

Board of Directors

D. S. Gupta (Chairman)
 Satish Pradhan
 Rajiv Dube
 Atul Bansal
 Raman Nanda
 Rajiv Bakshi

Chief Executive Officer

Vilas Divadkar

Secretary

Shailendra Dindore

Bankers

HDFC Bank Limited
 State Bank of India
 Societe Generale

Registered Office

G-71/2, MIDC Industrial Area,
 Pune 411 026, Maharashtra.

Auditors

M/s Price Waterhouse
 Chartered Accountants

Works

G-71/2, MIDC Industrial Area, Bhosari,
 Pune 411 026, Maharashtra

Gat No. 427, Medankarwadi, Chakan, Taluka
 Khed, Pune 410 501, Maharashtra

Survey No. 173, Village-Khakharia,
 Taluka Savli, Near GIDC, Halol 389 350,
 Gujarat

Share Transfer Agent

MCS Limited
 1st Floor, 116-118, Akshay Complex, Off
 Dhole Patil Road, Near Ganesh Mandir,
 PUNE - 411 001
 Tel : (020) 30906685
 Fax : (020) 26129597

Contents

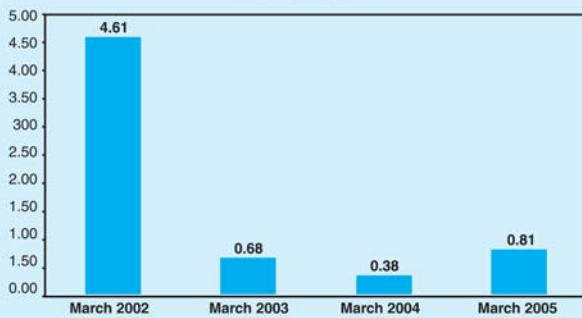
Financial Highlights	2
Notice	3
Directors' Report	11
Report on Corporate Governance	17
Auditors' Report	26
Balance Sheet	30
Profit and Loss Account	31
Schedules	32
Balance Sheet Abstract	48
Proxy	49

Visit us at www.autostampings.com

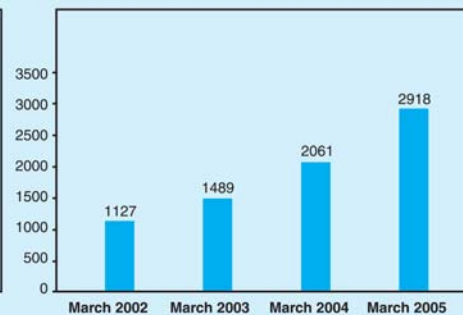
(Rs.in '000)

	2001-02	2002-03	2003-04	2004-05
Sales & Other Income	982,260	1,481,684	1,804,657	2,505,190
Profit before Interest, Depreciation, Tax and Extraordinary Income	108,002	111,099	191,026	170,228
Extraordinary Income	-	182,620	35,050	-
Profit After Tax	(25,933)	121,585	73,208	40,174
Share Capital	101,985	221,985	221,985	221,985
Reserves and Surplus	194,859	194,859	215,871	225,672
Shareholders' Funds	296,844	416,844	437,856	447,657
Loan Funds	681,872	262,842	164,871	374,376
Total Capital Employed	978,716	679,686	602,727	822,033
Gross Block	798,742	824,612	850,412	996,147
Depreciation	214,679	283,590	358,006	448,512
Net Block	584,063	541,022	492,406	547,635
Net Current Assets	48,836	84,948	98,976	218,752
Preference Dividend	-	-	21,738	14,400
Equity Dividend	-	-	-	12,238
Rate of Dividend	-	-	-	12%
No.of Shareholders	1,907	1,857	2,651	3,654
Earnings Per Share	(2.54)	11.11	5.59	2.33

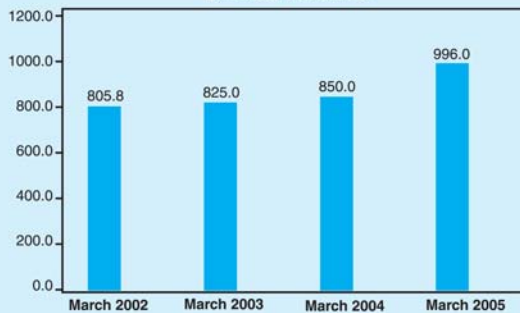
DEBT/EQUITY



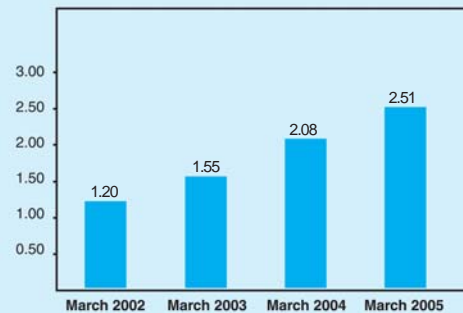
GROSS SALES



GROSS ASSETS



ASSET TURNOVER



NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of Automotive Stampings and Assemblies Limited will be held on Monday, the 6th day of June, 2005 at 2:30 P.M. at "Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare dividend on 12% Cumulative Redeemable Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Raman Nanda, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rajiv Bakshi, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII to the said Act and subject to the approval of the Central Government, if necessary, the Company hereby approves of the appointment and terms of remuneration of Mr. Vilas Divadkar as a "Manager" u/s 269 of the Companies Act, 1956, designated as the 'Chief Executive Officer' of the Company for a period of 3 years from 4th April, 2005 to 31st March, 2008 upon the terms and conditions as set out below and in the Agreement entered into in this behalf, with liberty to the Board of Directors and/or Remuneration Committee, to alter and vary the terms and condition of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. Vilas Divadkar ("the appointee"):-

i. Remuneration:

- a. **Salary:** In the scale of Rs.75,000/- to Rs.1,50,000/- per month with authority to the Board and/or Remuneration Committee to fix his salary within the above scale from time to time. Present salary being Rs.75,000/- per month. The increments may be decided by the Board and /or Remuneration Committee from time to time subject however to the salary not exceeding Rs. 1,50,000/- per month.
- b. **Incentive Remuneration:** Upto 200 % of salary to be paid at the discretion of the Board and/or Remuneration Committee.
- c. **Perquisites and allowances:** The appointee will be entitled to the perquisites and allowances as are allowed to the Senior Executives in M1 Level, as applicable to his job, in the Company based on the approval of the Board and/or Remuneration Committee

from time to time in addition to the salary and incentive remuneration. Such perquisites and allowances will be subject to a maximum of 250% of his annual salary.

- In arriving at the value of the perquisites insofar as there exists a provision for valuation of perquisites under the Income Tax Rules, the value shall be determined on the basis of Income Tax Rules in force from time to time.
- Provision for use of Company's car for official duties and telephone/fax at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.
- Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

ii. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year the profits are inadequate, the Company will pay remuneration for a period not exceeding 3 years by way of salary, incentive remuneration, perquisites and allowances as specified above.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this Resolution."

BY ORDER OF THE BOARD
for Automotive Stampings and Assemblies Limited

Shailendra Dindore
Secretary

Mumbai, April 28, 2005

Registered Office:
G-71/2, M.I.D.C. Industrial Area,
Bhosari, Pune 411026

NOTES

1. Explanatory Statements under section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the meeting, are annexed hereto and form part of the notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIM/HER. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. Members are requested to bring their personal copy of the Annual Report to the meeting.
4. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the answers may be made available at the Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 31st May 2005 to 6th June 2005 (both days inclusive) for the purpose of payment of dividend to those Members whose names stand on the Register of Members as on 6th June, 2005. The dividend in respect of Equity Shares held in electronic form will be payable to the beneficial owners of the Equity Shares as at the end of business hours on 30th May, 2005 as per the details furnished by the depositories for this purpose.
6. The dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2005 will be payable on or after 6th June, 2005 in accordance with the resolution to be passed by the Members of the Company.
7. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrars and Transfer Agents.
8. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, ECS mandates, power of attorney, change of address/name, etc. to their depository participant only and not to the Company's Registrar and Transfer Agents. Changes intimated to the depository participant will help the Company and its Registrars and Transfer Agents to provide efficient and better services to the Members.
9. Under section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, the Company has transferred the unclaimed dividend of 1996-97 to the IEPF during the year.

The shareholders who have not encashed the dividend warrant(s) so far for the Dividend of 1997-98 are requested to make their claims to the Company immediately. Please note that as per section 205C of the Companies Act, 1956, no claim shall lie against the Company or the said Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date of payment and no payment shall be made in respect of any such claims. The unclaimed dividend declared for the financial year 1997-98 on 28th August, 1998 will be transferred to the IEPF in November, 2005.

10. The Company has paid the annual listing fee to the respective stock exchanges for the financial year 2005-06.
11. The Company has entered into agreement with National Securities Depository Limited and Central Depository Services Limited to facilitate the investors to trade in the Company's equity shares in dematerialised form. The Securities and Exchange Board of India (SEBI) has also made compulsory trading in Company's equity shares in dematerialised form with effect from 30.07.2001. The members are requested to consider dematerialising the equity shares held by them.
12. As per the scheme of arrangement (demerger) between the Company and JBM Auto Components Limited, the shareholders of the Company were required to surrender the original share certificates of the Company for exchange of new shares of both the Companies. Those who have not yet surrendered the share certificates of the Company for exchange are requested to handover / send the same to the Registrar & Share Transfer Agents at the below mentioned address:

MCS Limited

(Unit: Automotive Stampings and Assemblies Limited)

First Floor, 116 – 118,

Akshay Complex,

Off Dhole Patil Road,

Near Ganesh Mandir,

Pune 411 001

Phone : (020) 30906685

Fax : (020) 2612 9597

Email ID : mcspune@vsnl.net

Explanatory Statements

The following Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, set out all material facts relating to the business mentioned at Item No 7 in the accompanying Notice dated 28th April, 2005.

ITEM NO. 7

The Board of Directors appointed Mr. Vilas Divadkar as a "Manager" of the Company, designated as the 'Chief Executive Officer' of the Company for a period of 3 years from 4th April 2005 to 31st March 2008 .

The Remuneration Committee of the Board has approved the remuneration payable to him.

The said appointment and the remuneration payable to him is subject to the approval of the members.

The Department of Company Affairs has vide notification dated January 16, 2002, amended Schedule XIII to the Act, revising the limits for payment of managerial remuneration by companies in case of loss or inadequacy of profits in any financial year which, *inter alia*, requires the Members' approval for payment of managerial remuneration to the managerial person for a period not exceeding 3 years.

Besides the terms and conditions for payment of managerial remuneration as contained in the proposed resolution, the other main terms and conditions, contained in the agreement entered into in this behalf with the appointee are as given below:

- (1) The terms and conditions of the said agreement and / or appointment may be revised, enhanced, altered and varied from time to time by the Board of Directors of the Company and/or Remuneration Committee in such a manner as may be agreed to between the Board and the appointee within the maximum amounts payable to managerial person in accordance with the provisions of the Companies Act, 1956 or any amendments or re-enactments thereof made hereafter in this regard.
- (2) The appointee is subject to the supervision and control of the Board of Directors, entrusted with substantial powers of management and shall also perform such other duties as may from time to time be entrusted to him.
- (3) The appointee shall not, either before or after the termination of this Agreement, disclose to any person whatsoever, any information relating to the Company or its customers or any trade secret of which he may come to know while acting as the Manager.
- (4) The appointee shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall not also become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company, without the prior approval of the Central Government.
- (5) If at any time, the appointee ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be the Manager of the Company and this agreement will forthwith terminate.
- (6) In case the appointee dies in the course of his employment, the Company shall pay to his legal personal representative the salary and current emoluments for the then current month.
- (7) The appointee shall not have the following powers -
 - i) the power to make calls on shareholders in respect of money unpaid on their shares in the Company.
 - ii) the power to issue debentures.
 - iii) the power to invest the funds of the Company in shares, stocks and securities.

- (8) The agreement may be terminated by either party by giving three months' notice of such termination or paying three months' salary in lieu thereof.

In compliance with the provisions of Section 269, 309 and other applicable provisions of the Act, the appointment of Mr. Vilas Divadkar as per with terms and conditions contained in Item No. 7 of the Notice and as per the agreement between the Company and the appointee is now being placed before the members in general meeting for their approval.

The Agreement between the Company and the appointee is available for inspection by the Members of the Company at its Registered Office between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

This may be treated as an abstract of the draft Agreement between the Company and the appointee pursuant to Section 302 of the Act.

The Board commends the Resolution for acceptance by the Members.

None of the Directors of the Company is interested in this resolution.

Additional information relevant to the said appointment of Manager as per Notification dated January 16, 2002 issued by the Department of Company Affairs.

I. General Information

- (i) Nature of Industry: The Company is manufacturer of sheet metal components.
- (ii) Date or expected date of commencement of commercial production: The Company was incorporated on 13th March, 1990. All plants of the Company are in Commercial Production for more than last 7 years.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
- (iv) Financial performance based on given indicators - as per published audited financial results for the accounting year ended March 31, 2005:

Particulars	(Rs. in '000)
Turnover & Other Income	2,505,190
Net Profit as per Profit & Loss Account	40,175
Profit as computed under Section 309 (5) read with Section 198	68,486
Net Worth	447,657

- (v) Export performance and foreign exchange earned for the financial year ended March 31, 2005: Exports for the year 2004-05 were Rs. 39,273 thousand.
- (vi) Foreign Investments or collaborations, if any: Not applicable

II. Information about the appointee:

- (i) Background details:

Mr. Vilas Divadkar, 53, is a B.E. (Mech.) with Diploma in Business Management. He has over 30 years of Industrial and Business management experience in various fields. Prior to joining the Company, he was the Executive Vice President of Electrolux Kelvinator Limited. His work experience includes a rich diversity of assignments at Philips India including an expatriate assignment with Philips in the Netherlands and the Managing Director position at Johnson Controls India Private Limited. He started

his career with Tata Motors, Pune and worked in the Maintenance and Industrial Engineering departments.

(ii) Past Remuneration drawn:

	Total (Rs. in '000)
During the Financial year 2004-05	4,607

Notes: 1) Contributions to provident fund, superannuation funds, etc. are excluded from the above remuneration.

2) Past remuneration represents remuneration drawn from his previous employment.

(iii) Recognition & Awards / Achievements: -

(iv) Job Profile and suitability:

Mr. Vilas Divadkar is responsible for overall management of the Company, subject to the supervision and control of the Board of Directors. He is also responsible to perform such other duties as may from time to time be entrusted by the Board. Taking into consideration the qualifications and expertise, he is best suited for the responsibilities assigned to him by the Board of Directors.

(v) Remuneration proposed:

Salary	In the range of Rs.75,000/- to Rs.1,50,000/- per month. Present salary being Rs.75,000/- per month.
Incentive Remuneration	Upto 200% of salary to be paid at the discretion of the Board and/or Remuneration Committee.
Perquisites & Allowance #	Upto 250% of salary.
Minimum Remuneration in case of inadequacy of profits during any financial year	Salary, incentive remuneration and perquisites and allowances as mentioned above.

The increments may be decided by the Board and /or Remuneration Committee from time to time subject however to the salary not exceeding Rs. 1,50,000/- per month.

Excludes Company's contribution to provident, superannuation and gratuity funds and leave encashment.

(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointees in other companies.

(vii) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Besides the remuneration proposed, the appointee does not have any other pecuniary relationship with the Company.

III. Other Information:

- (i) Reasons for inadequate profits: The increase in prices of steel during the year has put tremendous pressure on the profit margins of the Company.
- (ii) Steps taken by the Company to improve performance: The Company has undertaken various profitability improvement / cost reduction initiatives through optimisation of the resources. To mitigate the pressure on margins due to material price increase, it is proposed to undertake yield improvement initiatives. Efforts have been made to identify and explore the export opportunities. Further, the Company is in the process of implementation of ERP system across all its manufacturing plants.
- (iii) Expected increase in productivity and profits in measurable terms: The above measures undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

**BY ORDER OF THE BOARD
for Automotive Stampings and Assemblies Limited**

Shailendra Dindore
Secretary

Mumbai, April 28, 2005

Registered Office:
G-71/2, M.I.D.C. Industrial Area,
Bhosari, Pune 411026

Dear Members,

Your Directors have pleasure in submitting their Fifteenth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2005.

FINANCIAL AND OPERATIONAL PERFORMANCE

The summarised financial results of the Company for the period under review are:

(Rs. in million)

	Financial Year	
	2004-05	2003-04
Total Income excluding Extra-ordinary Income	2,505.19	1,769.61
Profit before Depreciation, Financial Charges and Tax	170.23	191.03
Less : Depreciation	91.11	74.67
: Financial Charges	13.93	19.70
Add : Extra-Ordinary Income	-	35.05
Profit before Tax	65.19	131.71
<u>Provision for Taxation</u>		
a. Current Tax	5.20	10.20
b. Deferred Tax	19.81	48.30
Profit After Tax	40.18	73.21
Balance from last year	17.01	(27.67)
Profit available for appropriation	57.19	45.54
Appropriations:		
- Transfer to General Reserve	4.00	4.00
- Proposed Dividend on Preference Shares	14.40	21.74
- Proposed Dividend on Equity Shares	12.24	-
- Tax on Dividend	3.74	2.79
Balance Carried Forward	22.81	17.01

Total income increased by 42% primarily from increased business volume due to favourable economic factors. The Company achieved an export turnover of Rs. 39 million. The Company also had a strong domestic performance. The domestic sales increased to Rs. 2,460 million as against Rs. 1,763 million in the previous year.

The Profit before Depreciation, Financial Charges and Tax reduced to Rs. 170 million, as against Rs. 191 million in the previous year, primarily as a result of increase in the price of raw materials especially increase in the prices of steel.

The depreciation charge increased partly due to revision in the estimated useful lives of certain fixed assets with effect from 1st April 2004 and partly due to additions to the fixed assets.

The financial charges reduced to Rs. 14 million as against Rs. 20 million in the previous year inspite of drawal of Term Loans as a result of prudent fiscal management.

After making a provision of Rs. 25 million towards current and deferred taxes as compared to Rs. 59 million in 2003-04, the Company's Profit after tax was Rs.40 million as against Rs. 73 million in 2003-04.

DIVIDEND

The Directors recommend payment of dividend on the 12% Cumulative Redeemable Preference Shares for the year 2004-05 as per the terms of issue. It would lead to an outflow of Rs.14 million, exclusive of dividend tax.

The Directors are pleased to recommend an equity dividend at 12% (Rs. 1.20 per share) for the year 2004-05. It would lead to an outflow of Rs. 12 million, exclusive of dividend tax.

EXPANSION

The first phase of Chakan Expansion was completed in the last quarter of 2004-05. The second phase is expected to be completed by end of the calendar year 2005.

As a result of commissioning of the first phase, the in-house capacity of Chakan Unit has increased by 22%.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Globally, the auto industry is transitioning towards a worldwide sourcing model on increasing cost pressures, short product development cycles and the higher geographical spread of the OEMs. Further, with global OEMs focusing on designing, assembly and marketing, component outsourcing is gaining momentum.

The Indian auto industry is also following the global outsourcing trend. Most Indian OEMs today source nearly 70-80% of their component requirements from Vendors compared with 50-60% in the mid 1990s.

In India, the auto component industry is mainly dependent on OEMs, which contribute around 65% of sales while after market and exports contributes 20% and 15% respectively. The organised sector caters to the majority of the demand while highly fragmented unorganised sector also has a presence.

The Indian auto component industry is witnessing a paradigm shift from being reliant on the domestic industry for years to growth opportunities in global markets. The cost pressures are forcing the global OEMs and Tier One (those who supply directly to the carmakers) Suppliers to seek out lower production bases to maintain their profitability and India is one of the potential destinations.

The global acquisitions by large Indian auto component makers to gain entry into global OEMs and expand product range have emerged as the new trend. The auto component industry is at the threshold of globalisation and it is expected that these initiatives will significantly boost exports.

OPPORTUNITIES AND THREATS

Indian auto companies derive competitive strength from low-cost engineering skills, which should help to sustain the export growth in compact cars and Tier 2 auto parts. India is strong in developing in-house machine tools, robotics and tools at the competitive pricing. It has opened up an opportunity for India's auto component industry, particularly in areas that require substantial engineering and design inputs and low levels of automations: e.g. forgings, castings, engine parts, gears, etc. The sizeable local market potential, mainly at utilitarian end with specific local requirements, offers Indian companies an opportunity to build scale and upgrade gradually with the market.

Despite rising input costs and quality improvements, the stiff competition amongst the OEMs and their focus on cost rationalization is putting pressures to reduce the component prices. Pricing pressure is an industry norm globally and the same trend is continued in India.

SEGMENT-WISE PERFORMANCE

The Company operates only in the Automobile Component Segment and hence segment-wise reporting is not applicable to the Company.

FUTURE OUTLOOK

The Indian auto component industry has started working with the global OEMs on new products right from the design stage. These initiatives are expected to contribute towards a significant rise in exports over the next two years. The key growth opportunity for the industry will be in segments with significant engineering, design and assembly requirements with low levels of automation.

The auto component industry has grown in size, forged technical collaborations and moved up the quality curve. Factoring the growth phase in the Indian auto industry continuing following new entrants, the domestic growth for auto components is strong. With global OEM contracts signed over last two years entering production phase and surge in request for quotations from global OEMs, the growth rates of Indian auto components exports is expected to accelerate.

The Company has undertaken various profitability improvement / cost reduction initiatives through optimisation of the resources. To mitigate the pressure on margins due to material price increase, it is proposed to undertake yield improvement initiatives. Efforts have been made to identify and explore the export opportunities. Further, the Company is in the process of implementation of ERP system across all its manufacturing plants.

RISKS AND CONCERNS

The entry in the global auto industry market may lead to issues of scale, logistics, delivery schedules, as operational challenges and penalties for poor quality, assembly line stoppage, product recalls as the key risks to growth. With rising steel prices, the margins of the auto component companies are under pressure. The cost cutting on overheads is the prime concern. The key issue confronting the auto component industry in India is of building the economies of scale which may require the industry to build strong linkages with global Tier One suppliers and OEMs and to build a strong Tier Three base within the country. Any paradigm shifts in technology could increase the technology gap considerably, calling for substantial investments to bridge the gap which may be beyond the reach of local companies. With surge in exports coinciding with the domestic boom in autos, auto component industry will be crippled with a capacity shortage.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a system of internal controls in place to ensure that all the transactions are properly recorded and authorised. The internal control system is supplemented by documentary policies and procedures. The same is further supplemented by a programme of audits by the Internal Auditors who periodically present their observations to the audit committee.

HUMAN RESOURCES

Your Company has strength of 510 employees on its payroll as on 31st March, 2005.

Harmonious industrial relations continued to prevail at all the units throughout the Company. There has been no material development in Human Resources during the period covered by this Annual Report.

QUALITY INITIATIVES

All the plants of the Company are certified under TS 16949. The Company has embarked on its journey towards excellence by implementation of Tata Business Excellence Model.

DIRECTORS

Mr. Raman Nanda and Mr. Rajiv Bakshi will retire by rotation at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

The Directors recommend their appointment.

APPOINTMENT

Mr. Vilas Divadkar has been appointed as the Chief Executive Officer of the Company from 4th April 2005. His appointment and the remuneration payable to him as a Manager under section 269 of the Companies Act, 1956 require the approval of the Members at the ensuing Annual General Meeting. The Directors recommend the proposal.

CORPORATE GOVERNANCE

As a listed Company, necessary measures are taken to comply with the Listing Agreements with the stock exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms part of this Report.

THE DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that -

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. They have, in the selection of the accounting policies, consulted the auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. 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;
4. They have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required in terms of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the enclosed Annexure.

PARTICULARS OF EMPLOYEES

There was no employee who received remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

M/s. Pricewaterhouse, Chartered Accountants, who retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

FORWARD LOOKING STATEMENTS

Certain Statements describing the Future outlook, Industry structure and developments 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 economic conditions affecting demand / supply, price conditions in domestic and overseas market in which the Company operates, changes in Government regulations, tax laws and other statutes.

ACKNOWLEDGEMENTS

The Directors wish to place on record their sincere thanks and appreciation for the guidance, support, continued co-operation extended by bankers, Central and State Governments, customers, suppliers and shareholders.

The Directors also take this opportunity to acknowledge the dedicated efforts of the employees.

**For and on behalf of the
Board of Directors**

D. S. Gupta
Chairman

Mumbai, April 28, 2005

ANNEXURE TO DIRECTORS' REPORT

Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

A. CONSERVATION OF ENERGY

The Company has always been giving due consideration for the consumption of energy.

During the year under review:

- a. Hydraulic clutch / brake units have been used on the new presses instead of pneumatic units;
- b. To reduce the energy consumption of compressors, a survey has been conducted for installing servo controlled variable feed system for compressed air supply to regulate the pressure;
- c. Efforts have also been made to maintain power factor near to unity by replacing edged out capacitors; and
- d. Inertia flywheel type generator set is installed for the weld shop to maintain correct voltage, frequency and power factor.

These measures are aimed at effective management and utilization of energy resources and resultant cost saving for the Company.

B. RESEARCH AND DEVELOPMENT & TECHNOLOGY ABSORPTION

The Company has successfully tried out and commissioned a Medium Frequency Spot Welding Gun. This is the "State of Art" equipment in resistance welding for foolproofing the quality of nuggets in spot welding. The Company has also installed and commissioned two synchronized part carrying shuttles for transfer of large parts between presses leading to higher productivity, damage free transfer of parts and enhanced safety for workmen.

As there is no separate R & D Department, the amount incurred on R & D is difficult to estimate.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Rs. in million
Earnings in foreign exchange	36.54
Expenditure in foreign currency	60.53

1. Company's Philosophy on Code of Governance

The Company's philosophy of Corporate Governance is founded upon the adoption of the Tata Business Excellence Model, the Tata Code of Conduct and the requirements of Corporate Governance under clause 49 of the Listing Agreement with the Stock Exchanges. The governance of the Company is guided by a strong emphasis on transparency, accountability and integrity.

The Company's business objective is to manufacture its product in such a way as to create value that can be sustained over the long term for its customers, shareholders and employees. The Company is conscious of the fact that its success is a reflection of the professionalism, conduct and ethical values of its management and employees.

2. Board of Directors

Composition of the Board:

The present strength of Directors on the Board is six. It comprises the Chairman, who is a non-executive director and other five non-executive directors, of whom three are independent.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

Number of Board Meetings:

During the year 2004-05, five Board Meetings were held and the gap between two meetings did not exceed four months. The dates on which the meetings were held are as follows: 4th May, 28th July, 29th October in 2004, 28th January and 24th March in 2005.

Information placed before the Board:

Agenda papers along with detailed notes are being circulated in advance of each meeting of the Board. Information required pursuant to Corporate Governance practices, as required under Annexure I to clause 49 has been made available to the Board.

Directors with materially pecuniary or business relationship with the Company:

The Company did not have any pecuniary relationship or transactions with its Non-executive and/ or Independent Directors during 2004-05.

Attendance at the Board Meetings & the last Annual General Meeting, outside Directorships and other Board Committee Memberships:

The names and category of Directors on the Board, their attendance at the Board Meetings held during the year and also at the last Annual General Meeting, the number of Directorships and Committee Memberships held by them in other companies are given hereunder:

Name of Director	Category of Directorship	No. of Board Meetings Attended*	Attendance at the last AGM held on 23-06-2004	Directorship in other Companies**	No. of other Committee Memberships***	
					Chairman	Member
Mr. D.S. Gupta	Chairman Non-Executive, Not Independent	4	Not Present	12	-	-
Mr. Satish Pradhan	Non-Executive, Independent	4	Present	2	-	2
Mr. Rajiv Dube	Non-Executive, Independent	1	Present	5	1	3
Mr. Atul Bansal	Non-Executive, Independent	-	Not Present	2	-	-
Mr. Raman Nanda	Non-Executive, Not Independent	5	Present	5	2	4
Mr. Rajiv Bakshi	Non-Executive, Not Independent	3	Not Present	1	-	2

* No. of Board Meetings held during 2004-05: Five

** This includes Directorships held in private limited companies and excludes Directorships in foreign companies.

*** This covers membership / chairmanship of Audit Committee, Remuneration Committee and Shareholder / Investor Grievance Committee.

3. Audit Committee

The Company has an Audit Committee comprising four members, three of them including the Chairman are Independent Directors. All the members have relevant finance and audit exposure. The Chairman of the Committee is Mr. Satish Pradhan. Mr. Rajiv Dube, Mr. Atul Bansal and Mr. Raman Nanda are the other members of the Committee.

The Audit Committee meetings are attended by the Chief Executive Officer and the Chief Financial Officer. The representatives of Statutory Auditors and Internal Auditors are the permanent invitees to the Audit Committee meetings.

The Secretary of the Company acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee, Mr. Satish Pradhan was present at the Annual General Meeting held on 23rd June 2004.

● **Terms of Reference:**

The Terms of Reference of this Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956. These include overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;

reviewing annual and quarterly financial statements with management before submission to the Board; reviewing the adequacy of internal control systems with management, external and internal auditors and reviewing the Company's financial risk and management policies.

- **Meetings and the attendance during the year:**

Seven Audit Committee Meetings were held during 2004-05. The dates on which the meetings were held are as follows: 3rd May, 12th July, 27th July, 31st August, 27th October and 22nd December in 2004 and 25th January in 2005.

The attendance of each member of the Audit Committee is given below:

Name of Director	Category	No. of meetings attended*
Mr. Satish Pradhan, Chairman	Non-Executive, Independent	7
Mr. Rajiv Dube, Member	-do-	6
Mr. Atul Bansal, Member (w.e.f. 4 th May, 2004)	-do-	3
Mr. Raman Nanda, Member	Non-Executive, Not Independent	5

* No. of meetings held during 2004-05: Seven

4. Remuneration Committee

None of the Directors of the Company is in receipt of any kind of remuneration. As such, the Company is not required to have a Remuneration Committee of the Board in terms of clause 49 of the Listing Agreement.

The Company has, however, constituted Remuneration Committee to comply with the amended provisions of Schedule XIII to the Companies Act, 1956. The remuneration of a "Manager" appointed under section 269 of the Companies Act, 1956 needs to be approved by the Remuneration Committee.

The Remuneration Committee comprises of 3 Members. All the three members of the committee are Non-Executive and Independent. The Chairman of the Committee is Mr. Satish Pradhan and the other members are Mr. Rajiv Dube and Mr. Atul Bansal.

The Terms of Reference of this Committee include determination of compensation payable to the Managerial Person including revision thereof, appraisal of his performance and the determination of his incentive remuneration.

One meeting of the Remuneration Committee was held during the year on 27th May, 2004 and was attended by all the members of the Committee.

Details of remuneration of the "Manager" for the year 2004-05 are given below:

Name	Salary	Provision for Incentive Remuneration	Perquisites and Allowances	Contributions to Funds	Other Retirement Benefits
Mr. Sanjiv Kumar {Upto 7 th March 2005}	Rs.624 thousand	Rs.1,248 thousand	Rs.863 thousand	Rs.183 thousand	Rs.61 thousand

5. Shareholders / Investors Grievance Committee

The Shareholders / Investors Grievance Committee comprises of two non-executive Directors. The Chairman of the Committee is Mr. Raman Nanda and Mr. Rajiv Bakshi is the other member of

the Committee. Mr. D.S. Gupta who was a member resigned from the Committee with effect from 18th March 2005.

- **Brief Terms of Reference**

The functioning and terms of reference of the Committee are as prescribed and in due compliance with the Listing Agreement with the Stock Exchanges and include reviewing existing Investor Redressal System, redressing of shareholder complaints like delay in transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc. and suggesting improvements in investor relations.

- **Meetings and the attendance during the year**

One meeting of the Shareholders / Investors Grievance Committee was held during the year on 17th February 2005 and was attended by Mr. Nanda and Mr. Bakshi.

Mr. Shailendra Dindore, Secretary is the Compliance Officer. The total numbers of complaints received and replied to the satisfaction of the shareholders during the year under review were three.

The Company's shares are traded in the dematerialised form. To expedite transfers in physical form, a Committee of Executives of the Company has been authorised to look into various matters like share transfers/transmissions, issue of new certificates in split/consolidation, etc. The Committee comprises of the following executives:

Chief Executive Officer;
Chief Financial Officer; and
Secretary

Share transfers approved by the Committee are placed at the Board meeting from time to time. The Company attends to the investor correspondence promptly. There are no pending share transfers as on 31st March 2005.

6. General Body Meetings

Details of the location of the last three Annual General Meetings (AGM), including the Extraordinary General Meeting (EGM), and the details of the resolutions passed or to be passed by Postal Ballot

AGM for the financial year ended	Date & Time of AGM	Venue
2004	23 rd June, 2004 at 3.00 p.m.	"Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001.
2003	30 th June, 2003 at 3.00 p.m.	"Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001.
2002	15 th July, 2002 at 2.00 p.m.	Quality Circle Excellence Centre, J/P-10, MIDC, Telco Road, Bhosari, Pune 411 026.

The Shareholders passed all the resolutions set out in the respective Notices. No Postal ballots were used for voting at these meetings. At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

7. Disclosure

- During the year 2004 – 05, the Company has related party transactions as is envisaged under the Corporate Governance Code which have been mentioned in Note 9 under Schedule 16 of the Accounts.
- There has not been any non compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets, during the last year.

8. Means of Communication

Half yearly report to shareholders, Quarterly Results, Newspaper in which published, Website, etc.

- The Quarterly, Half-Yearly and Annual Results are published in Financial Express and Loksatta as required under the Listing Agreement with the Stock Exchanges.
- The financial results are also put on the Company's website www.autostampings.com and National Informatics Centre's (NIC) website www.sebiedifar.nic.in.
- Half-yearly results for the half-year ended 30th September, 2004 were mailed to the shareholders in November, 2004.
- The Company made a presentation to the Investors / Analysts on 21st August 2004 and the same is displayed on the Company's Website.
- Management Discussion and Analysis Report has been covered in the Directors' Report.

9. General Shareholder Information

- AGM : Date, Time and Venue: 6th June 2005 at 2.30 p.m. at "Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001.
- Profile of Directors being appointed and re-appointed:
The additional information required under Clause 49 (VI) (A) of the listing agreement in respect of Directors eligible for re-appointment is as follows:

Profile of Directors being re-appointed:

Particulars	Mr. Raman Nanda	Mr. Rajiv Bakshi
Date of Birth and Age	15 th March 1956 – 49 years	17 th May 1952 – 53 years
Date of Appointment	6 th May 2003	29 th October 2002
Qualifications	B.Com., P.G.D.B.A.	B.E., M.B.A.
Expertise in specific functional areas	Mr. Nanda is the Executive Vice President – Marketing and Sales of Tata AutoComp Systems Limited. He has over 29 years of experience in the field of materials, finance, human resources, marketing and general management.	Mr. Bakshi is the Chief Executive Officer (Tata Auto Plastic) of Tata AutoComp Systems Limited. He has over 29 years of experience in the field of manufacturing, materials and general management.
Chairman / Director of other Companies	Tata Johnson Controls Automotive Limited Tata Toyo Radiator Limited Tata Ficosa Automotive Systems Limited JBM Sungwoo Limited Knorr-Bremse Systems for Commercial Vehicles India Private Limited	Automotive Composite Systems (International) Limited
Chairman / Member of Committees of the Boards of Companies of which he is a Director	Audit Tata Johnson Controls Automotive Limited – Chairman Tata Toyo Radiator Limited Tata Ficosa Automotive Systems Limited JBM Sungwoo Limited Remuneration Tata Johnson Controls Automotive Limited – Chairman Tata Ficosa Automotive Systems Limited	Audit Automotive Composite Systems (International) Limited Remuneration Automotive Composite Systems (International) Limited

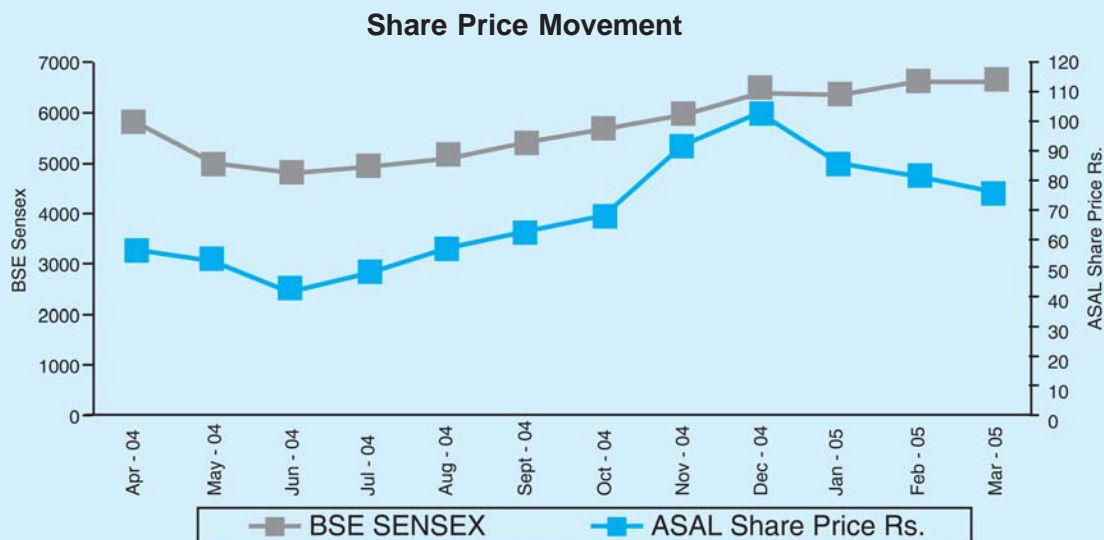
- Financial Calendar
 - i) April to March
 - ii) First Quarter Results – last week of July
 - iii) Half yearly Results – last week of October
 - iv) Third Quarter Results – last week of January
 - v) Results for the year ending 31st March, 2006
Last week of April 2006
- Date of Book Closure 31st May, 2005 to 6th June, 2005 (Both days inclusive)
- Listing on Stock Exchanges The Stock Exchange, Mumbai
National Stock Exchange of India Limited

The Company has paid listing fees for the period 1st April 2005 to 31st March, 2006.
- Stock Code - Physical 520119 on The Stock Exchange, Mumbai
ASAL on The National Stock Exchange

Demat ISIN Number for NSDL & CDSL - INE900C01027
- High/Low of market price of the Company's shares traded on The Stock Exchange, Mumbai during the year 2004 – 05 is furnished below:

Period	High (Rupees)	Low (Rupees)	Period	High (Rupees)	Low (Rupees)
April 2004	62.20	50.10	October 2004	74.75	61.00
May 2004	62.00	44.00	November 2004	124.65	60.00
June 2004	48.00	37.30	December 2004	116.10	91.50
July 2004	54.00	43.00	January 2005	102.00	70.00
August 2004	68.00	45.00	February 2005	87.75	74.00
September 2004	64.90	59.00	March 2005	82.80	69.00

- Stock Performance of the Company in comparison to BSE SENSEX



<ul style="list-style-type: none"> ● Registrar and Transfer Agents 	<p>The Company has appointed M/s MCS Limited as the Registrar and Transfer Agents having their office at: First Floor, 116-118, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune 411 001 Tel.No. (020) 30906685 Fax No. (020) 26129597 Email ID: mcspune@vsnl.net</p>
<ul style="list-style-type: none"> ● Share Transfer System 	<p>All the transfers received are processed by the Registrar and Transfer Agent and are approved by the Committee of Executives of the Company constituted in this behalf. The Committee attends to share transfer formalities once in a fortnight. Share transfers are registered and returned within maximum of 25 – 30 days from the date of lodgement, if documents are complete in all respects.</p>

- Distribution of Shareholding and shareholding pattern as on 31.03.2005.

The distribution of shareholding as on 31.03.2005 is as follows:

Number of Shareholders	% to Total	Share Holding of Nominal Value of Rs.	No. of Shares	Amount in Rs.	% to Total
3,059	83.72	Upto 5,000	4,78,371	47,83,710	4.69
292	7.99	5,001 to 10,000	2,41,582	24,15,820	2.37
154	4.21	10,001 to 20,000	2,39,930	23,99,300	2.35
58	1.59	20,001 to 30,000	1,45,121	14,51,210	1.42
22	.60	30,001 to 40,000	80,355	8,03,550	.79
20	.55	40,001 to 50,000	93,046	9,30,460	.91
31	.85	50,001 to 1,00,000	2,37,523	23,75,230	2.33
18	.49	1,00,001 & above	86,82,613	8,68,26,130	85.14
3,654	100	Total	1,01,98,541	10,19,85,410	100

- Shareholding pattern as on 31.03.2005

Category	No. of Shares	Percentage of shareholding
Promoters	82,96,280	81.35
Mutual Funds	19,899	0.20
Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions, etc.	300	-
Foreign Institutional Investors	120	-
Private Corporate Bodies	3,60,512	3.54
Indian Public	15,11,508	14.82
Non Resident Indians	9,922	0.09
GRANDTOTAL	1,01,98,541	100

- Dematerialisation of shares and liquidity
98.86% equity shares of the Company have been dematerialised as on 31st March, 2005.
- Plant Locations
The Company's plants are located at Pune (Bhosari and Chakan) in Maharashtra and Halol at Vadodara in Gujarat.
- Address for correspondence
Shareholders correspondence should be addressed to our Registrars and Share Transfer Agents at the address mentioned above.

Shareholders may also contact the Secretary of the Company at the Registered Office of the Company for any assistance.

Tel. - (020) 2712 1677 / 2711 0870 / 27121500
Fax – (020) 27123147
Email ID: corporate@autostampings.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

10. Auditors' Certificate on Corporate Governance

As required under clause 49 of the Listing Agreement, the Auditors' Certificate on compliance of the Corporate Governance norms is attached.

11. Insider Trading Regulations

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices for its Directors, Officers and Specified Employees. The Chief Financial Officer of the Company, Mr. P.G. Date is the Compliance Officer for these regulations. The Company also has an Ethics and Compliance Committee primarily to set forth the policies relating to and overseeing the implementation of the code. Mr. Atul Bansal and Mr. Rajiv Bakshi are the members of the said Committee.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS

To the Members of AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED

1. We have reviewed the implementation of corporate governance procedures by AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED during the year ended on 31st March 2005, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We further 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.
3. On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement with the stock exchanges have been complied with in all material respects by the Company.
4. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

Place: Mumbai
Date: April 28, 2005

Partha Ghosh
Partner
Membership No. F 055913
For and on behalf of
Price Waterhouse
Chartered Accountants

To the members of Automotive Stampings and Assemblies Limited

1. We have audited the attached Balance Sheet of Automotive Stampings and Assemblies Limited as at March 31, 2005, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 and amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give 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 that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2005 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act 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 March 31, 2005;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Mumbai

Date: April 28, 2005

Partha Ghosh

Partner Membership No. F055913

For and on behalf of

Price Waterhouse

Chartered Accountants

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Automotive Stampings and Assemblies Limited on the accounts for the year ended March 31, 2005]

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- (ii) (a) The inventory has been physically verified by the Management during the year. In our opinion the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there are adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements referred to in Section 301 of the Act.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed thereunder.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the

undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of excise duty and land revenue as at March 31, 2005, which have not been deposited on account of a dispute, are as follows:-

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Penalty	15,000*	1998 to 2001	Customs, Excise and Service tax appellate tribunal
	Excise duty	1,355,328	2000	Commissioner (Appeals)
Maharashtra Land revenue Code, 1966	Non-agricultural land tax	31,941	2003-04	Talathi office, Pune
		50,400	2004-05	

*Stay Application for dispensing with pre-deposition of penalty has been granted by the Appellate Authorities.

- (x) The Company has no accumulated losses as at March 31, 2005 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion, and 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 during the year.
- (xvi) In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

- (xix) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xx) The other clauses of paragraph 4 of the Order are not applicable in the case of the Company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

Place: Mumbai
Date: April 28, 2005

Partha Ghosh
Partner
Membership No. F 055913
For and on behalf of
Price Waterhouse
Chartered Accountants

	Schedule No.	As at March 31, 2005	As at March 31, 2004
SOURCES OF FUNDS			
Shareholders' funds			
Share Capital	1		
Equity Share Capital		101,985	101,985
Preference Share Capital		120,000	120,000
Reserves and Surplus	2	225,672	215,871
		447,657	437,856
Loan Funds			
Secured Loans	3	200,000	79,521
Unsecured Loans	4	174,376	85,350
		374,376	164,871
Deferred Tax Liability (Net) (Refer Schedule 16, Note 11)		52,729	32,915
Total		874,762	635,642
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	996,147	850,412
Less: Depreciation		448,512	358,006
Net Block		547,635	492,406
Capital work-in-progress		108,375	44,260
		656,010	536,666
Current Assets, Loans and Advances			
Inventories	6	344,853	209,610
Sundry Debtors	7	145,661	118,570
Cash and Bank Balances	8	11,479	5,700
Loans and Advances	9	98,980	24,617
		600,973	358,497
Less: Current Liabilities and Provisions			
Current Liabilities	10	337,733	225,350
Provisions		44,488	34,171
		382,221	259,521
Net Current Assets		218,752	98,976
Total		874,762	635,642
Significant Accounting Policies	15		
Notes to Accounts	16		

Schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

Partha Ghosh

Partner

Membership No. F 055913

For and on behalf of

PRICE WATERHOUSE

Chartered Accountants

Place : Mumbai

Date : April 28, 2005

Shailendra Dindore

Secretary

For and on behalf of the Board

D. S. Gupta

Chairman

Satish Pradhan

Rajiv Dube

Atul Bansal

Raman Nanda

Directors

Place : Mumbai

Date : April 28, 2005

PROFIT AND LOSS ACCOUNT

ASAL

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2005

(Rs. in '000)

	Schedule No.	For the year ended March 31, 2005	For the year ended March 31, 2004
INCOME			
Sales (Gross)	11	2,918,231	2,061,302
Less : Excise Duty		419,388	297,283
Sales (Net)		2,498,843	1,764,019
Other Income	12	6,347	40,638
		2,505,190	1,804,657
EXPENDITURE			
Manufacturing and Other Expenses	13	2,334,961	1,578,581
Profit before Interest, Depreciation and Taxation		170,229	226,076
Less :			
Interest and Finance Charges	14	13,927	19,701
Depreciation	5	91,114	74,667
		105,041	94,368
Profit Before Taxation		65,188	131,708
Provision for Taxation			
Current Tax (including wealth tax)		5,199	10,200
Deferred Tax		19,814	48,300
Profit After Taxation		40,175	73,208
Balance brought forward from previous year		17,012	(27,673)
Balance available for appropriation		57,187	45,535
APPROPRIATIONS			
General Reserve		4,000	4,000
Proposed Dividend :			
On Preference Shares		14,400	21,738
On Equity Shares		12,238	-
Tax on Dividend		3,736	2,785
Balance carried forward to the Balance Sheet		22,813	17,012
		57,187	45,535
Basic/Diluted Earnings per share (Refer Schedule 16, Note 10)		2.33	5.59
Significant Accounting Policies	15		
Notes to Accounts	16		

Schedules referred to above form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date.

For and on behalf of the Board

Partha Ghosh

Partner

Membership No. F 055913

For and on behalf of

PRICE WATERHOUSE

Chartered Accountants

Place : Mumbai

Date : April 28, 2005

Shailendra Dindore

Secretary

D. S. Gupta

Chairman

Satish Pradhan

Rajiv Dube

Atul Bansal

Raman Nanda

Directors

Place : Mumbai

Date : April 28, 2005

	As at March 31, 2005	As at March 31, 2004
1 SHARE CAPITAL		
Authorised :		
10,800,000 Equity Shares of Rs.10 each	108,000	108,000
16,000,000 Preference Shares of Rs. 10 each	160,000	160,000
	268,000	268,000
Issued, Subscribed and Paid-up :		
10,198,541 Equity Shares of Rs. 10 each fully paid-up (Refer Note 1 below)	101,985	101,985
12,000,000 12% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid up (Refer Note 2 below) (Redeemable at the expiry of 5 years from the date of allotment [i.e. 27th September 2002], with an option to the Company to redeem before maturity.)	120,000	120,000
	221,985	221,985
Notes :		
1 8,296,180 equity shares are held by Tata AutoComp Systems Limited, the Holding Company.		
2 All the Preference shares are held by the Holding Company.		
2 RESERVES AND SURPLUS		
Share Premium		
As per last Balance Sheet	194,859	194,859
General Reserve		
As per last Balance Sheet	4,000	-
Add: Additions during the year	4,000	4,000
	8,000	4,000
Profit and Loss Account	22,813	17,012
	225,672	215,871
3 SECURED LOANS		
Term Loan from Banks (Refer Note 1 below) (Payable within one year Rs. 40,000 thousand, <i>Previous year Rs. Nil</i>)	175,000	-
Working Capital Loans from Banks (Refer Note 2 below)	25,000	79,521
	200,000	79,521
Notes :		
1. Term loan is secured by way of first charge on the fixed assets of Chakan plant of the Company.		
2. Working capital loans are secured by hypothecation of current assets and second charge on the fixed assets of Chakan plant of the Company.		
4 UNSECURED LOANS		
Interest Free Sales Tax Loan	174,376	85,350
	174,376	85,350

Schedules forming part of the Accounts for the year ended March 31, 2005 ..(Contd)

5. Fixed Assets (Refer Schedule 15, Note 2)

PARTICULARS Description	Gross Block (at cost)				Depreciation			Net Block	
	As at 01.04.2004	Additions during the year	Deletions during the year	As at 31.03.2005	As at 01.04.2004	Depreciation for the year	On deletions during the year	As at 31.03.2005	As at 31.03.2004
Land - Freehold	3,046	-	-	3,046	-	-	-	3,046	3,046
Land - Lease Hold	8,201	-	-	8,201	972	108	-	7,121	7,229
Factory Building	163,134	995	-	164,129	32,479	5,380	-	126,270	130,655
Office Building	6,813	-	-	6,813	496	111	-	6,206	6,317
Plant & Machinery	631,064	133,330	-	764,394	309,506	70,402	-	384,486	321,558
Tools, Jigs & Fixtures	10,306	3,884	-	14,190	3,981	4,971	-	5,238	6,325
Furniture & Fixtures and Office equipment	21,326	8,080	304	29,102	9,454	8,288	105	11,465	11,872
Vehicles	6,522	932	1,182	6,272	1,118	1,854	503	3,803	5,404
	850,412	147,221	1,486	996,147	358,006	91,114	608	547,635	492,406
Capital Work in Progress (Refer Note below)								108,375	44,260
Total								656,010	536,666
Previous Year	824,612	26,340	540	850,412	283,590	74,667	251	358,006	

Notes:

- Capital Work in Progress includes Advances on Capital Account Rs. 46,731 thousand (Previous year Rs. 27,678 thousand).
- Capital Work in Progress also includes expenditure of Rs. 13,590 thousand (Previous year Rs. Nil) on SAP package under implementation.

ASAL

Schedules forming part of the Accounts for the year ended March 31, 2005 ... (Contd.)

SCHEDULES

(Rs. in '000)

	As at March 31, 2005	As at March 31, 2004
6 INVENTORIES		
(Refer Schedule 15, Note 4)		
Stores and Spares	5,863	4,828
Raw Material and Components	202,943	122,198
Work-in-Process	111,982	60,535
Finished Goods (including goods-in-transit at cost)	5,757	1,382
Scrap	18,308	20,667
	344,853	209,610
7 SUNDRY DEBTORS		
Unsecured		
Over six months :		
Considered good	3,616	4,094
Considered doubtful	7,833	5,515
Others :		
Considered good	142,045	114,476
Considered doubtful	944	1,602
	154,438	125,687
Less : Provision for doubtful debts	8,777	7,117
	145,661	118,570
8 CASH AND BANK BALANCES		
Cash on Hand	126	83
Balances with Scheduled Banks :		
On Current Accounts	9,413	4,468
On Dividend Accounts	29	65
On Deposit Accounts (Under Bank's lien)	1,911	1,084
	11,479	5,700
9 LOANS AND ADVANCES		
(Unsecured - considered good)		
Advances recoverable in cash or in kind or for value to be received (Refer Schedule 16, Note 5)	65,413	20,152
Bills of Exchange	13,738	1,903
Balance with Excise Authorities	16,052	2,562
Advance Tax including Tax deducted at source (Net of provision for tax Rs. 5,112, thousand)	3,777	-
	98,980	24,617

SCHEDULES

ASAL

Schedules forming part of the Accounts for the year ended March 31, 2005 ... (Contd.)

(Rs. in '000)

	As at March 31, 2005	As at March 31, 2004
10 CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
Due to Small Scale Industrial Undertakings (Refer Schedule 16, Note 3)	23,530	15,922
Due to creditors other than Small Scale Industrial Undertakings	249,996	171,044
Advances from customers	2,526	1,577
Unclaimed Dividend*	29	65
Other Liabilities	61,624	36,721
Interest accrued but not due	28	21
	<u>337,733</u>	<u>225,350</u>
<p>* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.</p>		
PROVISIONS		
Provision for Gratuity	8,564	6,539
Provision for Leave encashment	5,550	2,180
Proposed Dividend on Preference Shares	14,400	21,738
Proposed Dividend on Equity Shares	12,238	-
Provision for Tax on Dividend	3,736	2,785
Provision for taxation (Net of Advance tax and Tax deducted at source)	-	929
	<u>44,488</u>	<u>34,171</u>
	<u>382,221</u>	<u>259,521</u>

Schedules forming part of the Accounts for the year ended March 31, 2005 ... (Contd.) (Rs. in '000)

	For the year ended March 31, 2005	For the year ended March 31, 2004
11 SALES		
Turnover of goods and job work (Refer Schedule 15, Note 5)	2,457,800	1,797,021
Sale of scrap	460,431	264,281
	2,918,231	2,061,302
12 OTHER INCOME		
Interest received on Bank Deposits and Other Deposits (Tax Deducted at source Rs. 17 thousand [Previous year Rs. 100 thousand])	159	539
Gain on Remission of Liability (Refer Schedule 16, Note 4)	-	35,045
Profit on Sale of Investments, non-trade	1,892	889
Cash Discount	368	3,637
Gain on Exchange Fluctuations (net)	-	441
Miscellaneous Receipts	3,928	87
	6,347	40,638
13 MANUFACTURING AND OTHER EXPENSES		
(i) Raw Material Consumed	1,844,586	1,241,056
(ii) Decrease / (Increase) in Stocks		
Opening Stock		
Work in process	60,535	38,118
Finished goods	1,382	723
Scrap	20,667	4,373
	82,584	43,214
Less : Closing Stock		
Work in process	111,982	60,535
Finished goods	5,757	1,382
Scrap	18,308	20,667
	136,047	82,584
Decrease / (Increase) in Stocks	(53,463)	(39,370)
(iii) Consumables and Stores	47,882	30,879
(iv) Processing charges	115,401	71,099
(v) Power and Fuel	46,529	35,409
(vi) Repairs and Maintenance		
- Plant and Machinery	35,137	18,507
- Building	7,794	1,987
- Others	7,627	5,719
	50,558	26,213
(vii) Payments to and provisions for Employees		
Salaries and Wages	128,072	97,932
Contribution to Employees State Insurance Scheme and Provident Fund	6,674	6,465
Staff Welfare	8,447	6,040
Carried forward	2,194,686	1,475,723

SCHEDULES

ASAL

Schedules forming part of the Accounts for the year ended March 31, 2005 ... (Contd.)

(Rs. in '000)

	<u>For the year ended March 31, 2005</u>	<u>For the year ended March 31, 2004</u>
13 MANUFACTURING AND OTHER EXPENSES (Contd.)		
Brought forward	2,194,686	1,475,723
(viii) Expenses for Administration and Selling		
Travelling and Conveyance	7,130	6,581
Communication Expenses	3,432	2,573
Rent (including Land Lease Rent)	-	20
Rates and Taxes	1,296	1,784
Insurance	2,793	2,165
Auditors' Remuneration		
- Audit fee	550	550
- Tax Audit fee	130	130
- Others	275	315
- Out of pocket expenses	30	7
	<u>985</u>	<u>1,002</u>
Administrative Service Charges	67,741	45,991
Loss on Exchange Fluctuations (net)	466	-
Advertisement and Publicity	372	377
Provision for Doubtful Debts	1,660	3170
Loss on sale/write off of Assets (net)	319	240
Packing Material	12,509	4,479
Warranty Expenses	530	268
Freight Outward	30,712	25,556
Miscellaneous Expenses	10,330	8,652
	<u>2,334,961</u>	<u>1,578,581</u>
14 INTEREST AND FINANCE CHARGES		
Interest		
- On term loans	6,497	14,004
- Others	3,560	2,845
Bank charges	3,870	2,852
	<u>13,927</u>	<u>19,701</u>

15 SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles and Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, of India.

2. FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, upto the date the asset is put to use.

Depreciation on fixed assets has been provided as under:

- a) Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, of India except in case of the following assets for which depreciation has been provided at higher rates based on the useful life as determined by the Management:

Furniture & Fixtures and Office Equipment (including white goods)	20%
Computers	25%
Tools, Jigs & Fixtures	20%
Vehicles	20%
Pallets	12.5%

- b) Leasehold land is amortized over the period of lease.
- c) Except for items for which 100% depreciation rates are applicable, depreciation on assets added / disposed of during the year has been provided on pro rata basis with reference to the month of addition / disposal.
- d) Depreciation on incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets has been provided as aforesaid over the residual life of the respective assets.
- e) Intangible assets are stated at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over their estimated useful life ranging between 3 to 5 years.
- f) The Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the Company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount.

3. INVESTMENTS

Current Investments are stated at Cost or Market value whichever is lower.

15 SIGNIFICANT ACCOUNTING POLICIES**4. INVENTORIES**

- (a) Raw materials, components, stores and spares are valued at cost or net realizable value, whichever is lower. Cost is determined using the weighted average basis.
- (b) Finished goods and work-in-process are valued at cost or net realizable value whichever is lower. Finished goods and work-in-process includes cost of conversion incurred in bringing the inventories to its present location and condition.
- (c) Scrap is valued at net realizable value.

5. REVENUE RECOGNITION

Sales are recognized on supply of goods to customers and are recorded gross of excise duty and net of sales tax and discounts.

6. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency Assets and Liabilities are stated at the exchange rates prevailing at the date of the Balance Sheet and at forward contract rates wherever so covered. Exchange differences relating to liabilities incurred towards purchase of Fixed Assets are adjusted to the cost of Fixed Assets. Any other exchange difference is dealt with, in the Profit and Loss Account.

7. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets upto the date the asset is put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit and Loss Account in the year in which they are incurred.

8. RETIREMENT BENEFITS

- (a) Liability for gratuity and leave encashment is provided on the basis of actuarial valuation done at the end of the year.
- (b) Contribution to Provident Fund is accounted for on accrual basis.

9. TAXATION

- (i) Provision for current tax is made in accordance with and at the rates specified under the Income-tax Act, 1961, as amended.
- (ii) In accordance with Accounting Standard 22 – 'Accounting for taxes on Income', issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

Deferred tax assets arising from the timing differences are recognized to the extent there is virtual certainty that the assets can be realized in future.

10. WARRANTY EXPENSES

Product warranty expenses are determined based on past experience and estimates and are accrued in the year of sale.

Schedules forming part of the Accounts for the year ended March 31, 2005... (Contd.)

16 NOTES TO ACCOUNTS

1. Contingent liabilities:

(Rs. in '000)

Sr.No.	Particulars	As at 31.03.2005	As at 31.03.2004
1.	Bills discounted	5,46,289	399,052
2.	Claims against the Company not acknowledged as Debts	1,533	454
3.	Letters of Credit Outstanding	37,804	1,298
4.	Bank Guarantees given in favour of Government Authorities/ third parties	4,220	1,006

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 78,080 thousand (*Previous year Rs. 66,197 thousand*).

3. Information regarding Small Scale Industrial Undertakings has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the auditors.

The names of Small Scale Industrial Undertakings to whom the Company owes a sum, which is outstanding for more than 30 days as at March 31, 2005, are:

A.V.S. Enterprises	Agrawal Ispat Udyog
Eagle Engineering Corporation	Bhushan Engineers
Electro – Transf	Crown Leather Works
Fine Tech Engineers	Elite Industries
Mak Glit Chem	Harshal Pressing Pvt Limited
Pungalia Engineers Pvt Ltd	High Tensile Fastnuts Pvt Limited
Sricharan Enterprises	Industrial Products Co
R.P . Engineering	Jagdish Enterprises
S.V.Industries	Prashant Engineering
Packwell Gasket	Rahul Auto Stampings Pvt Limited
Vikas Industries	S.V.Industries
Harshad Engineers	Sai Industries
Vinman Engineering Pvt Ltd	Tirupati Plastics Private Limited
Fine Auto Products	Om Packing Wood Industries
Ishwar Press Components	MultiPack Industries
Raj Enterprises	Fitwell Gasket
Sach Enterprises	Ambika Industries
Sharp Engineers	Dynamic Industries
M/s SK Gandhi	Swapnil Industries

4. Other Income includes Rs. Nil (*Previous year Rs. 35,045 thousand*) on account of gain on remission of sales tax liability in accordance with the scheme of premature repayment of sales tax deferral Loan framed by the Government of Maharashtra.

5. The maximum amount due from the officers at any time during the year is Rs. Nil (*Previous year Rs.60 thousand*).

Schedules forming part of the Accounts for the year ended March 31, 2005... (Contd.)

16 NOTES TO ACCOUNTS

6. Manager's Remuneration:

	Year ended March 31, 2005	(Rs. in '000) Year ended March 31, 2004
Salary	624	381
Perquisites and allowances	863	507
Contribution to provident and other funds	183	118
Provision for incentive remuneration	1,248	607
Other retirement benefits	61	60
Total:	2,979	1,673

Note:

This remuneration does not include gratuity provided on the basis of actuarial valuation in the accounts.

7. The Company has reviewed and revised downward, the estimated useful lives of certain fixed assets with effect from 1st April 2004. This has resulted in an increase in the depreciation charge for the current year. Had the earlier estimated useful lives being followed, the profit before taxation would have been Rs.76,266 thousand (higher by Rs.11,078 thousand) as against the reported profit of Rs.65,188 thousand.

8. Details of Investments Purchased and Sold during the year (face value per unit Rs.10):

Investment	Units purchased and sold	
	Year ended March 31, 2005	Year ended March 31, 2004
Grindlays Floating Rate Fund (Growth)	21,057,856	60,350,271
Grindlays Floating Rate Fund Institutional Plan B (Growth)	68,775,878	-
DSP Merrill Lynch Floating Rate Fund (Growth)	14,696,210	-

16 NOTES TO ACCOUNTS

9. Related Party Disclosures :

The following transactions were carried out with the related parties in the ordinary course of business:

(Rs. in '000)

Name of the related parties with whom the transactions have been made	Description of relationship with party	Nature of Transaction	Transactions during the year		Amount outstanding as on	
			2004-05	2003-04	31st March 2005	31st March 2004
Tata AutoComp Systems Limited	Holding Company (Refer Note below)	Services received	67,741	45,991	19,408	23,713
		Reimbursement of Expenses	7,664	4,788	410	297
Tata Toyo Radiator Limited	Fellow Subsidiary	Sale of goods	8,001	405	2,055	3,255
Manager : Mr. A.K. Puri (upto 22nd May 2003) Mr. Sanjiv Kumar (upto 7th March, 2005)	Key Management Personnel	Remuneration	Refer Schedule 16, Note 6		-	-

Note : Consequent to transfer of shareholding amongst the promoters, Tata AutoComp Systems Limited, which was a Controlling Enterprise earlier, has become the holding Company with effect from 26th March 2004. As such, Tata Industries Limited has ceased to be a Controlling Enterprise of the Company with effect from that date.

16 NOTES TO ACCOUNTS

10. Earnings Per Share (EPS)

Particulars	Year ended March 31, 2005	Year ended March 31, 2004
a) Profit after taxation as per Profit and Loss Account (Rs. in '000)	40,175	73,208
Less : Preference Dividend for the period including tax thereon (Rs. in '000)	16,420	16,245
Net Profit after tax available to Equity Shareholders (Rs. in '000)	23,755	56,963
b) Weighted average number of Equity Shares outstanding during the year	10,198,541	10,198,541
c) Nominal value of Equity shares (Rs.)	10	10
d) Basic Earnings per Share (Rs.) (a/b)	2.33	5.59

11. The Company estimates the deferred tax charge/(credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. Details of deferred Tax Assets/(Liabilities) are as follows:

(Rs. in '000)

Particulars	As at March 31, 2005	As at March 31, 2004
Assets		
Unabsorbed Depreciation	7,746	46,043
Receivables	2,955	2,553
Retirement benefits	4,730	3,056
Others	4,737	435
Total	20,168	52,087
Liability		
Depreciation	72,897	85,002
Total	72,897	85,002
Net Deferred Tax Assets/(Liabilities)	(52,729)	(32,915)

Deferred tax assets are recognized for tax loss carried forward to the extent that the realization of the related tax benefit through the future taxable profits is probable, based on management estimates.

Schedules forming part of the Accounts for the year ended March 31, 2005... (Contd.)

16 NOTES TO ACCOUNTS

12. Estimated warranty costs are accrued at the time of sale of components to which the warranty provisions are applicable. The details of warranty provision are as follows: (Rs. in '000)

Particulars	As at March 31, 2005	As at March 31, 2004
Beginning Balance	350	387
Provision made during the year	530	268
Payments made during the year	516	305
Amount reversed during the year	-	-
Ending Balance	364	350

It is expected that the majority of the warranty provision outstanding as on 31st March 2005 is likely to result in cash outflow within 3 years of the Balance Sheet date.

13. Additional information pursuant to the provisions of para 3 and 4 of Part II of Schedule VI of the Companies Act, 1956 is as under:

A. INSTALLED CAPACITY AND PRODUCTION:*

Product	Installed Capacity @	Production (Nos.)	Stock of goods produced			
			Opening Stock		Closing Stock	
			Qty.	Value (Rs. in '000)	Qty.	Value (Rs. in '000)
Components, Assemblies and Sub-assemblies	47,200 MT	1,38,45,126	47,420	1,382	65,633	5,757
Previous year	(42,000 MT)	(9,595,402)	(11,909)	(723)	(47,420)	(1,382)
Tools, Dies and Moulds	N.A.	37	-	-	-	-
Previous year	(N.A.)	(109)	(-)	(-)	(-)	(-)

* As certified by the Management and accepted by the auditors, this being a technical matter.

@ Information on Licensed capacity has not been given since Licensing has been abolished.

B. SALES

Product	For the year ended March 31, 2005		For the year ended March 31, 2004	
	Qty.	Value (Rs. in '000)	Qty.	Value (Rs. in '000)
Components, Assemblies and Sub-assemblies	1,38,26,913	2,421,402	9,559,891	1,744,628
Job work	-	29,629	-	13,529
Tools, Dies and Moulds	37	6,769	109	38,864
Others	-	460,431	-	264,281
Total		2,918,231		2,061,302

Schedules forming part of the Accounts for the year ended March 31, 2005 ... (Contd.)

16 NOTES TO ACCOUNTS

C. CONSUMPTION OF RAW MATERIALS

Particulars	For the year ended March 31, 2005		For the year ended March 31, 2004	
	Qty.	Value (Rs. in '000)	Qty.	Value (Rs. in '000)
1 Component (Nos.)	37,368,959	323,641	37,397,706	202,345
2 Metal Sheet (MT)	44,253	1,474,418	37,308	992,626
3 Others	-	46,527	-	46,085
Total		1,844,586		1,241,056

D. CIF VALUE OF IMPORTS

(Rs. in '000)

Particulars	For the year ended March 31, 2005	For the year ended March 31, 2004
Raw Material	58,354	46,556
Capital Goods	-	12,891
Total	58,354	59,447

E. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARES CONSUMED

Particulars	For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value (Rs. in '000)	%	Value (Rs. in '000)	%
a) Raw Material and Components				
i) Imported	54,227	2.94	40,077	3.23
ii) Indigenous	1,790,359	97.06	1,200,979	96.77
	1,844,586	100.00	1,241,056	100.00
b) Consumables and Stores				
i) Imported	-	-	-	-
ii) Indigenous	47,882	100.00	30,879	100.00
	47,882	100.00	30,879	100.00

F. EXPENDITURE INCURRED IN FOREIGN CURRENCY

(Rs. in '000)

Particulars	For the year ended March 31, 2005	For the year ended March 31, 2004
Travelling	1,019	731
Interest	1,156	136
Total	2,175	867

G. EARNINGS IN FOREIGN CURRENCY

(Rs. in '000)

Particulars	For the year ended March 31, 2005	For the year ended March 31, 2004
F.O.B. value of Export of Goods	36,541	1,005

Schedules forming part of the Accounts for the year ended March 31, 2005... (Contd.)

16 NOTES TO ACCOUNTS

14. Cash Flow Statement:

(Rs. in '000)

	For the year ended March 31, 2005		For the year ended March 31, 2004	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit before taxation		65,188		131,708
Adjusted for :				
Depreciation	91,114		74,667	
Interest and financial charges	13,927		19,701	
Interest income	(159)		(539)	
Profit on sale of investments	(1,892)		(889)	
Loss on sale / write off of assets	319	103,309	240	93,180
Operating Profit before Working Capital Changes		168,497		224,888
Adjustment for :				
Trade and other receivables	(101,454)		46,375	
Inventories	(135,243)		(56,132)	
Trade payables and other liabilities	116,842	(119,855)	(47,062)	(56,819)
Cash Generated From Operations		48,642		168,069
Direct taxes paid		(5,199)		(10,200)
NET CASH FROM OPERATING ACTIVITIES (A)		43,443		157,869
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(211,336)		(59,942)	
Proceeds from sale of fixed assets	558		49	
Interest received	159		539	
NET CASH USED IN INVESTING ACTIVITIES (B)		(210,619)		(59,354)

16 NOTES TO ACCOUNTS

Cash Flow Statement (Contd.)

(Rs. in '000)

	For the year ended March 31, 2005	For the year ended March 31, 2004	
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Interest paid	(13,919)	(19,681)	
Profit on sale of investment	1,892	889	
Long Term loans availed / (paid) (Net)	175,000	(182,780)	
Sales tax deferral availed / (paid) (Net)	89,026	24,772	
Other borrowings	(54,521)	60,038	
Preference dividend paid (including tax thereon)	(24,523)	-	
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	172,955		(116,762)
Net increase/ (decrease) in Cash and Cash equivalents (A) + (B) + (C)	5,779		(18,247)
Cash and cash equivalents (Opening Balance)	5,700		23,947
Cash and cash equivalents (Closing Balance)	11,479		5,700
Notes :			
1. Cash and cash equivalents consist of cash in hand and balance with banks.			
2. Trade and other receivables include loans and advances.			

15. Additional information pursuant to Part IV of Schedule VI of the Companies Act, 1956, is set out in the Annexure.
16. Previous year's figures have been regrouped / rearranged, wherever necessary.

Signatures to Schedules 1 to 16 forming part of the Accounts.
As per our Report of even date.

Partha Ghosh
Partner
Membership No. F 055913
For and on behalf of
PRICE WATERHOUSE
Chartered Accountants

Place : Mumbai
Date : April 28, 2005

Shailendra Dindore
Secretary

For and on behalf of the Board

D. S. Gupta
Chairman

Satish Pradhan
Rajiv Dube
Atul Bansal
Raman Nanda
Directors

Place : Mumbai
Date : April 28, 2005

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Annexure)

(Additional information pursuant to the Part-IV of Schedule VI to the Companies Act, 1956)

(Refer Schedule 16, Note 15)

I. Registration Details

Registration No. State Code

Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Amount in Rs. '000)

Public Issue

Bonus Issue

Right Issue

Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)

Total Liabilities

Sources of Funds

Paid up Capital

Secured Loans

Deferred Tax Liability

Application of Funds

Net Fixed Assets

Net Current Assets

Total Assets

Reserves and Surplus

Unsecured Loans

Investments

Misc. Expenditure

IV. Performance of Company (Amount in Rs. '000)

Turnover

+ - Profit/Loss Before Tax

+ -

(Please tick appropriate box + for Profit, - for Loss)

Total Expenditure

Profit / Loss After Tax

Earning per share (Rs.)

Dividend Rate %

V. Generic Names of three Principal Products / Services of Company (as per monetary terms)

Item Code No. (ITC Code No.)

Product Description
S H E E T M E T A L C O M P O N E N T S
A S S E M B L I E S & S U B A S S E M B L I E S

Item Code No. (ITC Code No.)

Product Description
T O O L S D I E S A N D M O U L D S F O R
A U T O M O B I L E I N D U S T R Y

AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED

Registered Office : G-71/2, MIDC Industrial Area
Bhosari, Pune 411 026, Maharashtra

PROXY FORM

DPIP / CLID* : _____ No. of Shares : _____
Regd. Folio : _____

I/Weof

.....
(Write full address) being member / members of
AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED, hereby appoint.....of

.....
(Write full address) or failing himof
.....
(Write full address)

as my / our proxy to attend and vote for me / us on my / our behalf at the 15th Annual General Meeting of the Company to be held on Monday, the 6th day of June, 2005 at "Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001 at 2.30 P.M. and at any adjournment thereof.

Signed this day of 2005.

*Applicable for Members holding shares in Dematerialised form.

Signature

Revenue Stamp of
Re. 1/-

AUTOMOTIVE STAMPINGS AND ASSEMBLIES LIMITED

Registered Office : G-71/2, MIDC Industrial Area
Bhosari, Pune 411 026, Maharashtra

ATTENDANCE SLIP

NAME OF MEMBER/PROXY*	DPID/CLID**	FOLIO NO.	NO OF SHARES HELD
-----------------------	-------------	-----------	-------------------

I hereby record my presence at the 15th Annual General Meeting of the Company held on Monday, the 6th day of June, 2005, at "Nehru Memorial Hall", Atur Foundation House, 4, Dr. Ambedkar Road, Pune 411 001 at 2.30 P.M.

Signature of the Member / Proxy*.....

*Strike out whichever is not applicable.

**Applicable for Members holding shares in Dematerialised form.

Note :

1. Members/Proxies are requested to bring the duly filled in Attendance Slip to the Annual General Meeting, to be handed over at the meeting.
2. If you intend to appoint a proxy, please deposit duly filled Proxy Form at Company's Registered Office at least 48 hours before the meeting i.e. upto 2.30 P.M. on 4th June, 2005.

