with the Managing Director also include clauses pertaining to adherence with ACGL Code of Conduct, no conflict of interest with the Company and maintenance of confidentiality.
- ix. If and when this Agreement expires or is terminated for any reason whatsoever, Mr Krishnamurthi will cease to be the Managing Director and also cease to be a Director. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and this Agreement shall forthwith terminate. If at any time, the Managing Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.

In compliance with the provisions of Section 269, 309, 310 and other applicable provisions of the Act read with Schedule XIII of the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

Except Mr. V. Krishnamurthi who may be deemed to be concerned or interested in his own appointment, none of the other Directors are concerned or interested in the proposed resolution. Mr. Krishnamurthi is not related to any of the directors of the Company.

The Directors commend the resolutions at item no.6, 7 & 8 of the accompanying notice for approval of the Members of the Company .

By order of the Board of Directors

Ananth Prabhu
Executive Director (Commercial)
& Secretary

Dated : 15th June, 2011
Honda, Sattari,
Goa - 403 530.



Brief resume of Directors seeking appointment/re-appointment at this Annual General Meeting

Particulars	Mr. S. V. Salgaocar	Mr. P F X D'Lima	Mr. C Ramakrishnan	Mr. V. Krishnamurthi
Date of Birth & Age	24 th July, 1954, 57 years	7 th December, 1941, 69 years	27 th June, 1955, 56 years	7 th December, 1949, 61 years
Appointed on	8 th August, 2009	8 th August, 2009	7 th August, 2010	18 th October, 2010
Qualifications	B. Sc Geology, MMS (Finance – JBIMS)	B E (Mechanical Engineering)	B Com, CA, ICWA	B.E. (Mechanical), Post Graduate Diploma in Business Management.
Expertise in Specific functional areas	<p>Mr. Salgaocar is Managing Director of V M Salgaocar Group of Companies which has interests in mining, processing and export of Iron ore, shipping, real estate and education. The group has successfully diversified in setting up a 5 Star deluxe hotel in Goa which is managed by Marriott International.</p> <p>He is also the Chairman of Pyramid Finance Pvt. Ltd. and Shivranjani Securities Co. Pvt. Ltd. engaged in various financial services.</p> <p>He is Vice President of Amiantit Fiberglass Industries India Pvt. Ltd., a Company engaged in manufacture of GRP Pipes and Tanks. He is also a</p>	<p>Mr. D'Lima has 38 years experience as an engineering manager in Larsen & Toubro, Hindustan Lever and Unilever PLC, London, including 18 years on the Boards of the Sesa Group of companies.</p> <p>In addition, Mr. D'Lima was previously Chairman of EDC Limited and is currently Director of Goa Institute of Management</p>	<p>Mr. Ramakrishnan joined Tata Motors Limited in 1980 as a Junior Accounts Officer in Head Office – Accounts, Mumbai.</p> <p>He handled corporate treasury and accounting functions with Management Accounting/MIS. Following a two year company wide IT project responsibility covering R & D, Manufacturing, Sourcing and Sales & Service, he had worked in the Tata Group Chairman's office for more than 7 years before being</p>	<p>Mr. Krishnamurthi joined Tata Motors Ltd. in 1974 as a Graduate Engineer and superannuated in November, 2009 as Sr. General Manager (Auto Mfg.) During his long career with Tata Motors, Mr. Krishnamurthi has held various positions of responsibility including leading a team for proto-type production, marketing and strategy proving, cost reduction and logistics services over and above his normal duties in execution of manufacture of variants of commercial vehicles ranging from LCV's to HCV's. He was also assigned major projects in South Africa, the Gulf countries,</p>



	<p>Director on the Board of Grindwell Norton Ltd.</p> <p>He is also the President of Goa Mineral Ore Exporters Association and Trustee of Mormugao Port Trust.</p> <p>On the Educational front, as the President of Devi Sharvani Education Society, he runs a Law College. He is also a founder member of the Governing Board of Goa Institute of Management.</p> <p>In the past, he has held the following positions; President of Federation of Indian Mineral Industries (FIMI) Delhi, Chairman of Confederation of Indian Industry (Western Region), the President of Mineral Foundation of Goa (MFG), Member on the Board of Governors, Indian Institute of Technology (IIT), Mumbai, the Sport Authority of Goa, the Treasurer of All India Football Federation and the President of Goa Football Association.</p>		<p>appointed as the CFO of Tata Motors Limited.</p> <p>As the CFO, he is responsible for Finance, Accounts, Taxation, Business Planning, Investor Relations, Treasury, CRM & DMS and I.T.</p>	<p>Thailand and South Korea. He was also the Safety Chief for all manufacturing plants of Tata Motors and was instrumental in obtaining the Golden Peacock award for Safety in the year 2009/10.</p> <p>Mr. Krishnamurthi received personal accolades from the Managing Director, the Vice Chairman and the Chairman of Tata Motors for his distinguished achievements in cost reduction exercises. He has excellent human relational skills and has exceptional abilities to drive the targeted performance set by the Management.</p> <p>Mr. Krishnamurthi has undergone training in auto manufacturing in Germany and in Total Productivity Management in Japan.</p>
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Directorships held in other public companies (excluding Foreign and private companies)	Grindwell Norton Ltd.	Nil	Tata Technologies Ltd. Tata Cummins Ltd. Sheba Properties Ltd. Tata Services Ltd. Tata Motors Finance Ltd. Fiat India Automobiles Ltd Tata Marcopolo Motors Ltd.	Nil
Memberships/ Chairpersonships of Committees across public companies	Remuneration Automobile Corporation of Goa Ltd - Chairman Investors' Grievance Grindwell Norton Ltd. – Chairman	Audit Automobile Corporation of Goa Ltd Remuneration Automobile Corporation of Goa Ltd Investors' Grievance Automobile Corporation of Goa Ltd	Audit Tata Technologies Ltd Tata Cummins Ltd. Sheba Properties Ltd. Fiat India Automobiles Ltd - Chairman Tata Motors Finance Ltd. Tata Marcopolo Motors Ltd. Automobile Corporation of Goa Ltd Remuneration Tata Technologies Ltd Tata Services Ltd.	Investors' Grievance Automobile Corporation of Goa Ltd
Shareholding	Nil	780	Nil	Nil

None of the Directors is related to each other or other Directors of the Company.



FINANCIAL STATISTICS:

CAPITAL ACCOUNTS (Rs. In lakhs)							REVENUE ACCOUNTS (Rs. In Lakhs)						RATIOS		
Year	Capital*	Reserves and Surplus	Borrowings	Gross Block	Depreciation	Net Block	Turnover	Depreciation	Profit/(Loss) Before Taxes	Taxes	Profit/(Loss) After Taxes	Dividend @	PAT to Sales	Earnings per Share (Basic) Rs.	Net Worth Per Share (Rs.)
2001-02	493.97	738.77	2,572.59	5,737.67	3,823.61	1,914.06	4,863.91	269.58	-707.95	-	-707.95	-	-14.56%	-14.33	25
2002-03	1,414.03	438.46	1,869.50	5,799.21	4,039.61	1,759.60	7,646.18	223.17	74.73	53.19	21.54	-	0.28%	- 0.84	32
2003-04	1,414.03	59.37	1,318.52	5,703.53	4,027.21	1,676.32	11,502.29	176.51	961.06	49.00	912.06	192.98	7.93%	16.05	25
2004-05	1,414.03	755.48	971.09	5,702.51	4,092.45	1,610.06	15,862.90	175.07	1,707.38	266.70	1,440.68	570.97	9.08%	26.72	37
2005-06	493.97	1,769.72	1,385.32	5,994.89	4,225.58	1,769.31	25,525.85	192.97	2,308.76	781.18	1,527.58	513.34	5.98%	29.65	46
2006-07	514.01	3,228.52	936.87	6,582.05	4,439.79	2,142.26	33,576.41	234.04	3,116.32	1,079.61	2,036.71	577.92	6.07%	41.23	76
2007-08	642.16	11,325.60	1,159.11	8,056.40	4,497.35	3,559.05	33,749.44	256.90	2,911.85	852.07	2,059.78	751.29	6.10%	32.49	186
2008-09	642.16	12,519.58	110.01	9,359.50	4,755.11	4,604.39	33,048.57	342.51	2,816.54	871.26	1,945.28	751.29	5.89%	30.29	205
2009-10	642.16	12,230.29	863.09	9,940.66	5,165.18	4,775.48	23,800.35	422.64	-371.73	-157.57	-214.16	75.12	-0.90%	-3.33	200
2010-11	642.16	13,835.03	381.62	10,251.83	5,346.05	4,905.78	37,599.85	462.74	4,039.72	1,311.75	2,727.97	1,123.23	7.26%	42.48	225

Notes:

- * Increase due Issue of Cumulative Redeemable Non-Convertible Preference Shares
- @ includes Dividend on Preference shares



DIRECTORS' REPORT

To:

The members of Automobile Corporation of Goa Ltd.

Your Directors have great pleasure in presenting their 31st Annual Report and the audited statement of accounts for the year ended 31st March 2011.

Financial Results

2010/11 **2009/10**

(Rupees in Lakhs)

Net Sales	36,986.62	23,335.89
Total Expenditure	33,083.31	23,724.33
Operating profit / (loss)	3,903.31	(388.44)
Other Income	613.23	464.47
Earnings before Interest, Tax, Depreciation and Amortization	4516.54	76.03
Interest	14.08	25.11
Cash Profit	4,502.46	50.92
Provision for Depreciation & Amortization	462.74	422.64
Profit / (loss) before Tax	4,039.72	(371.72)
Provision for Tax (net)	1,311.76	(157.57)
Balance in Profit & Loss A/c brought forward from the previous year	3,541.67	3,830.95
Profit available for appropriation	6,269.63	3,616.80
<u>Appropriations:</u>		
Equity Dividend		
Interim	160.54	-
Final	802.70	64.22
Corporate Dividend tax	159.98	10.91
Transfer to General Reserve	272.80	-
Balance carried to Balance Sheet	4,873.61	3,541.67



Dividend

In view of the excellent financial performance for the year under review, the Directors have recommended payment of Final Dividend of Rs. 12.50 per equity share (previous year Re. 1/- per share) which, together with Rs. 2.50 paid as Interim Dividend, works out to Rs. 15/- per equity share for the year 2010-11. The said dividend, if approved by the Members, would involve a cash outflow of Rs. 802.70 Lakhs, which, together with the interim dividend of Rs. 160.74 Lakhs (both exclusive of dividend distribution tax) results in a payout of 35 % of the profit (after tax).

Operations

Both the business segments of the Company showed improved results. The Company has impressively come out of the lurch caused by labour unrest and established a good benchmark of performance. Results achieved during the year have surpassed earlier 'best' in the entire history of the Company of over 30 years.

The gross revenue for the year under review was Rs. 376 crores (Rs. 238 crores in the previous year). The profit before taxes was Rs. 40.40 crores (Rs. 3.71 crores loss in the previous year) and profit after tax was Rs. 27.28 Crores (Rs. 2.14 crores loss in the previous year)

Pressings Business Segment

The Sheet Metal Business reported a turnover of Rs. 67 crores. The Pressings business declined as against last year's Rs. 71 crores. However, taking into consideration the fact of major Customer recalling their tooling as a consequence of unfortunate labour unrest which started at the end of the previous year and left its scar in the financial year, the Company has done a commendable business during the financial year under review. The demand grew slowly but continuously and the Company could capitalize on it appropriately. The last year's loss of tooling is still a set back for the business segment. Efforts are continuously being made to restore the business as it can prove a good prospective source of revenue. The Management is also vigorously pursuing additional business with the other customers.

Bus Body Business Segment

2010-11 was one of the best performances in ACGL history. 4826 buses were sold during the financial year as against 2373 buses during the previous year. This growth is all the more commendable since it has been achieved in the face of steep rise in input costs and stiff competition from domestic and international market. Out of 4826 buses, 3936 buses were for export market as against 944 in the previous year whereas 890 buses were for domestic market as against 1429 in the previous year. As a strategy, the marketing department was directed to concentrate more on the domestic market. Various Proto types of buses, concept buses, ambulance, etc have newly been developed and are marketed to various customers. During the year, ACGL Marketing Department secured commendable domestic orders for 950 buses.



HRD and Industrial Relations

The Company continues to maintain harmonious and cordial industrial relations. Developing and maintaining competent resources in the organization so that goals of organization are achieved in an effective and efficient manner is the prime focus of the Company. Training needs of the employees in their areas of operation are identified and training sessions are either held in house or the employees are deputed to training courses to sharpen their skills on a regular basis.

The Company has a compensation structure including both fixed and performance based variable compensation procedure with the senior employee's performance having a higher linkage with Company performance.

Corporate Governance

A separate section on Corporate Governance forming part of Directors' Report and the certificate from the Company's auditors confirming compliance of Corporate Governance norms as stipulated in the revised clause 49 of the Listing Agreement with the Stock Exchange is included in the Annual Report.

Finance

As the members are aware Rs. 703,908,675/- were raised through a Rights issue of shares in 2007 out of which a sum of Rs. 92,08,436/- was incurred towards the expenditure for the issue.

Out of the unspent amount of the Rights issue proceeds a sum of Rs.351,165,673/- has been spent on Capital expenditure, the balance amount is being held in Inter Corporate Deposits as on 31st March, 2011, in line with resolution passed by the members at the AGM held on 8th August, 2009. The Management has aggressive plans to utilize the funds for expansion of Company's various Plants.

Directors

Mr. R S Thakur resigned on July 6, 2010. The Directors place on record their sincere appreciation of the contributions made by Mr. Thakur during his tenure as a Director as also as a Member of the Audit Committee and the strategic directions he provided in financial and other corporate matters.

In line with the retirement policy for Directors adopted by the Board, Mr. S M Kuvelker relinquished office on August 7, 2010. Mr. Kuvelker served as a member and later as the Chairman of the Audit Committee till his retirement. The Directors place on record their sincere appreciation of the significant contributions made by Mr. Kuvelker during his tenure as a Director.

Mr. C Ramakrishnan was appointed as an Additional Director by the Board on August 7, 2010. In accordance with the provisions of the Companies Act 1956, Mr. Ramakrishnan will cease to hold office as Additional Director at the forthcoming Annual General Meeting. The Company has received a notice in



writing from a member under Section 257 of the Companies Act, 1956, proposing Mr. C Ramakrishnan's candidature for the office of Director of the Company.

The Board of Directors at the meeting held on October 18, 2010, appointed Mr. V Krishnamurthi as an Additional Director as also the Managing Director of the Company from October 18, 2010 to December 6, 2014. A proposal for the appointment of Mr. Krishnamurthi as a Director and approval of members for his appointment as the Managing Director has been included in the Notice of the Annual General meeting.

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mr. S V Salgaocar and Mr. P F X D'Lima retire by rotation and are eligible for re-appointment.

Attention of the members is invited to the relevant items in the Notice of the Annual General Meeting and the Explanatory Statement thereto.

Particulars of employees

Information required under Section 217 (2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended and forming part of the Directors' Report for the year ended March 31, 2011, is given as an Annexure to this report.

Energy conservation, Technology absorption and Foreign Exchange earnings/ outgoings

Information required under Section 217 (1) (e) of the Companies Act 1956 read with Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and forming part of the Directors' Report is given as an Annexure to this report.

Audit

Messrs Deloitte Haskins & Sells (DHS), who are the Statutory Auditors of the Company, hold office until the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for the financial year 2011-12. DHS have, under Section 224(1) of the Companies Act, 1956, furnished a certificate of their eligibility for re-appointment.

Directors' Responsibility Statement

The Company complies with accounting and financial reporting requirements in respect of the financial statements for the year under review. Pursuant to Section 217 (2AA) of the Companies Act 1956 in respect of the annual accounts for the year under review, based on the representations received from the operating management, the Directors confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis.

Acknowledgments

The Directors sincerely acknowledge the help and support received from the Govt. of Goa and the Govt. and semi-Govt. agencies. Special mention must be made of our customers, who have reposed their faith in the Company's products and have continued their patronage over the years. The Directors also place on record the excellent co-operation received from the Bankers, vendors and other business associates. The Company has received commendable co-operation and contribution from all employees and employee unions and the Directors convey their thanks to all of them for the good performance achieved by the Company.

On behalf of the Board of Directors

S. V. Salgaocar
Chairman

Place : Vasco-da-Gama, Goa
Date : 15th June, 2011.



ANNEXURE TO DIRECTORS' REPORT

**Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies
(Particulars of Employees) Rules, 1975, as amended**

Name	Age (Yrs.)	Designation/ Nature of duties	Gross Remuneration received (subject to tax) (Rs.)	Qualifications	Total Experience (Yrs.)	Date of commencement of employment	Last employment held, Designation, Period for which post held
Mr. V Krishnamurthi	61	Managing Director	7,959,820	B.E. (Mechanical) Post Graduate Diploma in Business Management.	37	18.10.2010	Tata Motors Ltd., Sr. General Manager (Auto Mfg.) - 37 years
Mr. N R Menon*	65	Managing Director	1,635,399	B. E. (Metallurgy)	40	01.08.2004	Tata Motors Ltd., Dy. General Manager (Auto) - 34 years.

1. Gross remuneration includes Salary, Incentive Remuneration and perquisites.
2. The nature of employment is contractual.
3. None of the employee mentioned above is relative of any Director of the Company.
4. * Indicates that the employee was in service only for a part of the year

On behalf of the Board of Directors

S. V. Salgaocar
Chairman

Place :Vasco-da-Gama, Goa
Date :15th June, 2011.



ANNEXURE TO DIRECTORS' REPORT

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

A. Conservation of Energy

The Company has always been conscious of the need for conservation of energy and measures have been implemented at all the plants and offices of the Company

B. Absorption of Technology, Research and Development (R & D)

1. Specific Areas in which R & D carried out by the company

- i. Design and Mass Productionizing of Saudi Arabia School buses catering to Saudi school requirement was completed. We were able to deliver 1103 nos AC buses well before the stipulated time.
- ii. The technology of tubular buses was adopted for all model range. This enabled us to provide customers with light and cost effective bus.
- iii. For International Market, the COMFORT model was altered for providing increased internal height and also to meet Sri-Lankan regulations.
- iv. The concept of composite material and using painted panels for outer skin were introduced on Hispano "DIVO" bus which was displayed at Bus World Exhibition at Mumbai.
- v. AERO bus model was designed and productionized on TATA, Eicher, and Swaraj Mazda range of vehicles.
- vi. Two new model buses as per ACGL design in Mild steel were supplied to MSRTC.

2. Benefits Derived from R & D and Future plan of action

All new developments were to widen the scope of company's product range so that company can cater to varied market demands.



3. Expenditure on Research and Development

a)	Capital	Rs. Nil
b)	Recurring	Rs. 3,654,802
c)	Total	Rs. 3,654,802
d)	Total as a percentage of turnover	0.1%

C. Foreign Exchange earnings and outgo

The Company earned Rs. 2,368,508,913 by export of Buses and parts through a merchant exporter. The particulars of foreign exchange earned/utilized during the year are given in Schedule 15 to the Accounts.

On behalf of the Board of Directors

S. V. Salgaocar
Chairman

Place : Vasco-da-Gama, Goa
Date : 15th June, 2011.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Business Overview

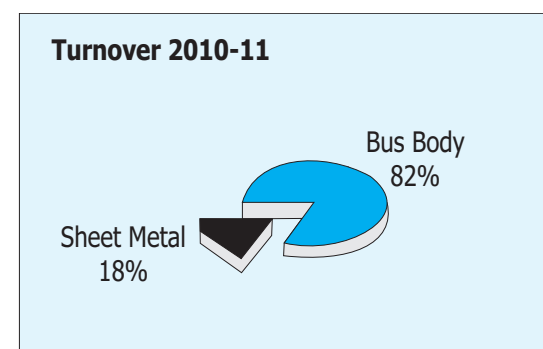
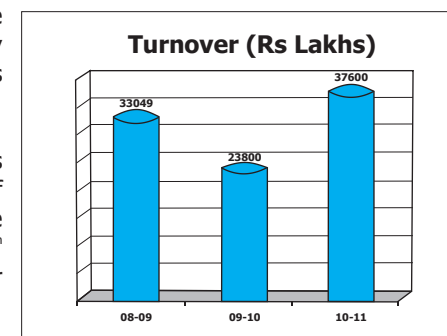
As the Indian economy bounced back and grew from 7.4% in 2009-10 to 8.6% in 2010-11, there was an overall growth in the automotive sector. The commercial vehicle industry grew further by 32% in 2010-11 over the growth of 36% in 2009-10. This had a favourable impact on Company's business and the company did well in both the segments in which it operates.

In 2009, the Automobile Industry was expected to see a growth rate of around 9%. However, it was severely hit by the untidy global financial crisis. In 2010, Industry could make up the loss of demand and market for buses in India also picked up. Automobile Industry in India happens to be the 9th largest in the world following Japan, South Korea and Thailand. India has emerged as the 4th largest exporter of automobiles. Indian Automobile market is basically grouped in the passenger vehicles, Commercial Vehicles, Three and Two wheelers, etc.

The Company's bus sales more than doubled to 4826 numbers in 2010-11 catering to both the domestic and export market. The pressings segment which mainly caters to the automotive market also grew significantly.

During the year, Government implemented migration from BS II to BS III and BS III to BS IV emission norms for commercial vehicles in different cities requiring OEMs to align their manufacturing plans accordingly. This delayed availability of chassis in the second half of the year. However, with proactive measures initiated by the company, production of buses was maintained without much interruption.

The Company has two business segments – Pressed Parts and Assemblies and Bus Body Building – both of which are a part of the Commercial Vehicle sector of the Automobile Industry. Presently, Bus Body segment contributes a major share in the turnover of the Company.





Number of buses produced during the year was as under -

Bus Production (numbers)	2009-10	2010-11
For export market	944	3936
For domestic market	1429	890
Total	2373	4826

Coupled with volume growth, the company carried out massive cost reduction drive and improved its operating efficiency in all areas. Similarly, input prices of raw material and bought-out components were fairly steady during the year contributing to improved profitability.

2. Industry Structure and Developments

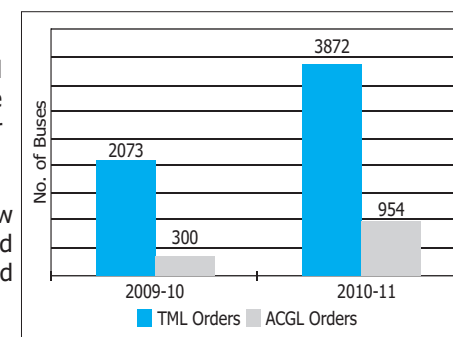
Buses

4826 buses were sold during the financial year as against 2373 buses during the previous year. Number of buses sold during 2010-11 was highest in the history of the Company. The management quickly geared up to produce large volume with setting up of additional production lines at its two plants in Goa.

ACGL has been mainly fulfilling bus orders from Tata Motors. To mitigate risk of over-dependence only on one customer, the Company strengthened its Marketing Function during the year with a mandate to generate orders from private customers. This has paid good dividends as buses made to our own orders more than tripled during the year.

Tata Motors re-launched Hi-Deck buses with high-powered 285 HP Cummins engine and phased out the old 235 HP engine. As a result, demand for these buses has gone up significantly. These buses on LPO1628 platform were developed with many additional features and improvements for meeting demand in export as well as domestic market.

The company also utilized good amount of its resources in developing various proto-types of new buses, concept buses, ambulance etc; some of these were also displayed at the Busworld exhibition held in January 2011 at Mumbai. Company's stall at the Busworld received overwhelming response from potential customers.



Pressings

The Sheet Metal Business reported a turnover of Rs. 67 crores; this is slightly less as compared to Rs 71 crores clocked in the previous year. Labour unrest during March 2010 had forced one of the major customers to recall their tooling. This impacted Pressings business to the extent of Rs 30 crores annually. However, this has been more or less made up through increased orders from other customers as also from higher number of components supplied through Company's Jejuri Unit. The Company has done a commendable business during the financial year under review. The demand grew slowly but steadily and the Company could rise to the occasion to fulfill it appropriately. The last year's loss of tooling is



still a set back for the business segment. Efforts are continuously being made to get back the tooling and restore that business as it can prove a good prospective source of revenue.

3. Opportunities and threats

Opportunities:

Buses in India are one of the major modes of transportation in the country. All over the country the buses transport a large number of passengers. Demand for buses in India, be it public buses or luxury buses just seems to be on a continuous rise. The year 2010 saw a host of new public transport buses with latest technologies gliding the Indian roads but there is still much more to come. India's commercial vehicle industry has grown exponentially and a host of new global players are all set to gain a strong foothold in the Indian sub-continent. The Company is focusing on introducing buses in India which will be well equipped with latest technologies, great looking exteriors and interiors and most importantly introduce features to delight the customers. Company's buses with robust design and quality at affordable cost have also been well accepted in the overseas market generating repeat orders from Gulf and Middle East countries. Company's participation in the Busworld exhibition has generated good response in the state road transport corporations across the country evincing keen interest in our products. Some of the prestigious corporations have been demanding only ACGL-built buses to join their fleet.

The Company has so far been concentrating on export and domestic business restricted to private customers. The Company finds good opportunities in venturing into the Government orders which include supplies to Army, Police, CRPF etc requiring registration with DGS&D authorities. The Company is in an advanced stage of getting a DGS&D registration which will open the gates for this business.

Threats:

Several world-class MNCs in automobile manufacturing and especially in the commercial vehicle segment have spread their operations in India and are consolidating their business operations. Many automobile giants have also set their foot into the Indian bus market and are all set to roll their latest technology and well equipped buses. It is expected that fierce competition will prevail in the bus manufacturing sector and to the extent Company will have to ensure use of optimal resources in all areas of its activity. Looming inflation and continuous heavy increases in input costs has always been a threat for developing a highly competitive bus body with ever increasing pressure on margins. The global financial crises and sometimes natural calamities like earthquakes, tsunami, etc have the potential to unsettle domestic economy and consequently, the industrial sector.

4. Risks and Concerns

Major part of ACGL's business is dependent on Tata Motors and other automobile manufacturers. Effect of any decline in global auto industries such as Japan, Europe and US have already triggered the influx of new conglomerates in India alongwith huge capital investments in the sector. Many overseas auto players have their manufacturing units in India and with huge technological set up they maximize utilization of their Indian



functions to expand their business. While this could have an effect on TML's market share in the bus segment in the domestic market, we see little in the overseas market. The Pressings business is likely to get a boost due to increasing number of players and ACGL can tap the market in this segment.

5. Internal Control System

ACGL's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The systems are designed to ensure that all the assets of the company are safeguarded and protected against any loss and that all the transactions are properly authorized, recorded and reported.

The company has an Internal Audit function, which is empowered to examine adequacy and compliance with policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process. The internal audit team comprises of well-qualified, experienced professionals who conduct regular audits across the Company's operations. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and the independent Audit Committee of the Board of Directors.

6. Financial and operational performance

Particulars	Percentage of Sales Year ended March, 31 st	
	2011	2010
Sales net of excise duty	100	100
Expenditure:		
Material (including change in stock) and other variable cost	78.63	85.75
Employee cost	6.35	9.62
Manufacturing & other expenses	4.47	6.29
Total expenditure	89.45	101.66
Profit before Depreciation, Exceptional Items & Tax	10.55	-1.66
Depreciation	1.25	1.81
Interest	0.04	0.11
Profit before Exceptional Items and Tax	9.26	-3.58



7. Material Developments in Human Resource and Industrial Relations

The Company continues to maintain harmonious and cordial industrial relations. Developing & maintaining competent resources in the organization so that goals of organization are achieved in an effective and efficient manner is the prime focus of the Company. There were 628 employees on the rolls of the Company as at 31st March, 2011 as against 694 at the beginning of the year with average age of the employees being 39 years.

Training needs of the employees in their areas of operation are identified and training sessions are either held in-house or the employees are deputed to training courses to sharpen their skills on a regular basis.

The Company has a compensation structure including both fixed and performance based variable compensation for the senior employees' performance having a higher linkage with the Company performance.

Cautionary Statement

Statements in this Management Discussion and Analysis that describe the Company's objectives, expectations and predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, demand and pricing by the Company's major customers, changes in the Government regulations, Tax regimes, economic developments and other incidental factors.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

The Company was promoted in the joint sector and since inception in 1980, followed a philosophy of professional management with strict adherence to the letter and spirit of rules and regulations applicable to the corporate sector. The Company has institutionalized transparency, accountability and integrity in its functioning. Through the Governance mechanism, the Board, along with its Committees undertakes its fiduciary responsibilities to all its stakeholders. The Company's Code of Conduct which articulates the values, ethics and business principles serves as a guide to the Company, its directors and employees. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchange.

BOARD OF DIRECTORS

The Board of Directors comprises of eminent industrialists and professionals with diverse mix of qualification and experience. The Board currently comprises of seven Directors out of which five are Non-Executive Directors. The Company has a Independent Non-Executive Chairman and the composition of the Board is in conformity with the requirements of clause 49 of the Listing Agreement with the Stock Exchange.

Board meetings

During the year under review, five board meetings were held on 29.04.2010, 27.07.2010, 07.08.2010, 18.10.2010 and 18.01.2011. The meeting dates are fixed in consultation with all the directors. The maximum time gap between any two consecutive meetings did not exceed four months.

At least seven days' prior notice of meetings is given to all the Directors along with detailed agenda notes and where applicable, draft resolutions to be passed at such meetings.

The attendance at the board meetings held during the year and at the last Annual General Meeting and the details of directorships in public companies are given below: -



Name of the Director	Category	Attendance during the financial year 2010-11		No. of Directorships (Including the Company) *	Share-holding
		Board Meeting	AGM		
Mr. S. V. Salgaocar	Non-Executive Independent Director Chairman	2	No	2	Nil
Mr. P F X D'Lima	Non-Executive Independent Director	5	Yes	1	780
Mr. P M Telang	Non-Executive Director	5	Yes	10	Nil
Mr. R S Thakur (upto 6.7.2010)	Non-Executive Director	1	N/A	N.A.	Nil
Mr. S M Kuvelker (upto 7.8.2010)	Non-Executive Independent Director	3	Yes	N.A.	Nil
Mr. N R Menon (upto 1.8.2010)	Whole-time Director	2	N/A	N.A.	Nil
Mr. Steven Pinto (w.e.f. 28.6.2010)	Non-Executive Independent Director	3	No	2	Nil
Mr. C Ramakrishnan (w.e.f. 7.8.2010)	Non-Executive Director	2	N/A	8	Nil
Mr. V Krishnamurthi (w.e.f. 18.10.2010)	Whole-time Director	2	N/A	1	Nil
Mr. Ananth Prabhu	Whole-time Director	5	Yes	1	Nil

* Excluding Directorships in foreign companies

None of the Directors of the Company is a member of more than ten committees and chairman of more than five committees across all the companies in which he is a director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies. Also, none of the Directors is related to each other and holds the office of director in more than 15 public companies.

Mr. S V Salgaocar and Mr. P F X D'Lima retire by rotation at the 31st Annual General Meeting and are eligible for re-appointment



Information as required under clause 49 of the Listing Agreement is annexed to the Notice of the Annual General Meeting.

By a Circular Resolution, the Board of Directors appointed Mr. Steven A. Pinto as an Additional Director of the Company on June 28, 2010.

On August 7, 2010, the Board of Directors appointed Mr. C Ramakrishnan as an Additional Director of the Company.

On October 18, 2010, the Board of Directors appointed Mr. V. Krishnamurthi as the Managing Director of the Company.

Code of Conduct

The Company's Code of Conduct applicable to all the Board members, senior management and employees is available on the Company's website. All the Board members and senior management of the Company have affirmed compliance with the code for the financial year ended 31st March, 2011. Declaration to this effect signed by the Managing Director (CEO) is annexed hereto.

BOARD COMMITTEES

Audit Committee

Mr. R. S. Thakur and Mr. S. M. Kuvelker relinquished office on 6th July, 2010 and 7th August, 2010 respectively and consequently ceased to be members of the Committee.

The Board appointed Mr. Steven A. Pinto and Mr. C. Ramakrishnan as members of the Committee w.e.f. 22nd July, 2010 and 7th August, 2010 respectively.

The Composition of the Audit Committee is as follows:

Mr. S. M. Kuvelker	Independent Director	Chairman (upto 7.8.2010)
Mr. Steven Pinto	Independent Director	Chairman (w.e.f. 18.10.2010)
Mr. P F X D'Lima	Independent Director	Member
Mr. C Ramakrishnan	Non-Executive Director	Member (w.e.f. 7.8.2010)

All members of the Audit Committee have relevant finance expertise

The Executive Director (Commercial) & Secretary acts as the Secretary to the Committee.

Four Audit Committee meetings were held on 29.04.2010, 27.07.2010, 18.10.2010 and 18.01.2011 during the year under review.



The attendance at the Audit Committee meetings held during the year is as under: -

Composition of Audit Committee	Mr. S M Kuvelker (Chairman & Member up-to 7.8.2010) Non –Executive Independent Director	Mr. Steven Pinto (Member w.e.f. 22.7.2010 and Chairman w.e.f. 18.10.2010)Non-Executive Independent Director	Mr. P F X D'Lima Non-Executive Independent Director	Mr. R S Thakur (Member up-to 6.7.2010) Non-Executive Director	Mr. C Ramakrishanan (Member w.e.f.7.8.2010) Non-Executive Director
Number of meetings attended	2	3	4	1	2

Mr. S. M. Kuvelker, Chairman of the Audit Committee was present at the last Annual General Meeting.

The Statutory Auditors and Internal Auditors of the Company are invitee to the Audit Committee meetings. The Audit Committee holds discussion with the Statutory Auditors on the quarterly and yearly audit of the Company's accounts and other related matters. The reports of the Internal Auditors is reviewed by the Audit Committee.

Powers of the Audit Committee: -

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

Role of the Audit Committee: -

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, replacement or removal of the statutory auditors and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management the annual financial statements before submission to the board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report.

Reviewing, with the management, the quarterly financial statements before submission to the Board for approval

Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

Reviewing, with the management, performance of statutory and internal auditors and adequacy of internal control systems.

Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

Discussion with the internal auditors of any significant findings and follow up there on.

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 payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

To review functioning of the Whistle Blower mechanism.

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



Remuneration Committee

The terms of reference of the Remuneration Committee are consideration of matters relating to the Company's policy on remuneration to the Whole-time Directors.

The composition of the Remuneration Committee is as under:

Mr. S V Salgaocar	Independent Director	Chairman
Mr. P M Telang	Non Executive Director	Member
Mr. P F X D'Lima	Independent Director	Member

No Remuneration Committee meeting was held during the year under review. However, 5 Circular Resolutions were passed by the Remuneration Committee during the year.

Remuneration Policy

The remuneration of whole-time directors is decided by the Remuneration Committee based on criteria such as the Company's performance and the performance/track record of the whole-time directors. The Company pays remuneration by way of salary, perquisites/ allowances, commission and incentive remuneration to its whole time directors. The Annual increments are decided by the Remuneration Committee within the salary scales approved by the members.

The sitting fee payable to Non-executive Directors for attending Board and Audit Committee meetings is Rs.10,000/- per meeting and Rs.5,000/- for other Committee meetings.

Remuneration to Directors

Non-Executive Directors

(Rupees)

Name	Commission for 2010-11	Sitting fees for 2010-11
S V Salgaocar	Nil	20,000
P F X D'Lima	720,000	95,000
P M Telang	1,485,000	50,000
R S Thakur (upto 06.07.2010)	348,000	20,000
S M Kuvelker (upto 07.08.2010)	252,000	50,000
Steven Pinto (w.e.f. 28.06.2010)	545,000	60,000
C Ramakrishnan (w.e.f. 07.08.2010)	850,000	40,000

(Mr. S V Salgaocar opted not to accept commission)



AUTOMOBILE CORPORATION OF GOA LIMITED

Whole-time Directors

(Rupees)

Name	Salary	Perquisites & Allowances	Commission	Incentive Remuneration
N R Menon - Managing Director (upto 1.8.2010)	446,420	98,497	-	1,090,482
V Krishnamurthi - Managing Director (w.e.f 18.10.2010)	2,180,655	417,875	1,000,000	4,361,290
Ananth Prabhu - Executive Director	1,497,072	1,032,456	-	814,993

The Remuneration to Managing Director is subject to approval of the shareholders at the ensuing Annual General meeting.

Salient terms of Service Contracts, Severance Fees and Notice Period in respect of Whole-time Directors approved by the members:

Particulars	V Krishnamurthi	A. Prabhu
Salary Scale	Rs. 4,00,000 – Rs. 5,50,000	Rs. 50,000 – Rs. 1,25,000
Incentive Remuneration	As awarded by the Board not exceeding 200% of salary to be paid annually	As awarded by the Board
Commission	At the discretion of the board subject to limits specified under the Companies Act, 1956	At the discretion of the board subject to limits specified under the Companies Act, 1956
Perquisite & Allowances	At the discretion of the board subject to limits specified under the Companies Act, 1956	At the discretion of the board subject to limits specified under the Companies Act, 1956
Minimum Remuneration in case of inadequacy of profits during any financial year	Salary, incentives and perquisites as above subject to Schedule XIII of the Companies Act, 1956	Salary, incentives and perquisites as above subject to Schedule XIII of the Companies Act, 1956
Notice Period on either side	6 months	3 months
Severance fees payable by the Company for terminating employment	6 months salary	3 months salary

Retirement Policy for Directors

Executive Directors – Up-to 65 years

Non-Executive Directors – Up-to 75 years

Investors' Grievance Committee

The Investors' Grievance Committee oversees redressal of investors' complaints pertaining to share transfers and related issues.

The Composition of the Investors' Grievance Committee is as under

Mr. P F X D'Lima

Chairman

Mr. N R Menon

Member (upto 1.8.2010)

Mr. V Krishnamurthi

Member (w.e.f. 18.10.2010)

One Investors' Grievance Committee meeting was held on 3rd March, 2011 during the year under review.

The Executive Director (Commercial) & Secretary acts as the Secretary to the Committee.

Attendance at Investors' Grievance Committee meetings held during the year is as under: -

Particulars	P F X D'Lima (Chairman) Non-Executive Independent Director	N R Menon Managing Director (upto 1.8.2010)	V Krishnamurthi Managing Director (w.e.f. 18.10.2010)
Number of meetings attended	1	-	1

Mr. Ananth Prabhu, Executive Director (Commercial) & Secretary, who is also the Compliance Officer may be contacted at:

Automobile Corporation of Goa Ltd.,
Bhuimpal, Sattari, Goa – 403 530.
Tel (0832) 6731214
E-mail: aprabhu@acglgoa.com

Ten complaints were received during the year under review (out of which one complaint pertaining to non receipt of Dividend was routed through SEBI) and all were resolved during the year. No complaints were pending as on March 31, 2011.



GENERAL BODY MEETINGS

Location and time of the general meetings held in the last 3 years.

Year	Type	Date	Venue	Time
2009-2010	AGM	7 th August, 2010	Regd. Office Honda, Sattari, Goa	12.30 pm
2008-2009	AGM	8 th August, 2009	Regd. Office Honda, Sattari, Goa	12.00 noon
2007-2008	AGM	28 th June, 2008	Regd. Office Honda, Sattari, Goa	10.30 a.m.

All resolutions moved at the last Annual general meeting were passed by a show of hands by requisite majority of members attending the meeting. Three special resolutions were passed during the last three AGMs held. No resolutions were moved through postal ballot.

Details of Special resolutions passed during the last three AGMs is as under

Year	Date of AGM	Particulars of special resolution
2009-10	7 th August, 2010	Nil
2008-09	8 th August, 2009	<ol style="list-style-type: none"> Approval to the Board of Directors to spend the balance unspent amount raised through issue of equity shares on rights basis in 2007 for purposes other than those mentioned in the letter of offer dated 28.02.2007 Alteration of Articles of Association of the Company by insertion of new Article 135A for allowing company to hold Board or Committee meetings through the means of video or tele-conferencing
2007-08	28 th June, 2008	<ol style="list-style-type: none"> Payment of remuneration by way of commission on the net profits of the Company to Non-Whole time directors as required under Section 309(7) of the Companies Act, 1956



DISCLOSURES

During the year under review, besides the transactions mentioned elsewhere in the Annual Report, there were no other related party transactions by the Company.

No penalties have been imposed or strictures passed on the Company during the last three years.

In accordance with Clause 49 (V) of the Listing Agreement, the Managing Director and the Executive Director have issued necessary certificate in respect of the financial statements for the year ended March 31, 2011.

All mandatory requirements as per Clause 49 of the Listing Agreement have been complied-with by the Company.

RISK MANAGEMENT

The Board has laid down a clear Risk Policy to identify potential business risks and install effective mitigation processes to protect the Company's assets and business risks.

The Risk Assessment and minimization plans are reviewed by the Board periodically.

PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES, PREFERENTIAL ISSUES ETC

In the financial year 2006/07, the company issued 1,481,913 equity shares of Rs. 10 each on Rights basis at a premium of Rs.465/- per share aggregating to Rs. 703,908,675/-. The objects of the issue were to substantially increase capacity ,upgrade and modernise the Bus Body building facilities and shift the existing presses from the main Sheet Metal Pressing unit (at Honda, Goa) to a location in or around Pune. The Rights issue closed for subscription on 20th April, 2007 and shares were allotted on 19th May, 2007. Further, at the AGM held on 8th August, 2009, the members approved utilisation of the unspent amount as on the date of the AGM for other purposes such as funding incremental working capital needs, new business opportunities, in-organic growth and to invest in group companies.

As at 31st March, 2011, a sum of Rs.351,165,673/- has been spent on Capital expenditure and balance amount Rs.343,534,566/- is being held in Inter Corporate Deposits. The Management has aggressive plans for utilizing the balance amount through expansion at various plants and for generation of additional business.

MEANS OF COMMUNICATION

The Quarterly/Half yearly/Annual results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and are published in newspapers and posted on the Company's website. Periodic information as specified under Clause 41 of the Listing Agreement are posted through Corporate Filing and Dissemination System (CFDS) of the Bombay Stock Exchange Ltd. Physical copies of the said disclosures are also filed with the Bombay Stock Exchange Ltd.



GENERAL SHAREHOLDER INFORMATION

Date and Time: 5th August, 2011 at 2.00 pm.
Venue: Registered office at Honda, Sattari, Goa-403 530.
Dividend Payment date: On or before 12th August, 2011

21st July, 2011 to 26th July, 2011

Financial reporting for the quarter ending:

June 30, 2011	-	by 15 th August, 2011
September 30, 2011	-	by 15 th November, 2011
December 31, 2011	-	by 15 th February, 2012
March 31, 2012	-	end May 2012 along with audited Annual Accounts

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited, Mumbai.

The Company has paid the Listing fee for the financial year 2011-12.

CIN : L35911GA1980PLC000400

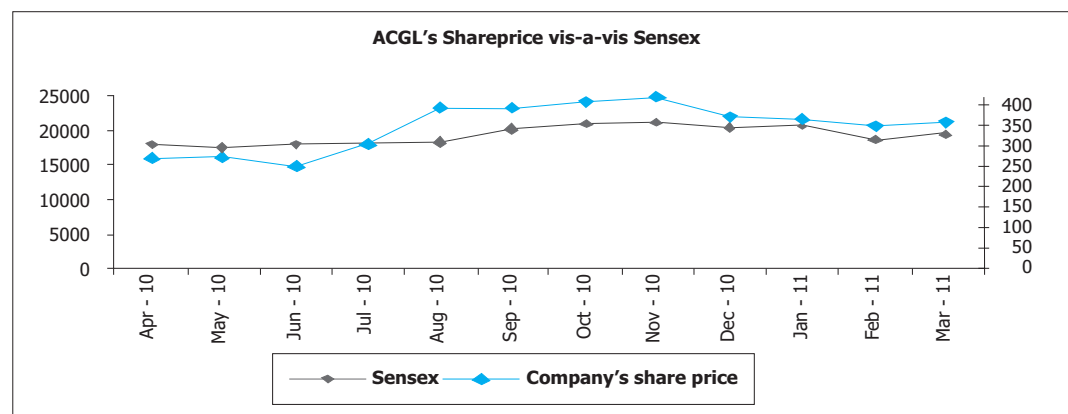


AUTOMOBILE CORPORATION OF GOA LIMITED

Market information:

Market price data – monthly high/low during the financial year of the Company's equity shares on the BSE vis-à-vis Sensex is given hereunder: -

Month	Company's share price		Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2010	270.00	229.00	18,047.86	17,276.80
May, 2010	275.00	220.00	17,536.86	15,960.15
June, 2010	249.80	220.00	17,919.62	16,318.39
July, 2010	304.50	220.00	18,237.56	17,395.58
August, 2010	395.60	287.00	18,475.27	17,819.99
September, 2010	395.00	345.00	20,267.98	18,027.12
October, 2010	409.50	359.95	20,854.55	19,768.96
November, 2010	420.00	340.00	21,108.64	18,954.82
December, 2010	376.00	321.00	20,552.03	19,074.57
January, 2011	367.00	298.00	20,664.80	18,038.48
February, 2011	351.00	303.50	18,690.97	17,295.62
March, 2011	360.00	331.10	19,575.16	17,792.17



Registrars and Share Transfer agents:

Members are requested to correspond with the Company's Registrars & Transfer Agents – M/s. TSR Darashaw Ltd quoting their Folio no., DPID & Client ID at the following address: -

TSR DARASHAW LIMITED
6-10, Haji Moosa Patrawala Ind. Estate
20, Dr. E. Moses Road,
Mahalaxmi,
Mumbai - 400 011

Tel: 022- 66568484
Fax: 022- 66568496, 022-66568494
E-mail – csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

Share Transfer System:

Shares lodged for transfer at the Registrar's address are normally processed within 30 days from the date of lodgment, if the documents are complete and clear in all respects. All requests for dematerialization of shares are processed and confirmation given to the depositories within 15 days. Grievances received from members and other miscellaneous correspondence on change of addresses, mandates etc., are processed by the Registrars within 30 days. The Company extends the facility of simultaneous transfer and dematerialisation of shares to the shareholders.

Pursuant to Clause 47 (C) of the Listing Agreement with Bombay Stock Exchange Limited, Certificates, on half yearly basis, have been issued by a practicing Company Secretary for due compliance of share transfer formalities by the Company.

Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a practicing Company Secretary for timely dematerialisation of shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.



Distribution of shareholding:

As on 31st March, 2011

Sr. No	No. of Shares	Holding	Amount (Rs.)	% to Capital	No. of Holders	% to Total Holders
1	1 to 500	1,028,642	10,286,420	16.02	12,529	96.77
2	501 to 1000	151,473	1,514,730	2.36	192	1.48
3	1001 to 5000	352,608	3,526,080	5.49	161	1.24
4	5001 to 10000	177,219	1,772,190	2.76	24	0.19
5	10001 and Above	4,711,680	47,116,800	73.37	41	0.32
	Total	6,421,622	64,216,220	100.00	12,947	100.00

Shareholding pattern:

Category	As on March 31,2011 No. of shares	As on March 31,2011 %	As on March 31,2010 No. of shares	As on March 31,2010 %
Promoters :				
EDC Ltd.	4,05,302	6.31	4,05,302	6.31
Tata Motors Ltd.	2,838,813	44.21	2,720,629	42.37
Mutual Funds / UTI	2,604	0.04	2,804	0.04
Banks, Financial Institutions, Insurance Cos.	150	0.00	150	0.00
NRIs	35,066	0.55	48,741	0.76
Foreign Institutional Investors	1,400	0.02	1,400	0.02
Others	3,138,287	48.87	3,242,596	50.50
Total	6,421,622	100.00	6,421,622	100.00



Top Shareholders (holding in excess of 1%) as on 31st March, 2011

Sr. No.	Name of the shareholder	Number of Shares	% to Paid - up Capital
1	Tata Motors Limited	2,838,813	44.21
2	EDC Limited	405,302	6.31
3	Arun Nahar	215,500	3.36
4	Diana Dhun Ratnagar	80,000	1.25
5	Manish Prataprai Gandhi	78,191	1.22
6	Jagrut Prataprai Gandhi	76,396	1.19

Dematerialization of Shares

Electronic holding by members comprises of 93.27% (Previous year 92.95%) of the paid up Share Capital of the Company held through National Securities Depository Limited 82.40% and Central Depository Services (India) Limited 10.87% as on March 31, 2011.

Action required regarding non-receipt of dividends

- i) In case of non – receipt /non- encashment of dividend warrants, Members are requested to correspond with the Company's Registrars/ Registrar of Companies, as mentioned hereunder:



Dividend for	Contact office	Action to be taken
2004-05 to 2009-10	TSR Darashaw Limited	Letter on plain paper
1999-00 to 2003-04	Not applicable due to non declaration of dividend	-
1996-97 to 1998-99	- (Balance remaining in the un-paid dividend accounts of respective years has been transferred to IEPF)	- (Balance remaining in the un-paid dividend accounts of respective years has been transferred to IEPF)
1985-86 to 1995-96	The Registrar of Companies Company Law Office Plot No.21, EDC Complex, Patto Plaza, Panaji, Goa – 403 001. Tel : (0832) 2438617/18	Claim in Form No.II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government Rules, 1978)

- ii) As per the provisions of Section 205 A read with Section 205 C of the Companies Act, 1956, the Company is required to transfer dividends remaining unpaid and unclaimed for a period of 7 years from the due date to Investor Education and Protection Fund (IEPF) set-up by the Central Government.
- iii) Given below are the indicative due dates for transfer of unclaimed and unpaid dividends to IEPF by the Company :

Financial Year	Dividend Payment Date	Proposed date for transfer to IEPF *
2004-05	5 th August, 2005	4 th September, 2012
2005-06	5 th October, 2006	4 th November, 2013
2006-07	5 th July, 2007	4 th August, 2014
2007-08	5 th July, 2008	4 th August, 2015
2008-09	13 th August, 2009	12 th September, 2016
2009-10	12 th August, 2010	11 th September, 2017
2010-11 (interim)	15 th February, 2011	14 th March, 2018

* Indicative dates; actual may vary



Plant locations:

Plant Location	Range of Products
Plant I Honda, Sattari, Goa – 403 530	Pressed sheet metal parts/components/Sub assemblies and assemblies there from for various aggregates of automobiles Bus Bodies and component parts thereof.
Plant II Bhuimpal, Sattari, Goa – 403 530	Bus Bodies and component parts thereof
Plant III Bhuimpal Pressing Unit Bhuimpal, Sattari, Goa – 403 530	Pressed sheet metal parts/components/Sub assemblies and assemblies there from for various aggregates of automobiles. In view of the recall of tooling by the buyers, the old presses in the unit have been disposed-off. There are proposals under consideration to put this plant in manufacturing operations
Plant IV Jejuri Pressing Unit Plot No.F-2, MIDC, Jejuri, Taluka Purandar, Dist. Pune.	Pressed sheet metal parts/components/Sub assemblies and assemblies there from for various aggregates of automobiles

Address for correspondence:
Automobile Corporation of Goa Ltd.,
Honda, Sattari, Goa - 403 530.
Tel.: (0832) 6731223,6731227
Fax : (0832) 6731262
Email: sectl@acglgoa.com



Other facilities of interest to Shareholders holding shares in physical form

Nomination facility : Shareholders who hold shares in single name and wish to make/change the nomination in respect of their shares as permitted under Section 109A of the Act, may submit to the Registrars the prescribed Form 2B.

Bank details : Shareholders are requested to notify/send the following to the Company's Registrars to facilitate better service

- (i) Any change in their address/mandate/bank details; and
- (ii) Particulars of the bank account in which they wish their dividend to be credited, incase not furnished earlier

Shareholders are advised that respective bank details and address as furnished by them to the Company will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

COMPLIANCE WITH NON- MANDATORY REQUIREMENTS

The Chairman of the Board: No separate office is maintained for Non- Executive Chairman.

No specific tenure has been specified for the Independent Directors

Remuneration Committee : Details are given under the heading 'Remuneration Committee'

Shareholder Rights : The Financial results are displayed on the Company's website, besides being available on the SEBI website. The Company does not send half yearly declaration of financial performance to its shareholders.

Audit Qualifications : During the year under review, there were no audit qualifications on the Company's financial statements.

Training of Board Members : All the members of the Board are well qualified senior industrialists/ professionals actively engaged in their respective fields of specialisation on a day to day basis. All major statutory changes and other important developments having a bearing on the Company's affairs are informed to the Board at regular meetings. The Company will address the requirement of training of Board members as and when considered necessary.

Mechanism for evaluation of Non-executive Board members: The performance evaluation of Non-executive members of the Board is done by the Board based on criteria of attendance and contributions at Board/Committee meetings as also for the role played/contributions made other than at meetings.



Whistle Blower Mechanism : The Company has put in place a 'whistle blower policy' and no personnel have been denied access to the members of the Audit Committee. Names, addresses and contact numbers of the Audit Committee members are prominently displayed in the plants with clear assurance that any employee who observes an unethical or improper practice is free to approach the Members of the Audit Committee without fear of unfair treatment.

Disclosures on Voluntary Guidelines issued by the Ministry of Corporate Affairs during December, 2009

The Board reviewed the Voluntary Guidelines issued by the Central Government at its meeting held on 18th January, 2011.

The Company already complies with most of the requirements mentioned in the guidelines on Corporate Governance. The initiatives taken by the Management has been documented in pursuance of Corporate Social Responsibility. The Management has a good record on Safety, Health and Environment issues in the areas of operations and the same are presented to the Board for regular review. The Board has approved a budget of Rs.22 Lakhs for the year 2011-12 towards CSR projects.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 1(D) of the Listing Agreement with the Bombay Stock Exchange Ltd., I hereby confirm that all Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2011.

For Automobile Corporation of Goa Ltd.,

Sd/-
V. Krishnamurthi
Managing Director

Honda, Goa.
Dated : 14th May, 2011



AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of Automobile Corporation of Goa Limited

We have examined the compliance of conditions of Corporate Governance by Automobile Corporation of Goa Limited for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with the Bombay stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. 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, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

We state that such 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 DELOITTE HASKINS & SELLS
Chartered Accountants
Registration No. 117366W

RUPEN K. BHATT
Partner
Membership no. 46930

Mumbai, 15th June, 2011



AUDITORS' REPORT

TO THE MEMBERS OF AUTOMOBILE CORPORATION OF GOA LIMITED

1. We have audited the attached Balance Sheet of **AUTOMOBILE CORPORATION OF GOA LIMITED** ("the Company") as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both 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 the 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 material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government 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.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (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 it appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;



- (e) in our opinion and to the best of our information and according to the explanations given to us, the said 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:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Registration No.117366W

Rupen K. Bhatt
Partner
Membership No.: 46930

MUMBAI, 19th April, 2011

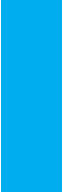




ANNEXURE TO THE AUDITORS' REPORT


(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/activities, clauses(xiii) and (xiv) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Major items of fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

- 
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Since the value of the said transaction does not exceed Rupees five lakhs, the information required under clause (v) (b) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
 - (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence directives issued by the Reserve Bank of India and provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under are not applicable to the Company.
 - (viii) In our opinion, the internal audit function carried out during the year, by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business
 - (ix) 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 Section 209(1) (d) of the Companies Act, 1956 in respect of pressed parts/ components/ sub-assemblies manufactured by its Sheet Metal Division and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained/are under preparation. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
 - (x) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Employees' State Insurance Act, 1948 is not applicable to the Company for the year.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Statute	Nature of the dues	Forum where dispute is pending	Period to which the Amount relates	Amount in Rupees
Central Excise Act, 1944	Excise duty	Commissioner of Central Excise (Appeals)	1994-95	1,764,663
Central Excise Act, 1944	Excise duty	Commissioner of Central Excise (Appeals)	1995-96	79,304
Central Excise Act, 1944	Excise duty	Commissioner of Central Excise (Appeals)	1996-97	95,036
Central Excise Act, 1944	Excise duty	High Court of Bombay, at Goa	1996-97	2,803,670
Central Excise Act, 1944	Excise duty	High Court of Bombay, at Goa	2001-02	78,769
Central Excise Act, 1944	Excise duty	CESTAT	2005-06	906,642
Central Excise Act, 1944	Service Tax	CESTAT	2008-09	159,434
Central Excise Act, 1944	Excise duty	Commissioner of Central Excise (Appeals)	2001-08	297,544
Central Excise Act, 1944	Excise duty	CESTAT	2005-06	49,686,645
Central Excise Act, 1944	Service Tax	Pending appeal with CESTAT	2010-11	25,144

- (xi) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the year and in the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- (xiv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loan during the year and hence the question of commenting on the application thereof does not arise.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.

- 
- (xvii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
 - (xviii) There are no debentures issued and outstanding as at the end of the year and hence the question of creating security or charge in respect thereof does not arise
 - (xix) During the year, the Company has not raised any money by public issue.
 - (xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS

Chartered Accountants
Registration No.117366W

Rupen K. Bhatt

Partner
Membership No.: 46930

MUMBAI, 19th April, 2011



AUTOMOBILE CORPORATION OF GOA LIMITED

Balance Sheet as at 31st March 2011

	Schedule No		As at 31 st March 2010	
		Rupees	Rupees	Rupees
SOURCES OF FUNDS				
Shareholders' funds				
Share Capital	1	64,216,220		64,216,220
Reserves and surplus	2	1,383,503,270		1,223,029,271
			1,447,719,490	1,287,245,491
Loan funds				
Secured loans	3		38,162,356	86,309,088
Deferred tax liability (net)				
			21,016,700	13,395,600
Total			1,506,898,546	1,386,950,179
APPLICATION OF FUNDS				
Fixed assets	4			
Gross block		980,709,934		983,108,421
Less: depreciation/amortisation		534,605,149		516,518,276
Net block		446,104,785		466,590,145
Capital work-in-progress		44,472,785		10,958,320
			490,577,570	477,548,465
Investments				
	5		-	400,444,069
Current assets, loans and advances				
Inventories	6	323,681,126		373,494,741
Sundry debtors	7	361,658,741		203,895,427
Cash and bank balances	8	259,633,167		7,207,643
Loans and advances	9	977,671,409		604,006,325
		1,922,644,443		1,188,604,136
Less: Current liabilities and provisions	10			
Current liabilities		746,537,670		615,149,891
Provisions		159,785,797		64,496,600
		906,323,467		679,646,491
Net current assets			1,016,320,976	508,957,645
Total			1,506,898,546	1,386,950,179
Significant Accounting Policies and Notes on Accounts	14			

As per our attached report of even date

P. M. Telang

P. F. X. D'Lima

For Deloitte Haskins & Sells Chartered Accountants

Steven Pinto

C. Ramakrishnan

V. Krishnamurthi Managing Director

Ananth Prabhu Executive Director (Commercial) & Secretary

Rupen K. Bhatt Partner

Place Mumbai Dated: 19th April, 2011

Place : Mumbai Dated : 19th April, 2011



AUTOMOBILE CORPORATION OF GOA LIMITED

Profit and Loss Account for the year ended 31st March 2011

Schedule No		Previous Year	
		Rupees	Rupees
INCOME			
Turnover (Gross)		3,706,912,110	2,357,194,717
Conversion / Repair Charges		2,519,723	1,744,747
Sale of Scrap		130,477,331	104,268,881
		<u>3,839,909,164</u>	<u>2,463,208,345</u>
Less: Excise duty		141,246,863	129,619,627
Turnover (Net)			<u>2,333,588,718</u>
Other income	11	3,698,662,301	46447,141
		<u>61,322,757</u>	
Total		<u>3,759,985,058</u>	<u>2,380,035,859</u>
EXPENDITURE			
Manufacturing and other Expenses	12	3,307,990,384	2,372,384,037
Excise duty		340,336	49,258
Depreciation/amortisation		46,274,428	42,264,478
Interest	13	1,407,832	2,511,200
		<u>3,356,012,980</u>	<u>2,417,208,973</u>
Profit/(Loss) before prior period items, exceptional item and tax		<u>403,972,078</u>	<u>(37,173,114)</u>
Provision for tax :			
Current tax		125,560,000	-
Deferred tax		7,621,100	(15,757,400)
		<u>133,181,100</u>	<u>(15,757,400)</u>
Excess provision for tax in respect of earlier years written back (net)		2,005,617	-
Profit/(Loss) after tax		<u>272,796,595</u>	<u>(21,415,714)</u>
Surplus brought forward from previous year		354,166,548	383,095,238
Amount available for appropriation		<u>626,963,143</u>	<u>361,679,524</u>
Interim Dividend		16,054,055	-
Proposed Dividend		80,270,275	6,421,622
Corporate Dividend tax there on		15,998,266	1,091,354
Transfer to General reserve		27,280,000	-
Surplus carried to Balance Sheet		<u>487,360,547</u>	<u>354,166,548</u>
Basic and Diluted Earnings per share (face value Rs. 10 per Share) (Refer Note 11 of schedule 14)		42.48	(3.33)
Significant Accounting Policies and Notes on Accounts	14		

As per our attached report of even date

P. M. Telang

P. F. X. D'Lima

For Deloitte Haskins & Sells
Chartered Accountants

Steven Pinto

C. Ramakrishnan

V. Krishnamurthi
Managing Director

Ananth Prabhu
Executive Director
(Commercial) &
Secretary

Rupen K. Bhatt
Partner

Place Mumbai
Dated :19th April, 2011

Place : Mumbai
Dated : 19th April, 2011



AUTOMOBILE CORPORATION OF GOA LIMITED

Cash Flow Statement for the year ended 31st March 2011

Particulars			Previous year	
	Rupees	Rupees	Rupees	Rupees
A. Cash flow from operating activities				
Profit /(Loss) before tax	403,972,078		(37,173,114)	
adjustments for :				
Non-Cash Items:				
Depreciation	46,274,428		42,264,478	
Provision for doubtful debts / advances (net)	729,720		5,739,627	
Bad debts/advances written off	457,384		403,367	
Unrealised exchange differences	18,998		52,128	
Others :				
Loss on sale of fixed assets	429,164		82,664	
Interest expense	1,407,832		2,511,200	
Interest Income	(37,797,728)		(24,359,754)	
Dividend Income	(3,386,956)		(12,139,546)	
Profit on sale of fixed assets	(11,220,393)		(223,029)	
Operating profit/(loss) before working capital changes	400,884,527		(22,841,979)	
(Increase)/Decrease in trade and other receivables	(176,790,987)		26,906,621	
Decrease/(Increase) in inventories	49,813,615		(189,163,576)	
Increase in trade and other payables	133,263,327		90,909,269	
Cash generated from/(used in) operations	407,170,482		(94,189,665)	
(Payment) of direct taxes	(118,795,728)		(11,191,879)	
Net cash generated from/(used in) operating activities		288,374,754		(105,381,544)
B. Cash flow from investing activities				
Purchase of Fixed assets	(62,225,044)		(60,019,418)	
Purchase of Current investments	(3,386,956)		(1,367,211,614)	
Sale of Current investments	403,831,025		1,493,778,028	
Sale of fixed assets	13,712,740		785,966	
Inter Corporate Deposit given	(340,000,000)		(130,000,000)	
Interest received	23,980,572		24,359,754	
Dividend received	3,386,956		12,139,546	
Net cash generated from/(used in) investing activities		39,299,293		(26,167,738)



AUTOMOBILE CORPORATION OF GOA LIMITED

Cash Flow Statement for the year ended 31st March 2011

C. Cash Flow from Financing activities				
(Repayment of)/Proceeds from short term borrowings	(48,146,732)		75,307,590	
Dividend paid (including corporate dividend tax)	(25,693,959)		(73,936,634)	
Interest paid	(1,407,832)		(2,511,200)	
Net cash/(used in) financing activities		(75,248,523)		(1,140,244)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)		252,425,524		(132,689,526)
Cash and cash equivalents as at 31st March 2010		7,207,643		139,897,169
Cash and cash equivalents as at 31st March 2011		259,633,167		7,207,643
Components of cash and cash equivalents as at		31 st March 2011		31 st March 2010
Cash on hand		68,890		170,554
Balances with banks - Current Accounts		7,533,270		5,122,167
- Savings Account		2,000		2,000
- on Deposits Accounts		252,029,007		1,912,922

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method set out in Accounting Standard (AS-3)" Cash Flow Statements notified in Companies (Accounting Standards) Rules, 2006
2. Figures relating to previous year have been recast where necessary to conform to the figures of the Current year.
3. Balances with banks in current Accounts includes restricted bank balance of Rs. 5,615,722/- (previous year Rs. 5,122,167/-).

As per our attached report of even date
For Deloitte Haskins & Sells Chartered Accountants

P. M. Telang

P. F. X. D'Lima

Steven Pinto

C. Ramakrishnan

Rupen K. Bhatt
Partner

V. Krishnamurthi
Managing Director

Ananth Prabhu
Executive Director (Commercial) & Secretary

Place Mumbai
Dated : 19th April, 2011

Place : Mumbai
Dated : 19th April, 2011



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedules Forming Part of the Balance Sheet As at 31st March, 2011

SCHEDULE : 1		As at 31 st March, 2010	
SHARE CAPITAL :	Rupees	Rupees	Rupees
Authorised : 10,000,000 Equity Shares of Rs. 10/- each 1,500,000 Preference Shares of Rs. 100/- each		100,000,000 150,000,000 250,000,000	100,000,000 150,000,000 250,000,000
Issued : 6,421,622 Equity Shares of Rs. 10/- each		64,216,220	64,216,220
Subscribed and paid - up 6,421,622 Equity Shares of Rs. 10/- each fully paid		64,216,220 64,216,220	64,216,220 64,216,220
Total			
SCHEDULE : 2			
RESERVES AND SURPLUS :			
Capital reserve - Central capital subsidy As per last Balance Sheet		5,000,000	5,000,000
Share premium account As per last Balance Sheet		680,818,433	680,818,433
General Reserve As per last Balance Sheet Add: Amount transferred from Profit and Loss Account	91,038,290 27,280,000	118,318,290	91,038,290 -
Capital Redemption Reserve Account As per last Balance Sheet		92,006,000	92,006,000
Surplus in Profit and Loss Account		487,360,547	354,166,548
Total		1,383,503,270	1,223,029,271
SCHEDULE : 3			
SECURED LOANS :			
From Banks : Cash Credit Accounts (refer note below)		38,162,356	86,309,088
Total		38,162,356	86,309,088
Note : Loan from Banks on Cash Credit accounts are secured by hypothecation of stocks, stores, work-in-process finished goods, book debts and receivables, Investment, both present and future.			



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedule Forming Part of the Balance Sheet As at 31st March 2011

SCHEDULE : 4

(in Rupees)

FIXED ASSETS	GROSS BLOCK (at cost/valuation)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1 st April, 2010	Additions	Deductions	As at 31 st March, 2011	As at 1 st April, 2010	For the Year	Deductions	Up to 31 st March, 2011	As at 31 st March, 2011	As at 31 st March, 2010
Tangible Assets										
Freehold land	2,734,780	-	-	2,734,780	-	-	-	-	2,734,780	2,734,780
Leasehold land	35,700,341	377,950	-	36,078,291	3,081,969	1,890,426	-	4,972,395	31,105,896	32,618,372
Buildings	253,059,596	1,734,355	-	254,793,951	92,027,987	9,848,207	-	101,876,194	152,917,757	161,031,609
Plant & Machinery	596,316,971	15,134,784	26,954,616	584,497,139	380,197,453	19,680,656	25,720,048	374,158,061	210,339,078	216,119,518
Furniture and fixtures	9,567,925	734,164	230,700	10,071,389	7,254,244	340,750	61,010	7,533,984	2,537,405	2,313,681
Computers	31,940,350	405,974	142,425	32,203,899	13,937,242	4,436,122	110,492	18,262,872	13,941,027	18,003,108
Vehicles (Refer Note 3 below)	23,018,765	8,457,162	3,781,325	27,694,602	12,332,600	2,275,976	2,296,005	12,312,571	15,382,031	10,686,165
Intangible Assets (Acquired)										
Computer Software	30,769,693	1,866,190	-	32,635,883	7,686,781	7,802,291	-	15,489,072	17,146,811	23,082,912
Total	983,108,421	28,710,579	31,109,066	980,709,934	516,518,276	46,274,428	28,187,555	534,605,149	446,104,785	-
Previous year	901,773,144	83,238,091	1,902,814	983,108,421	475,511,011	42,264,478	1,257,213	516,518,276		466,590,145
Capital work - in- progress (including capital advance of Rs. 14,384,380/- (Previous Year Rs. 10,865,582/-))									44,472,785	10,958,320
Total									490,577,570	477,548,465

Notes:

- Plant and Machinery of Sheet Metal Division were revalued on 1st April 1988, by external valuers on the basis of prevalent fair market price and estimated balance useful life of assets as on that date resulting in net increase of Rs. 50,726,700/- being surplus on revaluation as on 1st April 1988. Revalued amount substituted for historical cost as on 1st April 1988 is Rs. 86,578,500/-.
- Freehold Land includes Rs. 2,115,360/- in respect of which conveyance of title is pending.
- Vehicles include certain trucks & buses given on operating lease for transportation of company's raw material and finished goods and commuting by employees. The details of such trucks/buses are as under :

	Current year	Previous Year
-Gross carrying amount	11,056,522	11,056,522
-Accumulated Depreciation	6,846,203	5,568,893
-Depreciation charge for the year	1,277,310	1,576,992



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedule Forming Part of the Balance Sheet As at 31st March 2011

SCHEDULE : 5			As at 31 st March, 2010
INVESTMENTS :	Rupees	Rupees	Rupees
(a) Long Term (Unquoted, at cost)			
Trade Investments			
455,000 Equity Share of Ashiyana Autobodies Pvt. Ltd.		4,550,000	4,550,000
of Rs. 10/- each fully paid-up		4,550,000	4,550,000
Less : provision		-	-
Total long term investments (A)			
(b) Current investments *(Non Trade, Unquoted) (At lower of cost and fair value)			
Nill (previous year (39,918,663,1590) units in HDFC Cash Management Fund		-	400,444,069
-Treasury advantage Plan - Wholesale - Daily Dividend		-	400,444,069
Total Current investments (B)		-	400,444,069
Total (A+B)		-	400,444,069
*includes unutilised monies Rs. Nil (Previous year Rs. 253,373,852/-) out of proceeds of Rights shares issued during the year ended 31st March 2008, temporarily invested pending utilisation for the intended purpose			
Note :			
1. Investments purchased and sold during the year - Refer note 21 of schedule 14			
SCHEDULE : 6			
INVENTORIES			
(At cost or Net realisable value, whichever is lower except scrap which is at net realisable value)			
Stores and spare parts (including packing materials)		6,603,701	10,531,385
Stock-in-trade :			
Raw materials and components	232,540,502		290,911,001
Work-in-process	75,320,104		59,792,062
Finished goods	8,868,032		7,625,313
Scrap	348,787		4,634,980
Total		317,077,425	362,963,356
		323,681,126	373,494,741



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedule Forming Part of the Balance Sheet As at 31st March, 2011

As at 31st March, 2010

	Rupees	Rupees	Rupees
SCHEDULE : 7			
SUNDRY DEBTORS :			
(Unsecured)			
Debts outstanding for a period exceeding six month		13,396,751	18,257,101
Other debts		358,437,306	195,083,922
		371,834,057	213,341,023
Less : provision		10,175,316	9,445,596
		361,658,741	203,895,427
Total			
Notes:			
Considered good		361,658,741	203,895,427
Considered doubtful		10,175,316	9,445,596
Total		371, 834,057	213,341,023
SCHEDULE : 8			
CASH AND BANK BALANCE :			
Cash on hand		68,890	170,554
Balance with scheduled banks :			
a) In current accounts	7,533,270		5,122,167
b) In deposit accounts.#	252,029,007		1,912,922
		259,562,277	7,035,089
-with others			
In Post Office Savings Bank Account (Security deposit)		2,000	2,000
Maximum amount outstanding during the year Rs. 2,000/- (Previous year Rs. 2,000/-)			
Total		259,633,167	7,207,643
Note :			
#Includes Margin money against Bank guarantee Rs. 2,029,007/- (Previous year Rs. 1,912,922)			
SCHEDULE : 9			
LOANS AND ADVANCES :			
(Unsecured and considered good)			
Advances recoverable in cash or in kind or for value to be received		495,176,449	463,374,814
Inter Corporate Deposit		470,000,000	130,000,000
Balance with Central Excise Authorities		237,253	400,161
Advance tax (Net)		12,257,707	10,231,350
Total		977,671,409	604,006,325



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedule Forming Part of the Balance Sheet As at 31st March, 2011

SCHEDULE : 10	Rupees	Rupees	As at 31 st March, 2010 Rupees
CURRENT LIABILITIES AND PROVISIONS :			
a) Current Liabilities :			
Sundry Creditors			
i) Total outstanding dues of micro enterprises and small enterprises	9,159,979		10,163,193
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	724,819,542		590,482,229
	733,979,521		600,645,422
Other Liabilities	12,558,149	746,537,670	14,504,469
			615,149,891
b) Provisions :			
For tax (Net of advance Tax Rs. 301,703,818/- (Previous year Rs. 182,842,730/-))	10,109,707		3,324,695
For Warranty	5,349,526		6,693,685
For Leave encashment	27,327,388		25,646,866
For Gratuity	23,397,012		21,318,378
Proposed Dividend	80,270,275		6,421,622
Corporate Dividend Tax	13,331,889		1,091,354
		159,785,797	64,496,600
Total		906,323,467	679,646,491

Schedule Forming Part of the Profit and Loss Account for the year ended 31st March, 2011

SCHEDULE : 11	Rupees	Rupees	Previous Year Rupees
OTHER INCOME :			
Interest on bank deposits		1,970,468	631,534
(Tax deducted at source Rs. 192,322/-) (Previous year Rs. 609,645/-)			
Interest on Inter Corporate Deposits		35,827,260	23,728,220
(Tax deducted at source Rs. 2,371,218/-) (Previous year Rs.2,372,824/-)			
Dividend on current investments (non-trade)		3,386,956	12,139,546
Profit on sale of fixed assets		11,220,393	223,029
Royalty		5,110,603	7,115,294
Exchange differences (Net)		-	1,297
Operating lease rent		1,617,235	1,489,324
Miscellaneous income		2,189,842	1,118,897
Total		61,322,757	46,447,141



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedule Forming Part of the Profit and Loss Account for the year ended 31st March, 2011

SCHEDULE : 12

MANUFACTURING AND OTHER EXPENSES

	Rupees	Rupees	Previous Year Rupees
Raw materials and components consumed		2,446,255,533	1,589,095,716
Stores and spare parts consumed		197,986,982	160,221,864
Payments to and provisions for employees (including paid to personnel on deputation)			
Salary, wages and bonus	176,290,826		159,085,034
Contribution to Provident Fund and Other Funds	9,966,594		10,726,957
Contribution to Superannuation Fund	12,375,107		13,774,406
Gratuity	4,902,823		8,702,612
Leave encashment	3,990,909		5,711,922
Staff welfare expenses	27,201,809		26,385,066
		234,728,068	224,385,997
Power		32,923,920	25,852,728
Processing / labour charges		276,247,040	221,305,791
Repairs and maintenance			
- buildings	6,030,261		5,520,878
- machinery	13,406,214		7393,293
- others	2,154,337		2,043,530
		21,590,812	14,957,701
Insurance		1,446,708	2,199,705
Rates and taxes		2,026,290	2,100,182
Rent		2,555,099	2,024,483
Packing, freight and forwarding expenses		37,722,170	33,034,600
Directors' sitting fees		335,000	400,000
Loss on sale of fixed assets		429,164	82,664
Commission on sales		434,429	346,447
Miscellaneous expenses		61,991,403	56,504,160
Research and Development expenses		100,000	846,345
Warranty expenses (net of excess provision written back Rs. 4,346,855/- (Previous year Rs. 4,617,361/-))		2,510,182	2,618,137
Provision for doubtful debts / advances (net of provision written back Rs. 1,001,212/- (Previous year Rs. 400,147/-))		729,720	5,739,627



AUTOMOBILE CORPORATION OF GOA LIMITED

Schedule Forming Part of the Profit and Loss Account for the year ended 31st March, 2011

SCHEDULE : 12 (Contd...)			Previous Year
	Rupees	Rupees	Rupees
Bad debts / advances written off		457,384	403,367
Exchange differences (Net)		5,048	-
Decrease / (Increase) in stocks of finished goods, Work-in-process and scrap :			
Opening stock	72,052,355		102,316,878
Closing stock	84,536,923		72,052,355
		(12,484,568)	30,264,523
Total		3,307,990,384	2,372,384,037
SCHEDULE : 13			
INTEREST :			
On Bank cash credit accounts		1,232,208	1,137,230
Other Interest		175,624	1,373,970
Total		1,407,832	2,511,200

Schedule Forming Part of the Balance Sheet and Profit and Loss Account

SCHEDULE : 14

SIGNIFICANT ACCOUNTING POLICES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The financial statements are prepared under historical cost convention on the accrual basis of accounting and in accordance with accounting principles generally accepted in India.

b) Management estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reported period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

Schedule Forming Part of the Balance Sheet and Profit and Loss Account

c) Fixed Assets :

Fixed assets are carried at cost of acquisition or construction and include amounts added on revaluation, less accumulated depreciation and impairment loss.

d) Depreciation / Amortisation :

1. In respect of fixed assets revalued, depreciation is provided on the basis of useful life of assets as estimated by the external valuers or that calculated on original cost whichever is higher.
2. Depreciation on other fixed assets has been provided in the accounts at the rates and in the manner specified in schedule XIV to the Companies Act, 1956 as under:
 - i. Sheet Metal Divisions (Honda, Bhuiimpal, Jejuri) : On Written Down Value Method in respect of buildings, furniture and fixtures and vehicles and on Straight Line Method in respect of plant and machinery.
 - ii. Bus Body Division : On straight line method.
3. Cost of leasehold land is amortised over the period of lease.

e) Impairment Loss :

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

f) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation. Computer software is amortised over a period of four years.

g) Investments :

Current investments are carried at lower of cost and fair value. Long Term investments are carried at cost. However when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline

h) Inventories :

Items of inventory are valued on the basis given below :

- i) Raw material : at cost or net realisable value, whichever is lower. Cost determined by the Weighted Average Method.
- ii) Components, Stores and Spares : at cost or net realisable value, whichever is lower. Cost is determined by the Weighted Average Method.

Schedule Forming Part of the Balance Sheet and Profit and Loss Account

- iii) Work in process and Finished goods : at cost or net realisable value, whichever is lower. Cost is determined on the basis of absorption costing.
- iv) Scrap : at net realisable value.

i) **Employee Benefits :**

i) **Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The company has obtained insurance policy with Life Insurance Corporation of India. The company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation, carried out as at the year end.

ii) **Superannuation**

The company has a Superannuation plan (defined contribution plan). The company maintains separate irrevocable trust for employees covered and entitled to benefits. The company has obtained insurance policy with Life Insurance Corporation of India. The company contribute 15% eligible employee's salary to the trust every year. The company recognizes such contributions as an expense when incurred. The company has no further obligation beyond this contribution.

iii) **Provident Fund**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary (currently 12% of employee's salary). The contributions as specified under the law are paid to the provident fund trust. Contribution towards Pension fund is paid to the Regional Provident fund commissioner at specified percentage of the covered employee's salary on monthly basis.

iv) **Compensated absences**

The company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation, carried out as at the year end.

v) **Actuarial gains and losses**

The actuarial gains and losses are recognised immediately in the statement of profit and loss.

Schedule Forming Part of the Balance Sheet and Profit and Loss Account

j) Accounting of Cenvat Credit :

Cenvat credit is accounted as per actual credit availed in the Excise records, on receipt of materials.

k) Foreign Currency Transactions :

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation / payments of foreign exchange are accounted as income or expense in the relevant year.

l) Revenue recognition :

Revenue (income) is recognised when no significant uncertainty as to measurability or collectibility exists.

m) Borrowing costs :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

n) Leases

Assets acquired on leases where significant portions of the risk and reward incidental to ownership are retained by the lessors are classified as operating leases. Lease rentals are charged to the profit & loss account on accrual basis. Rentals received on assets given on operating leases are recognised as income in the profit and loss account on straight-line basis over the period of the lease as per the terms of agreement.

o) SEGMENTAL ACCOUNTING

The following accounting policies have been followed for segment reporting :

Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment.

Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Results. The expenses which relate to the Company as a whole and not allocable to segments are included under Unallocable expenses. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Unallocated assets mainly comprise Cash and Bank balances. Unallocable liabilities include Deferred tax, Secured loans, Provision for tax (net of advance payment of taxes) and Other liabilities.



Schedule Forming Part of the Balance Sheet and Profit and Loss Account

p) Fringe Benefit Tax :

Provision for Fringe Benefit Tax is made in accordance with Chapter XII-H of the Income Tax Act, 1961.

q) Taxes on Income :

Tax expense comprise both current tax and deferred tax at the applicable enacted / substantively enacted rates. Current tax represents the amount of income tax payable / recoverable in respect of taxable income / loss for the reporting period. Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

r) Product Warranty Expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims.

s) Provisions and contingencies :

A provision is recognised where the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A Contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an out flow of resources will be required to settle it. Contingent assets are neither recognised nor disclosed.

t) Government Grants :

Grants related to specific Fixed Assets are disclosed as a deduction from the value of concerned Assets. Grants related to revenue are credited to the Profit and Loss Account. Grants in the nature of promoter's contribution are treated as Capital Reserve.

B. Notes on Accounts

1. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 43,730,826/- (Previous Year Rs. 12,578,721/-)
2. Contingent liability in respect of :
 - i. Disputed demands of excise authorities Rs. 55,896,851/- (Previous Year Rs. 6,185,062/-)
 - Pending before the Commissioner of Central Excise (Appeals) Rs. 1,939,003/- (Previous Year Rs. 1,939,003/-)
 - Pending before High Court of Bombay, at Goa Rs. 2,882,439/- (Previous Year 2,882,439/-)
 - Pending before CESTAT Rs. 51,050,265/- (Previous Year Rs. 1,066,076/-)
 - Pending filling appeal with CESTAT Rs. 25,144/- (Previous Year Rs. 297,544/-)

The Company is confident of defending the above demands.
 - ii. Claims against the Company not acknowledged as debts Rs. 3,410,000/- (Previous year Rs. 3,410,000/-)
 - Claim raised by a customer Rs. 3,235,000/- (Previous Year Rs. 3,235,000/-) towards disputed penal charges for delay in meeting delivery deadlines.
 - Penalty proposed to be levied by the Securities and Exchange Board of India (SEBI) Rs. 175,000/- (Previous Year 175,000/-) for alleged violation of regulation 6 and 8 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 (pending before the Adjudicating Officer) notice dated 21.07.2004.

The Company is confident of defending the above demands and expects no liability on these counts.
 - iii) Appeal by the Income Tax Dept against the order of Income Tax Appellate Tribunal (ITAT) - amount shown in the appeal Rs. 37,329,969/- (Previous Year Rs. 37,329,969/-)
 - The Income Tax Department had gone in appeal against the Order of the ITAT in respect of depreciation not claimed by the Company in Assessment Year 1990-91, the income tax liability is stated to be computed at Rs. 3,732,996/- which, due to a typographical error, had been shown as Rs. 37,329,969/- in the appeal.

The High court of Bombay at Goa has dismissed the appeal of the Income Tax Department on 25th August, 2010. The Income Tax Department has moved a review application with the High Court which is pending admission.
 - iv) Disputed demand of Rs. 1,000,000/- (Previous Year Rs. 1,000,000/-) as and by way of damages, for alleged breach of agreement to sell the Bungalow situated at Panaji, Goa.
 - Appeal pending before High Court of Bombay at Goa.
 - v) Bills discounted with a bank Rs. Nil (Previous Year Rs. 729,614,768/-)



3 Managerial remuneration under Section 198 of the Companies Act, 1956 to the Managing Director and an Executive Director :

	Rupees	Previous Year Rupees
a) Remuneration	10,390,912	5,970,708
b) Contribution to Provident and Other Funds	404,210	350,290
c) Perquisites in cash or in kind	1,548,828	1,037,018
d) Commission	1,000,000	-
Total	13,343,950	7,358,016

Notes :

- The above remuneration excludes contribution to gratuity and leave encashment as the incremental liability has been accounted for the company as whole.
- The Remuneration to Managing Director is subject to approval of the share holders at the ensuing Annual General Meeting.

4. Computation of net profit as per Section 349 read with Section 309(5) and Section 198 of the Companies Act, 1956 :

	Rupees	Previous Year Rupees Refer Note Below
Profit before tax as per Profit and Loss account	403,972,078	-
Add :		
a) Managerial remuneration	13,343,950	-
b) Commission to Non - Executive Directors	4,200,000	-
c) Provision for doubtful debts / advance	729,720	-
d) Directors' sitting fee	335,000	-
Net Profit	422,580,748	-

Note :

- Commission @1% of net profit to Non-Executive Directors restricted by the Board to 4,200,000
- Computation of net profit as per Section 349 read with Section 309(5) and Section 198 of the Companies Act, 1956 was not given for the previous year as no commission was payable to any of the Directors during that year.



5 The disclosure as required under As-15 regarding the Company's defined plans is as follows :

I. Reconciliation of opening and closing balances of Defined Benefit obligation

	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Previous year Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	48,548,669	25,646,866	40,567,760	22,012,504
Current Service Cost	3,360,678	(1,787,014)	2,552,157	3,427,326
Interest Cost	4,005,265	1,193,434	3,328,739	1,057,603
Actuarial (gain) / loss	(12,256)	4,584,489	5,121,379	1,226,993
Benefits paid	(2,055,016)	(2,310,387)	(3,021,366)	(2,077,560)
Defined Benefit obligation at year end	53,847,340	27,327,388	48,548,669	25,646,866

II. Reconciliation of opening and closing balances of fair value of plan assets

	Gratuity (Funded)	Gratuity (Funded)
Fair value of plan assets at beginning of the year	27,230,291	25,446,202
Expected return on plan assets	2,179,674	2,115,305
Actuarial gain / (loss)	271,190	184,358
Employer contribution	2,824,189	2,505,792
Benefits paid	(2,055,016)	(3,021,366)
Fair value of plan assets at the year end	30,450,328	27,230,291

III. Reconciliation of fair value of assets and obligations

	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of obligation as at 31st March, 2011	53,847,340	27,327,388	48,548,669	25,646,866
Fair value of plan assets as at 31st March, 2011	30,450,328	-	27,230,291	-
Amount recognized in Balance Sheet	(23,397,012)	(27,327,388)	(21,318,378)	(25,646,866)



IV. Expense recognized during the year (Under the head "Payments to and Provisions for Employees" - Refer Schedule 12)

	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	3,360,678	(1,787,014)	2,552,157	3,427,326
Interest Cost	4,005,265	1,193,434	3,328,739	1,057,603
Expected return on plan assets	(2,179,674)	-	(2,115,305)	-
Actuarial (gain) / loss	(283,446)	4,584,489	4,937,021	1,226,993
Net Cost	4,902,823	3,990,909	8,702,612	5,711,922

V. Actuarial assumptions

	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Previous year Leave Encashment (Unfunded)
Discount rate (per annum)	8.25%	8.25%	8.25%	8.25%
Expected rate of return on plan assets (per annum)	8%	-	8%	-

VI. The amounts of present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets for the current annual period and previous four annual periods are as under :

Particulars	2010-11	2009-10	2008-09	2007-08
Gratuity				
Present Value of defined Benefit Obligation	53,847,340	48,548,669	40,567,760	36,007,707
Fair value of the Plan assets	30,450,328	27,230,291	25,446,202	22,368,848
Surplus or (Deficit) in the Plan	(23,397,012)	(21,318,378)	(15,121,558)	(13,638,859)
Experience Adjustment				
-On Plan liability (gain) / loss	(12,256)	6,589,945	-	NA*
-On Plan Assets gain / (loss)	271,190	184,358	-	NA*
Leave Encashment				
Present Value of Defined Benefit Obligation	27,327,388	25,646,866	22,012,504	23,023,533
Fair value of the Plan assets	-	-	-	-
Surplus or (Deficit) in the Plan	(27,327,388)	(25,646,866)	(22,012,504)	(23,023,533)



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Experience Adjustment				
-On Plan liability (gain) / loss	4,584,489	1,597,912	-	NA*
-On Plan Assets gain / (loss)	-	-	-	NA*

*Not applicable as the revised AS-15 was adopted by the Company in the financial year 2007-08.

VII. The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment.

- 6 The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made on the basis of confirmations received from suppliers regarding their status under the said act;

Particulars	Amount in Rupees	Previous Year Amount in Rupees
a. Outstanding principal Amount & Interest as on 31 st March, 2011		
-Principal Amount	9,159,979	11,477,403
-Interest due thereon	206,444	368,494
b. Amount of interest paid along with the amounts of payment made beyond the appointed day	Nil	Nil
c. Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	108,037	155,552
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	314,481	524,046
e. The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act	Nil	Nil

7. Payment to Auditors :

	Rupees	Previous Year Rupees
a. as auditors	1,500,000	1,000,000
b. for expenses	250,355	62,525
c. for certification	20,000	-
Total	1,770,355	1,062,525

8. Operating Lease Rentals :

The company has taken certain sheds and residential premises on cancellable operating lease basis. Amount of lease rentals charged to Profit and loss account in respect of such cancellable operating leases are Rs. 2,555,099/- (Previous Period Rs. 2,024,483/-).



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9 Related party Disclosures

a) Name of related parties and nature of relationship :

Name of the party	Relationship
Ashiyana Autobodies Private Ltd	Associates
Tata Motors Limited	Enterprise exercising significant influence
Mr. N. R. Menon	Key Management Personnel (up to 1st August, 2010)
Mr. V. Krishnamurthi	Key Management Personnel (with effect from 18th October, 2010)
Mr. Ananth Prabhu	Key Management Personnel

b) Details of transactions with related parties during the year

(in Rupees)

Nature of Transactions	Enterprise exercising significant influence	Key Management Personnel	Total
Sale of goods	2,951,772,509 (1,930,210,185)	- (--)	2,951,772,509 (1,930,210,185)
Purchase of goods	3,094,461 (36,073,647)	- (--)	3,094,461 (36,073,647)
Purchase of fixed asset/Capital work in progress	2,183,977 (--)	- (--)	- (--)
Bad debts written off	245,112 (396,331)	- (--)	245,112 (396,331)
Managerial remuneration			
Ananth Prabhu	- (--)	3,748,731 (3,209,303)	3,748,731 (3,209,303)
N. R. Menon	- (--)	1,635,399 (4,148,713)	1,635,399 (4,148,713)
V. Krishnamurthi	- (--)	7,959,820 (--)	7,959,820 (--)
Interim Dividend	6,878,453 (--)	- (--)	6,878,453 (--)
Proposed Dividend	35,485,163 (2,720,629)	- (--)	35,485,163 (2,720,629)
Recovery of expenses	28,308,403 (10,175,115)	- (--)	28,308,403 (10,175,115)



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Reimbursement made for expenses and Cenvat benefit availed	91,482,734	-	91,482,734
Deputation Charges	(114,699,684)	(--)	(114,699,684)
	-	-	--
	(1,444,443)	(--)	(1,444,443)
Inter Corporate Deposit given	830,000,000	-	830,000,000
	(670,000,000)	(--)	(670,000,000)
Inter Corporate Deposit repaid	890,000,000	-	890,000,000
	(540,000,000)	(--)	(540,000,000)
Interest received on Inter Corporate Deposit given	23,712,192	-	23,712,192
	(23,728,220)	(--)	(23,728,220)
Outstanding at year end Due to	8,703,952	-	8,703,952
	(24,829,098)	(--)	(24,829,098)
Ananth Prabhu	-	1,380,491	1,380,491
	(--)	(2,185,919)	(2,185,919)
N. R. Menon	-	-	-
	(--)	(4,905,703)	(4,905,703)
V. Krishnamurthi	-	5,777,600	5,777,600
	(--)	(--)	(--)
Due from	328,937,033	-	328,937,033
	(100,649,258)	(--)	(100,649,258)

Notes :

- Provisions for doubtful debts for Rs. 330,729/- (Previous year Rs. 1,380,107/-) during the year in respect of debts due from related parties.
- Figures in brackets pertain to the previous year.

10 Segment Information :

(a) Segment information for primary segment reporting (by business segment)

The Company has two business segments :

- Pressing Division - Manufacturing of pressed parts, components, sub-assemblies and assemblies for various range of automobiles.
- Bus body Building Division - Manufacturing of Bus and component parts for Bus bodies.

(b) Inter-segment Transfer Pricing

Inter -segment transfers are made at transfer price

(c) Common Expenses

Common Expenses are allocated to different segment on reasonable basis as considered appropriate.



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Particulars					Previous year			
	Pressing Division	Bus Body building division	Eliminations	Total	Pressing Division	Bus Body building division	Eliminations	Total
REVENUE								
From external customers	733,858,771	3,106,050,393	-	3,839,909,164	747,210,642	1,715,997,703	-	2,463,208,345
Add : Inter-segment sales	64,507,924	-	(64,507,924)	-	22,400,394	-	(22,400,394)	-
Total Revenue	798,366,695	3,106,050,393	(64,507,924)	3,839,909,164	769,611,036	1,715,997,703	(22,400,394)	2,463,208,345
RESULT								
Segment Result	45,487,768	330,637,286	-	376,125,054	21,947,357	(85,927,154)	-	(63,979,797)
Unallocated Corporate expenses				(11,929,827)				(7,181,417)
Operating Profit				364,195,227				(71,161,214)
Interest Expenses				(1,407,832)				(2,511,200)
Un-allocated other income				41,184,683				36,499,300
Profit /(loss) before tax				403,972,078				(37,173,114)
Provision for tax				133,181,100				(15,757,400)
Excess/(Short) provision for tax in respect of earlier written back (net)				2,005,617				-
Net Profit/(Loss) after Tax				272,796,595				(21,415,714)
OTHER INFORMATION								
Segment Assets	197,212,452	1,458,995,581	-	1,656,208,033	193,885,066	1,324,306,732	-	1,518,191,798
Unallocated Corporate Assets				757,013,980				548,404,872
Total assets				2,413,222,013				2,066,596,670
Segment Liabilities	57,369,436	734,813,339	-	792,182,775	73,719,713	589,780,127	-	663,499,840
Unallocated Corporate Liabilities				173,319,748				115,851,339
Total Liabilities				965,502,523				779,351,179
Capital Expenditure during the year								
Additions to segment assets	28,020,233	34,204,811	-	62,225,044	10,251,316	49,768,102	-	60,019,418
Depreciation / Amortisation	9,754,331	36,520,096	-	46,274,428	9,837,823	32,426,655	-	42,264,478
Significant non-cash expense other than depreciation / amortisation								
Provision for doubtful debts/advances	(531,552)	1,261,272		729,720	218,015	5,521,612	-	5,739,627
Bad debts/advances written off	175,660	281,725		457,385	324,149	79,218	-	403,367
Unrealised exchange differences	18,998	-		18,998	52,128	-	-	52,128

The Company does not have any reportable secondary (geographical) segments.



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11. Earning per share

Earning per share (EPS) is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under :

Profit /(Loss) after Tax (Rupees)	272,796,595	Previous Year (21,415,714)
Weighted average number of shares outstanding during the year	6,421,622	6,421,622
Basic and Diluted EPS (Rupees)	42.48	(3.33)
Nominal value per share (Rupees)	10.00	10.00

12. Expenditure incurred in foreign currency on account of : i. Traveling expenses

Rupees	Rupees
261,088	-

13. Value of imports (calculated on C.I.F. basis) on account of : Raw material and components

Rupees	%	Previous Year Rupees	%
-		2,278,768	

14. a) Value of imported and indigenous Raw materials/components consumed:

i. Imported	4,005,899	0.16	4,270,197	0.27
ii. Indigenous	2,442,249,634	99.84	1,584,825,519	99.73
	2,446,255,533	100.00	1,589,095,716	100.00

c) Value of imported and indigenous stores and spare parts consumed

i. Imported	-	-	-	-
ii. Indigenous	197,986,982	100.00	160,221,864	100.00
	197,986,982	100.00	160,221,864	100.00

15. Raw materials and components consumed :

	Units	Quantity	Rupees	Previous Year Quantity	Rupees
Steel	Tonnes	16,640	713,974,140	16,308	572,764,701
Others			1,732,281,393		1,016,331,015
			2,446,255,533		1,589,095,716



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					Previous Year
					<u>Rupees</u>
16	FOB value of direct Exports	<u>Rupees</u>			
		8,459,779			2,984,400
17	The Company has exported bus bodies and component parts thereof of the sales value (Gross) of Rs. 2,368,508,913/- (Previous year Rs. 506,997,266/-) through a merchant exporter.				
18	(i) Information in regard to turnover (gross) effected by the Company				
		<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
		<u>Nos.</u>	<u>Rupees</u>	<u>Nos.</u>	<u>Rupees</u>
(a)	Pressed parts/components/sub assemblies and assemblies there from for various aggregates of automobiles (Sheet Metal Divisions)	1,799,340	645,470,275	2,260,616	662,720,842
b)	Bus bodies and components parts thereof	4,826	3,061,441,835	2,373	1,694,473,875
			<u>3,706,912,110</u>		<u>2,357,194,717</u>
	(ii) Information in regard to opening and closing stocks:				
		<u>Opening stock</u>		<u>Closing Stock</u>	
		<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
		<u>Nos.</u>	<u>Rupees</u>	<u>Nos.</u>	<u>Rupees</u>
	Sub-assemblies and Assemblies there from for various aggregates of automobiles (Sheet Metal Divisions)	18,529	6,002,539	23,438	8,666,309
	Previous Year	32,655	6,450,729	18,529	6,002,539
	Bus Bodies and component parts thereof	6	1,622,774	1	201,723
	Previous Year	12	3,903,911	6	1,622,774
	Total		<u>7,625,313</u>		<u>8,868,032</u>
	Previous Year Total		10,354,640		7,625,313



AUTOMOBILE CORPORATION OF GOA LIMITED

(iii) Capacity and Production		Installed Capacity *	Actual Production
	Units		
Pressed parts / components/sub assemblies/assemblies therefrom for various aggregates of automobiles (Sheet Metal Division)	MT	13,136	9,749
Previous year	MT	17,620	12,415
Bus bodies and component parts thereof	Nos.	7,200	4,821
Previous year	Nos.	7,200	2,367
*on three shift basis, as certified by the Management			
19	The amount of exchange difference included in the Profit and Loss Account for the year is		Previous Year
		Rupees	Rupees
Exchange gain		123,840	72,254
Exchange loss		128,888	70,957
20	Major components of deferred tax assets / (liabilities) are as under:		Previous Year
		Rupees	Rupees
Differences in tax and books written down values of fixed assets		(49,951,972)	(44,933,332)
Disallowance under section 43B of the Income tax Act 1961		18,957,474	15,526,622
Provision for gratuity		7,591,161	7,081,432
Provisions for warranty		1,735,654	2,223,475
Stock adjustments under section 145A of the Income tax Act, 1961		(2,650,408)	(8,694,728)
Others		3,301,391	3,137,575
Unabsorbed Depreciation		-	12,263,356
Total		(21,016,700)	(13,395,600)



21	Investments Purchased and sold during the year : In Mutual funds Units (Unquoted) Face value of all units, Rs. 10/- Units in Kotak Mahindra Mutual fund : Kotak Flexi Debt Scheme institutional daily dividend Kotak Liquid (institutional Premium) Daily Dividend HDFC Mutual Fund HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale- Daily dividend HDFC Cash Management Fund-Saving Plan - Daily Dividend Reinvestment Units In ICICI Prudential Mutual Fund ICICI Prudential Liquid Plan-Daily Dividend Option ICICI Prudential - Flexible Income Plan Dividend -Daily TATA Mutual Fund TFLD TATA Floater - Daily Dividend	Units	Rupees Amount	Units	Previous Year Rupees Amount
		-	-	9,999,872.6790	100,473,721
		-	-	8,178,736.0481	100,010,402
		337,632.0420	3,386,956	7,270,158.0300	72,930,590
		-	-	40,431,746.7010	430,048,231
		-	-	10,970,301.9540	130,013,437
		-	-	12,569,565.8450	132,904,304
		-	-	38,548.8540	386,861
22	The excise duty related to the difference between the opening and closing stock of finished goods is disclosed separately on the face of the Profit and Loss account as "Excise Duty".				
23	Warranty Provision Warranty pertains to replacement of defective parts and expenses incurred in relation to rectification of workmanship defects. Particulars Opening Carrying amount Provision during the year Amount released during the year Excess Provision written back Closing carrying amount The outflow on this count can arise any time during the period of 18 months		Rupees 6,693,685 6,857,037 3,854,341 4,346,855 5,349,526	Previous Year Rupees 4,513,013 7,235,498 437,465 4,617,361 6,693,685	



- 24 Foreign currency transactions not hedged by derivative instrument(s) : Previous Year
Rupees
- | | | | | |
|-------------|------------|---------------------|------------|-----------|
| Receivables | USD 28,920 | Rupees
1,279,132 | USD 43,200 | 1,931,472 |
|-------------|------------|---------------------|------------|-----------|
- 25 In the financial year ending 31st March 2007, the company issued 1,481,913 equity shares of Rs. 10 each on Rights basis at a premium of Rs. 465/- per share aggregating to Rs. 703,908,675/-. The object of the issue were to substantially increase capacity, upgrade and modernise the Bus Body building facilities and shift the existing presses from the main Sheet Metal Pressing unit (at Honda, Goa) to a location in or around Pune. The Rights issue closed for subscription on 20th April, 2007 and shares were allotted on 19th May 2007. The management had then decided to shift the pressing unit to Dharwar (Karnataka) instead of Pune.
Further, at the AGM held on 8th August 2009, the members have approved utilisation of the unspent amount as on the date of AGM for other purposes such as funding incremental working capital needs, new business opportunities, in-organic growth and to invest in group companies.

The statement of proceeds from the Rights issue and utilisation thereof is as under :

Particulars	Rupees
Proceeds received from Rights issue	703,908,675
Less : Expenses relating to the Rights issue	9,208,436
Net Proceeds	694,700,239
Deployment up to 31 st March 2011	
used for the capitalisation	351,165,673
Placed in Inter corporate deposits	343,534,566
	694,700,239

- 26 Figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

As per our attached report of even date
For Deloitte Haskins & Sells Chartered Accountants

P. M. Telang

P. F. X. D'Lima Steven Pinto C. Ramakrishnan

V. Krishnamurthi - Managing Director

Rupen K. Bhatt - Partner

Ananth Prabhu - Executive Director (Commercial) & Secretary

Place Mumbai
Dated : 19th April, 2011

Place : Mumbai
Dated : 19th April, 2011



Balance Sheet Abstract and Company's General Business Profile

i. Registration Details

State code	24
Registration No.	00400/G
Balance Sheet Date	31st March, 2011

ii Capital raised during the year (Amounts in Rupees Thousands)

Public Issue	Not applicable
Right Issue	Not applicable
Bonus Issue	Not applicable
Private Placement	Not applicable

iii Position of Mobilisation and deployment of Funds (Amounts in Rupees Thousands)

Total Liabilities	2,413,222
Total Assets	2,413,222
Sources of Funds	
Paid up Capital	64,216
Reserves and Surplus	1,383,504
Secured Loans	38,162
Unsecured Loans	-
Deferred tax liability (net)	21,017
Application of Funds	
Net Fixed Assets	490,578
Investments	-
Net Current Assets	1,016,321
Miscellaneous Expenditure	-
Accumulated Losses	-

iv Performance of the Company (Amounts in Rupees Thousands)

Turnover (Total Income)	3,759,985
Total Expenditure (including extraordinary items)	3,356,013
Profile Before Tax	403,972
Profile After Tax	272,797
Earnings per share in Rs.	Refer Note no. 11 above
Dividend rate	150%



v. Generic Names of Three Principal Products / Services of Company

- | | | |
|--------------------------------|---|------------------------------------------------------------------------------------------------------------|
| 1. Item Code No.
(ITC Code) | : | 87.08 |
| Product Description | : | Pressed Parts / Components / Sub-assemblies / Assemblies there from for various aggregates of automobiles. |
| 2. Item Code No.
(ITC Code) | : | 87.07 |
| Product Description | : | Bus Bodies |
| 3. Item Code No.
(ITC Code) | : | 72.04 |
| Product Description | : | Waste and Scrap of Steel |

P. M. Telang

P. F. X. D'Lima

Steven Pinto

C. Ramakrishnan

V. Krishnamurthi - Managing Director

Ananth Prabhu - Executive Director (Commercial) & Secretary

Place : Mumbai

Dated : 19th April, 2011

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by email to its members. To support this Green Initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their email addresses, in respect of Electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send email along with a scanned copy of their letter requesting for registering their email ID duly signed by the sole/first holder on csg-green@tsrdarashaw.com. At any time, a member of the Company will be entitled to be furnished free of cost a copy of such communication/document upon receipt of a requisition from him/her.



AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office : Honda, Sattari, Goa - 403 530

ATTENDANCE SLIP

Regd. Folio No. _____ ** Client I.D. _____

** D.P. I.D. _____

31st Annual General Meeting - 5th August, 2011

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the **31st Annual General Meeting** of the Company held on **Friday the 5th August, 2011 at 2.00 pm** at the Registered Office at Honda Sattari, Goa - 403 530.

*Member's / Proxy's Name in Block Letters _____

* Member's / Proxy's Signature _____

Note :

1. Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
 2. The Copy of the Notice may please be brought to the Meeting Hall.
- * Strike out whichever is not applicable.**



AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office : Honda, Sattari, Goa - 403 530

PROXY FORM

Regd. Folio No. _____ ** Client I.D. _____

No. of shares held _____ ** D.P. I.D. _____

I/We.....

of.....

being a member / members of **AUTOMOBILE CORPORATION OF GOA LIMITED**, hereby appoint.....

.....of.....

or failing him/her.....

of.....

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Friday the 5th August, 2011 at 2.00 pm at the registered Office at Honda, Sattari, Goa - 403 530 or at any adjournment thereof.

Signed thisday of2011.

Note :

- 1 Proxy need not be a member.
 - 2 Proxy form, complete in all respects, should reach the Company's Regd. Office at Honda, Sattari, Goa - 403 530 not less than 48 hours before the schedule time of the meeting.
- ** Applicable only in case of investors holding shares in Electronic form.**

Affix
Revenue
Stamp

SIGNATURE



Press Shop at Jejuri (Existing Setup)



New Production Bay work at Jejuri in Progress

AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office : Honda Sattari, Goa
www.acglgoa.com

ACGL's Product Range



Pleazur



Aero



Comfort