

Transcending Technology
Transmuting Innovation
Transforming People



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Transmuting Innovation
Transforming People

**THINK
GLOBALLY**

**ACT
LOCALLY**

Transcending Technology
Transmuting Innovation
Transforming People

JBM AUTO LIMITED
17th Annual Report 2012-13

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To keep evolving is to keep growing. To think tangentially is to think creatively. And to motivate members is to inspire excellence. At JBM Auto, we realise the importance of Transcending Technology, Transmuting Innovation, Transforming People, today... more than ever before. It is on this blueprint of collective strength of technology, innovation and people that we have effected a change in the way we think and the way we deliver - a change we call 'Think Globally. Act Locally.' We have depicted this continuum of transition through a spectrum of colors in motion, manifesting our combined force of technology, innovation and people facilitating our ability to deliver consistently and steadfastly on our articulated mission.



CORPORATE INFORMATION



Mr. S. K. Arya
Chairman



Mr. Ashok Kumar Agarwal
Director



Mr. M. K. Aggarwal
Director



Mr. Nishant Arya
Director



Mr. H. R. Saini
Executive Director

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. N. K. Goel

STATUTORY AUDITORS

MEHRA GOEL & Co.,
Chartered Accountants

SHARE TRANSFER AGENT

MCS Limited

BANKERS

- > Axis Bank Ltd.
- > Canara Bank
- > Central Bank of India
- > Citi Bank N.A
- > DBS Bank Ltd.
- > ICICI Bank Ltd.
- > IndusInd Bank Ltd.
- > ING Vysya Ltd.
- > Kotak Mahindra Bank Ltd.
- > Standard Chartered Bank
- > Yes Bank Ltd.

JBM AUTO LIMITED

As one of India's leading automotive component manufacturer, we are committed to ensure excellence in our field of operations. Through the pillars of 'Technology, Innovation and People', we strive to provide the highest standards of quality, value and service in everything that we do.

In our pursuit to excellence, our dedicated and motivated team has adopted world class technology and maintained a continuous focus on innovation thereby delivering greater satisfaction to our customers and creating better value for our stakeholders.

JBM Auto Limited is an integral part of the diversified conglomerate JBM Group, is among the leading domestic producers of automobile components. With 35 manufacturing plants, 4 Engineering & Design Centres across 19 locations worldwide, 20,000 employees, servicing world renowned global automotive majors, JBM Group enjoys an indomitable position in the industry. Globally recognised for setting new benchmarks in manufacturing automobile products and sub-systems, steel fabrication, construction, engineering and design through extensive use of innovation and technology, the Group is well-positioned to serve the most important vehicle manufacturers as well as automotive suppliers.

“ You can never cross the ocean until you have the courage to lose sight of the shore. ”

~ Christopher Columbus

JBM AUTO AT A GLANCE

JBM AUTO IS ENGAGED IN THE MANUFACTURE OF SHEET METAL COMPONENTS, ASSEMBLIES, SUB - ASSEMBLIES, TOOLS, DIES AND MOULDS.

The Company's manufacturing facilities and tool rooms are strategically located in close proximity of leading automobile hubs of India at Bengaluru, Chennai, Faridabad, Greater Noida, Indore, Kosi, Nashik, Pune and Sanand. The Company products are widely used in two-wheelers, cars, tractors and trucks, white goods industries and other sectors in India and overseas.

The Company operates through three main divisions namely Sheet Metal Division, Tool Room Division and special purpose vehicle (SPV).

◆ SHEET METAL DIVISION

(Manufacturing sheet metal components, assemblies, sub-assemblies)

JBM Auto's Sheet Metal Division manufactures metal components, assemblies and sub - assemblies. BIW parts constitute all major sheet metal parts contained by the outer body of the vehicle. These parts are joined together to form sub assemblies, which are then combined to provide various section of the vehicle including structural and load bearing areas. The division also manufactures skin panels which defines the exterior surface for a vehicle which are the most vital parts of the vehicle as they provide the total visual impact, aesthetics and shape to the vehicle.

◆ TOOL ROOM DIVISION

(Manufacturing tools, dies and moulds)

Tool- making requires extensive collaboration with the customer, due to the high degree of production customisation. To meet the ever-evolving requirements of the customers, the Company's tool rooms are continuously upgraded to interface with the latest industry- grade software and technology.

◆ COMPREHENSIVE PRODUCT RANGE

Some of the Company's key products manufactured include: door panel, back panel, floor panels, dash panels, wind shield, door inners, tail gate inner, cover plate longitudinal, rare floor upper, rear bumper, bonnet, tipper, draw (upper), tunnel assembly, drum assembly, lower arm assembly, panel RR inner, cross car beam, pillar B inner, roof, axle, etc.

OUR VALUE PROPOSITION



CHAIRMAN'S COMMUNIQUE



“The Company's total turnover for the year ended 31st March, 2013 was ₹1321.85 crores, representing a growth of nearly 22% while the net profit touched nearly ₹38 crores representing an increase of 19% over the previous fiscal.”

Dear Shareholders,

I am happy to share with you the performance of JBM Auto through this edition of Annual Report (Financial Year 2012-13). At JBM Auto, we have the integrated capacity base in place by the support of growing customer relationships. We are going to leverage both these to gain the market share and continue with our growing path. We remain cautiously optimistic on delivering results with a strong focus on delivering improved returns on capital employed.

The global business scenario is not encouraging, as uncertainty looms large in Europe, USA and most emerging economies. India's enormous domestic market and an aspiring population with disposable income create reasons for sustained optimism for the automobile sector.

With the Indian economy clocking a modest 5% GDP growth last year, during 2012-13, overall the Indian Auto Industry grew by 2% and its domestic sales by 2.6%, despite negative growth in passenger cars and Commercial Vehicle Market. And the domestic two-wheeler sales grew by 2.9%. The Company's total turnover for the year ended 31st March, 2013 was ₹1321.85 crores, representing a growth of nearly 22% while the net profit touched nearly ₹38 crores representing an increase of 19% over the previous fiscal.

Due to these unprecedented changes, we have always ensured that your company had the necessary flexibility to adapt to the changing times and grow, year after year. We are keen on breaking barriers, pushing against the 'no one can do' attitudes and inspired and keyed up by the opportunities around us. We are driven by our commitment and a passion for innovative thinking,

embracing new technologies, nurturing talent and helping our customers to get where they want to be, quickly and cost-efficiently.

We at JBM Auto, think globally and act locally to be distinct in our efforts to provide automotive solutions that are innovative and best. We will continue to stay to our values and mission – a company focussed on becoming the world’s best integrated automotive enterprise driven by the quality of our products and passion of our human capital. Our entire assessment revolves around Technology, Innovation and People. These principles strengthen our services based on commitment to excel by continuously improving the value proposition.

In the years gone by, our crucial point was to influence on our strengths of in-house engineering and manufacturing prowess. We also maintain healthy relationship with our suppliers and technical partners. Over the years, our business priorities have changed. Our policies and strategies have changed, however what has remained constant are our values and principles of serving the customer at the right time, right place, with the right products and at right price.

We focused on training and nurturing our employees, identified safety measures and took initiatives to enhance customer and vendor services. The outcome has been extremely positive and encouraging. We would continue to concentrate on strengthening our core competencies by laying emphasis on technological up-gradation, advancement in innovation and people empowerment. Our aim is to acquire technical competence, understand the evolving needs of the customers and deliver in a timely manner.

At JBM Auto, we believe in doing things innovatively and are committed to leverage this optimism to

reach new heights of excellence. Let me take this opportunity to express my gratitude to our partners and shareholders for their immense support and co-operation. I thank our customers, people, business associates and the wider stakeholder community for keeping faith in our capabilities and business model. And together we look forward to enhance value, drive growth and create opportunities.

The ability to deliver even in difficult times attributes to JBM Auto’s strategic positioning as an integrated business catering to different geographies. We need to take this organisation forward with the support and guidance of all stakeholders. We are confident that with the strategic focus on Technology, Innovation and People, we are well set to achieve the next phase of growth. I am confident that the organisation’s future progress will continue to enjoy the enthusiastic participation of all members of the JBM Auto family.

Sincerely,

S. K. Arya

Chairman

New Delhi - 23rd May, 2013



JBM AUTO SCORECARD

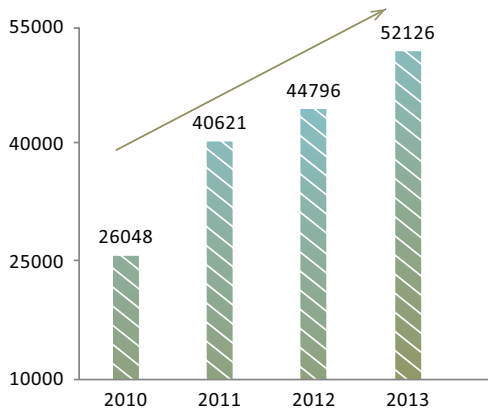
CONSOLIDATED

(₹ in lacs)

Particulars	2010	2011	2012	2013
Gross Sales	44886	81950	108233	132185
Net Sales	41469	73105	96732	117096
Other Income	185	238	578	381
Total Income (Gross)	45071	82188	108811	132566
Profit Before Depreciation & Tax (PBDT)	3608	6007	7818	9295
Cash Profit	3006	4827	6483	7606
Profit Before Tax (PBT)	1513	3741	4784	5984
Profit After Tax (PAT)	946	2485	3199	3795
Equity Share Capital	1020	1020	1020	1020
Reserve & Surplus	8421	10455	12954	15854
Net Worth	9441	11475	13974	16874
PBT/Net Sales (%)	3.65	5.12	4.95	5.11
PAT/Net Sales (%)	2.28	3.40	3.31	3.24
RONW (PAT/Net worth) %	10.02	21.66	22.89	22.49
Debt Equity Ratio	1.64	1.58	1.65	1.35

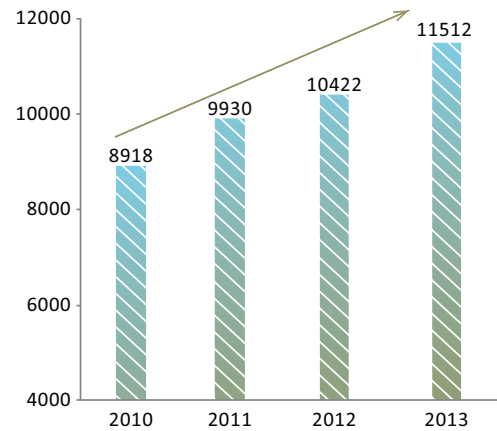
GROSS SALES & OTHER INCOME

(₹ in lacs)



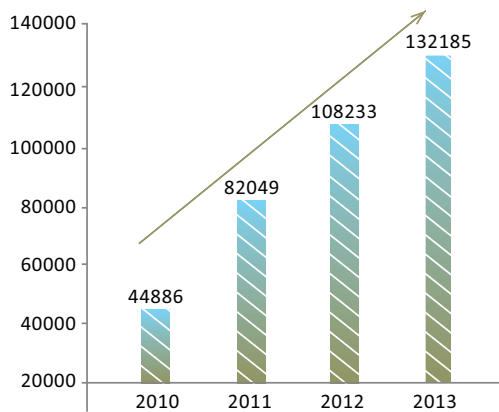
NET SALES

(₹ in lacs)



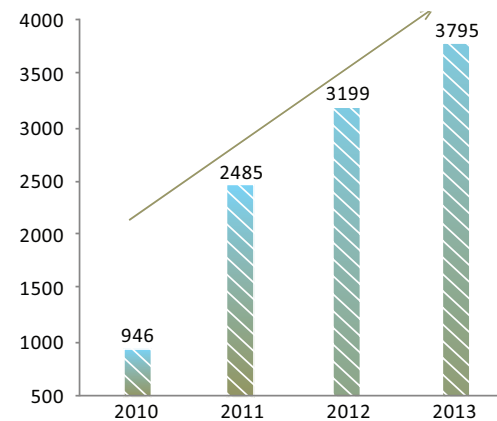
TURNOVER (CONSOLIDATED)

(₹ in lacs)

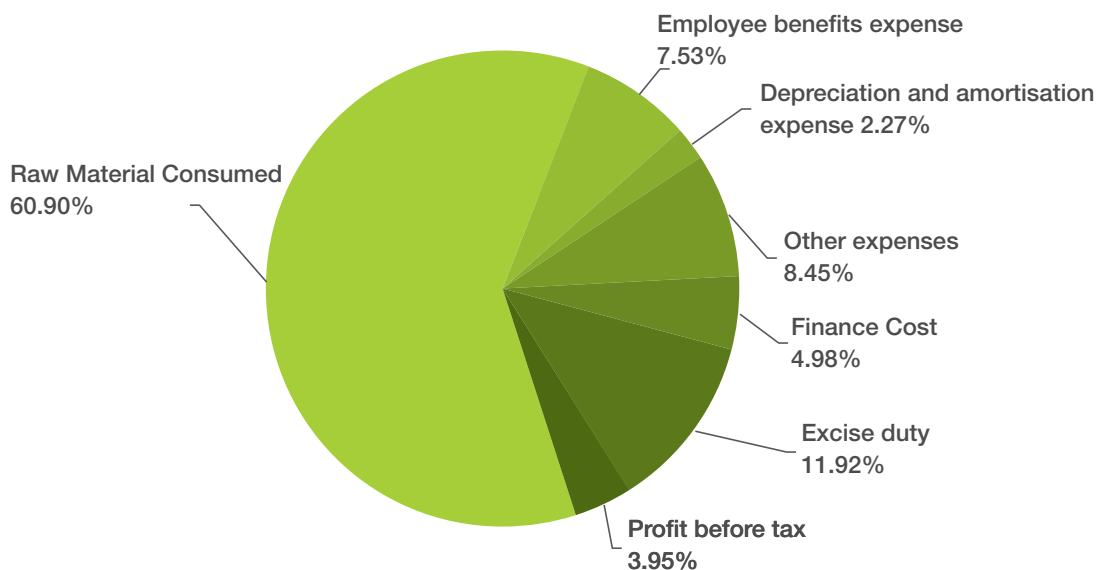


PAT (CONSOLIDATED)

(₹ in lacs)



DISTRIBUTION OF INCOME 2013



OUR VISION

Expanding leadership in our business
through people, keeping pace with market trends and technology...

THE WAY WE WORK

Values are the foundation of JBM Group's constitution. Values are the bedrock on which JBM Auto is built to stand tall...

1

SIMPLICITY

LIES IN OUR FLEXIBLE APPROACH, OPENNESS TO NEW LEARNING AND EFFECTIVE COMMUNICATION FOR CAPACITY BUILDING AND PERSONAL DYNAMISM.

TEAMWORK

WITH WELL-DEFINED RESPONSIBILITIES, AUTHORITIES AND ACCOUNTABILITY.

2

3

TRUST AMONGST PEOPLE

BOND, BINDING THE PEOPLE IN JBM FAMILY, IS THE NERVE CENTER THAT GOVERNS THE GROWTH AND THE DEVELOPMENT OF THE GROUP.

CUSTOMER FOCUS

TO THE OPTIMUM LEVEL IS THE FOCUSED AREA OF OUR POLICY PLANNING THAT CONTINUOUSLY DRIVES US TO VENTURE IN INNOVATIVE AND LATEST DESIGNS AND MANAGEMENT PRACTICES.

4

5

TRUST AMONGST PEOPLE

BOND, BINDING THE PEOPLE IN JBM FAMILY, IS THE NERVE CENTER THAT GOVERNS THE GROWTH AND THE DEVELOPMENT OF THE GROUP.

DIRECTOR'S REPORT

DEAR MEMBERS,

Your Directors have the pleasure in presenting the 17th Annual Report of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2013 and Auditors report thereon.

FINANCIAL RESULTS

Particulars	STANDALONE		CONSOLIDATED	
	2012-13	2011-12	2012-13	2011-12
Gross Sales & Other Income	52126.49	44796.06	132565.58	108810.88
Profit Before Tax	2059.23	1142.81	5984.07	4783.67
Less: Provision for Tax	683.94	426.87	2189.43	1584.53
Profit After Tax	1375.29	715.95	3794.63	3199.14
Less: Minority Interest	-	-	534.27	611.56
Balance brought forward	5580.98	5129.32	7768.54	5513.06
Add: Share of previous year adjustment in Profit of subsidiary and joint venture.	-	-	3.49	(78.11)
Add: Transfer to Goodwill	-	-	-	10.31
Profit available for appropriation	6956.27	5845.27	11032.40	8032.83

(₹ In Lacs)

OPERATIONAL AND FINANCIAL REVIEW

The Indian Auto and Auto Components Industry is currently facing its most formidable challenge-that of slowing demand and that too across the board. If the year 2011-12 was bad, the year 2012-13 has turned out to be worse as other segments too including the domestic two wheelers (2W) segments as also exports to overseas OEMs and tier-1 players have come into the grips of the slowdown. Auto component manufacturers are grappling with a rising cost structure arising from volatile currency movements, firm interest rates and inflation in other overheads including employee costs and power costs. Decline in revenues had significantly hurt both profits as well as margins of auto-component manufacturers in 2012-13.

During the year under review your Company recorded sales & other income of ₹52126.49 lacs as against ₹44796.06 lacs recorded in the previous year, registering a growth of 16.36%. The Profit before Tax (PBT) is increased to ₹2059.23 lacs from ₹1142.81 lacs in the previous year registering a growth of 80.19%.

SUBSIDIARIES

Your Company has two subsidiaries namely M/s JBM Ogihara Automotive India Limited and M/s JBM Auto System (P) Limited.

PARTICULARS UNDER SECTION 212 OF THE COMPANIES ACT, 1956

As per the circular of the Ministry of Corporate Affairs dated 8th February, 2011, the Central Government has granted the general exemption to the Companies for not attaching the Annual Accounts of its Subsidiaries.

Your Directors have given their consent for not attaching the Annual Accounts of its Subsidiaries in their meeting held on 23rd May, 2013. Pursuant to the circular of the Ministry of Corporate Affairs, it is decided by the Board that the annual report of the Company shall present the consolidated financial statements of your Company and all its subsidiaries duly audited by its statutory auditors.

DIVIDEND AND APPROPRIATIONS

APPROPRIATION

During the year 2012-13, an amount of ₹110/- lacs (in 2011-12 – ₹40/- lacs) was transferred to General Reserves of the Company.

DIVIDEND

Your Board of Directors are pleased to recommend a Dividend of ₹2/- (20%) per share on fully paid up Equity shares of ₹10/- each for the Financial Year 2012-13. The dividend distribution would result in an outflow of ₹238.63 lacs including corporate dividend tax. The dividend is tax free in the hands of recipient.

EXPANSION

Presently the Company is undertaking the expansion projects at Pithampur, Indore (M.P.) mainly to cater to Volvo Eicher Commercial Vehicles (VECV) and Mahindra Two Wheelers (M2W) projects for supply of Sheet Metal Components, Assemblies etc. The production in this unit shall start in the current financial year.

The Company is also installing new facilities for manufacturing of Passenger Buses and other allied products at its manufacturing units situated at Ballabgarh (Faridabad) and Kosi Kalan (Mathura).

All these expansions shall give your Company a big leap forward to generate the revenue for the future growth of the Company.

AWARDS

During the year under review, your Company has received the Award from VECV for the "Outstanding Contribution to the Supply Chain Management", in their VECV Supplier Conference 2013 held at Indore.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. S. K. Arya, Director of the Company will retire by rotation in the forthcoming Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends the re-appointment of Mr. S. K. Arya. The Brief resume/details relating to Mr. S. K. Arya, Director, who is to be re-appointed, is furnished in the explanatory statement of the notice of the ensuing Annual General Meeting.

The above appointments/re-appointments are subject to the approval of the members in the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors make the following statement in terms of Section 217 (2AA) of the Companies Act, 1956, to the best of their knowledge and belief and according to the information and explanation obtained by them:

- i) that in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii) that they have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the annual accounts of the year ended 31st March, 2013 have been prepared on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report, pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, is annexed hereto, forming an integral part of this report.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance along with Auditors' Certificate on its compliance is annexed hereto, forming an integral part of this report.

AUDITORS AND AUDITORS' REPORT

The Auditors, M/s Mehra Goel & Co. will retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that the re-appointment, if made, would be in accordance with Section 224 (1B) of the Companies Act, 1956. The Board recommends their re-appointment.

The observations of the Auditors have been explained wherever necessary in the appropriate notes to the Accounts and do not call for any further comments.

APPOINTMENT OF COST AUDITORS

In compliance with the notification of the Ministry of Corporate Affairs dated 24th January, 2012 and on the recommendation of the Audit Committee of the Company, the Board of Directors have appointed M/s Jitender Navneet & Co., Cost Accountants, as Cost Auditors of the Company to conduct the audit and submit the report for the financial year 2012-13.

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

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

PARTICULARS OF EMPLOYEES

No employee of the Company was drawing remuneration as prescribed under Section 217 (2A) of the Companies Act, 1956.

LISTING FEE

The Shares of your Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fees has already been paid for the financial year 2013-14. Further, Annual Custodial fee have also been paid to NSDL & CDSL for the F.Y. 2013-14.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, the declared dividends which remained unpaid or unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to section 205C of the said Act.

INDUSTRIAL RELATIONS

The Industrial Relations in the Company remained cordial and peaceful, through out the year under review.

APPRECIATION

Your Directors convey their sincere thanks to Company's customers, suppliers, bankers and Central and State Governments for their continued guidance, support and cooperation.

Your Directors place on record their deep appreciation of contribution made by employees at all levels. Your Company's consistent growth was made possible by their hard work, commitment, teamwork and loyalty.

The Board of Directors of the Company also expressed their gratitude to the Shareholders for their valuable and un-stinted support extended to the Company throughout the year.

Your Directors acknowledge trusts and confidence reposed by all the Shareholders of the Company.

For and on behalf of the Board

Place: New Delhi
Date: 8th August, 2013

S. K. ARYA
Chairman

ANNEXURE-I

Particulars required under the companies (disclosure of particulars in the report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

Energy conservation measures taken by the Company;

The Company has taken various steps to conserve the energy:

- At Faridabad unit of the Company, the Company has installed an Independent Electricity Feeder to avoid frequent electricity trippings.
- Also, at Faridabad unit the Company has entered into an agreement with Indian Energy Exchange (IEX) for purchase of electricity units through the bidding process.
- Constant monitoring to maintain sustainable power consumption level which resulted in optimization of energy consumption.
- Replacement of old equipments with new and low rating equipments.
- Discipline to switch off lights and machineries, when not working or not in use, is being maintained.
- High accuracy welding controller provide in welding line to avoid current variation.
- Monitoring and analysis of electricity consumption, awareness training to users.
- Replacement of LED lights, wherever possible to conserve energy.
- Energy savers have been fitted at many places to reduce energy consumption.
- Measures have been taken for availability of natural lighting wherever possible to reduce the load on electrical lighting.
- Minimized compressed air leakage through vigorous maintenance and quantification of leakage in plant, which resulted into reduction in air leakage.

These measures are aimed to reduce power consumption and has brought significant savings in energy consumption.

(B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

FORM B

Research & development (R&D)	
1. Specific area in which R&D work is carried out	- The Company has been constantly working towards R&D capabilities.
2. Benefit derived as a result of the above R&D	- The R&D activities of the Company include the development of processes of sheet metal component forming by designing and manufacturing of intricate press tooling, welding fixtures & gauges and the development and assembly of Special Purpose Vehicle (SPV) to the acceptability levels of the customers who are of international standing.
3. Future plan of action	- The Company's research & development activities includes up gradation of technology, modification of products to re-establish the benchmark performance in the constantly changing environment, developing intricate dies and tools, components and the development and assembly of Special Purpose Vehicle (SPV) for customers, cost reduction by value engineering etc.
4. Expenditure on R&D:	- As the Company has no separate R&D Cell, the expenditure on these R&D activities can not be ascertained separately.

Technology Absorption, Adaptation and Innovation	
1. Efforts, in brief made for the technology absorption, adaptation and innovation	- The Company has not bought any technology from outside. However, it has undertaken product developments on its own and is geared to supply components, sub-assemblies and Special Purpose Vehicle (SPV) to the multinational OEMs in India and abroad to their quality levels.
2. Benefits derived as a result of the above e.g. product improvement, cost reduction, product development, import substitution	- This has resulted in the saving on account of manpower and increased productivity.
3. In case of imported technology (imported during the last 5 years from the beginning of the financial year), the following information:	- No Import of technology

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to exports	The Company is doing the export activities, both direct and deemed export.
2. Total foreign exchange used and earned	Foreign exchange earnings were ₹915.96 lacs (Previous Year was ₹707.63 lacs) and outgo on account of capital goods, raw materials & spares, traveling, repair & maintenance, interest, job work charges, Freight, Warehouse & Other Charges were ₹5590.41 lacs (Previous Year ₹868.22 lacs).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY

Global growth remains historically low for the year running with major centers of economic activity-particularly large emerging economies and key advanced economies slowed in 2012-13, confirming the belief that the global economy is troubled by a slow and weak recovery. As in previous years, growth remains unequally distributed. Emerging and developing countries are growing faster than advanced economies, steadily closing the income gap.

The International Monetary Fund (IMF) estimates that, in 2012, the Euro zone will have contracted by 0.3%, while the United States is experiencing a weak recovery with an uncertain future. Large emerging economies such as Brazil, the Russian Federation, India, China, and South Africa are growing somewhat less than they did in 2011. At the same time, other emerging markets such as developing Asia will continue to show robust growth rates, while the Middle East and North Africa as well as sub-Saharan African countries are gaining momentum.

Recent developments such as the danger of a property bubble in China, a decline in world trade, and volatile capital flows in emerging markets could derail the recovery and have a lasting impact on the global economy. Arguably, this year's deceleration to a large extent reflects the inability of leaders to address the many challenges that were already present last year. Policymakers around the world remain concerned about high unemployment and the social conditions in their countries. The political brinkmanship in the United States continues to affect the outlook for the world's largest economy, while the sovereign debt crises and the danger of a banking system meltdown in peripheral euro zone countries remain unresolved.

The high levels of public debt coupled with low growth, insufficient competitiveness, and political gridlock in some European countries stirred financial markets' concerns about sovereign default and the very viability of the Euro. Given the complexity and the urgency of the situation, European countries are facing particularly difficult economic Management decisions with challenging political and social ramifications.

WORLD ECONOMIC SITUATION AND PROSPECTS

- Global growth will remain subdued in 2013 despite improved financial conditions and reduced short term risks.
- Most regions are expected to see a moderate pick up in 2014, but growth will continue to be below potential and employment gains will be weak.
- Short term risks stemming from the euro area crisis, fiscal adjustment in the United States and a further slowdown in large developing countries have diminished, but not disappeared.
- Foresees a much slower pace of poverty reduction in many developing countries and narrowing fiscal space for investments in the many critical areas needed for achieving the Millennium Development Goals,
- Calls for more forceful and concerted policy action at the global level, identifying fiscal and employment policies, financial market stability, development assistance and green growth are key challenges.

INDIAN SCENARIO

The Economy of India is the 10th Largest in the world by Nominal GDP & Third largest by Purchasing Power Parity. Economic growth rate slowed to around 5% for the 2012-13 fiscal year compared with 6.2% in the previous fiscal. The GDP growth went up marginally to 4.8% during the quarter through March 2013, from about 4.7% in the previous quarter. The Government has forecasted a growth of 6.1%-6.7% for the year 2013-14 from 7.0% projected six months ago. Whilst the RBI expects the same to be 5.7%. The decline in the growth forecast is largely due to the decline in Agriculture Sector which is expected to grow at the rate of 2.0% during 2013-14 against the previous estimation of 2.7% despite normal monsoon projection

A critical problem facing India's Economy is the sharp & growing regional variations among India's different States & Territories in terms of Poverty, Availability of Infrastructure & Social Economic Development.

However the multi lateral funding agency said that India is regaining Economic Momentum & growth is expected to recover gradually to its high long term potential.

The currency value of an economy influences the growth rate of GDP in an economy and the value of Indian currency is continuously depreciating. Various factors that have contributed to depreciate the Indian currency worse:

- Capital flows & Stock market of India.
- Global Currency Trends
- RBI Intervention.
- Large Import of Crude Oil.
- Political Factor.

INDIAN AUTOMOBILE INDUSTRY

Automotive companies maintained relatively decent results through the first half of 2012, despite notable headwinds from weakness in Europe and some softening in emerging markets. However, the overall environment became more difficult in the second half of 2012, with further deterioration in the European market.

As per Society of Indian Automobile Manufacturers (SIAM) the industry produced 16.85 lacs vehicles in March 2013 as against 18.46 Lacs in March 2012, which declined by (-) 8.70%.

The sector is plagued by high interest rates, high input costs, depreciating rupee and global uncertainty resulting in lower demand for vehicles, especially commercial vehicles.

As per the data released by SIAM, the overall domestic sales and exports during the year 2012-13 are as under:

The overall growth in domestic sales during April-March 2013 was 2.61% over the same period last year. While in March 2013 overall sales fell by (-) 7.76% over March 2012.

Passenger vehicles, Three Wheelers and Two Wheelers segments grew at 2.15%, 4.87% and 2.90% respectively during April-March 2013.

The overall Commercial Vehicles segment registered growth of (-) 2.02% in April-March 2013 as compared to the same period last year

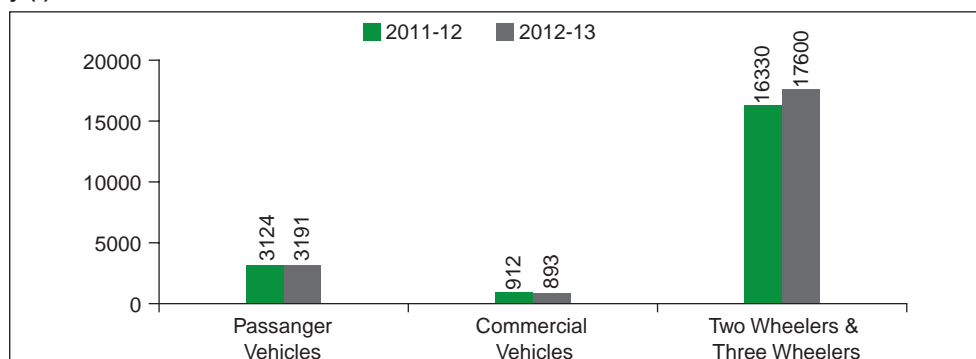
DOMESTIC SALES IN 2012-2013

	2011-12 (No. of Units in '000)	2012-13 (No. of Units in '000)
Passenger Vehicles	3124	3191
Commercial Vehicles	912	893
Two Wheelers & Three Wheelers	16330	17600

EXPORTS

During April 2012 to March 2013, overall automobile exports registered growth of (-) 1.34% compared to the same period last year. Passenger Vehicles grew by 9.02%, while the other segments like Commercial Vehicles, Three Wheelers and Two Wheelers fell by (-)13.35%, (-) 16.22% and (-) 0.72% respectively.

In March 2013, Passenger Vehicles, Two & Three Wheelers grew by 3.07%, 3.51% and 7.50% respectively. While Commercial Vehicles declined by (-) 28.33%.



EXPORT MARKET OF AUTOMOBILE INDUSTRY IN 2012-13

	2011-12 (Unit in '000')	2012-13 (Unit in '000')	Growth/Decline (in %)
Passenger Vehicles	517782	564486	9.02%
Commercial Vehicles	95486	82738	(-) 13.35%
Three Wheelers	362863	304006	(-) 16.22%
Two Wheelers	1957281	1943188	(-)0.72%

Sources: Society of Indian Automobile Manufacturers (SIAM)

OUTLOOK

The Industry started the year 2013-14 on a lower note as is evident from the figures released by SIAM which are as under:

PRODUCTION

The industry produced 17.37 lacs vehicles in May 2013 as against 18.11 lacs in May 2012, decline of (-) 4.08% over the same month last year.

DOMESTIC SALES

The overall domestic sales during April-May 2013 declined by (-) 0.64% over the same period last year.

The overall sales in Passenger Vehicles declined by (-) 8.56% during April-May 2013 over the same period last year. Within the Passenger Vehicles, passenger cars and vans dropped by (-) 11.33% and (-) 10.88% respectively, while utility vehicles grew marginally by 4.08% during April-May 2013 compared to the same period last year.

The overall Commercial Vehicles segment registered growth of (-) 5.20% in April-May 2013 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) registered negative growth at (-) 12.11% and Light Commercial Vehicles also dropped by (-) 1.36%. Three Wheelers sales recorded marginal growth of 1.47% in April-May 2013 over the same period last year. Passenger Carriers and Goods Carriers grew by 1.48% and 1.44% respectively in April-May 2013 over April-May 2012.

Two Wheelers registered marginal growth of 1.04% during April-May 2013 over April-May 2012. Within the Two Wheelers mopeds and motorcycles declined by (-) 11.45% and (-) 1.38% respectively, while scooters grew by 13.88% in April-May 2013 over April-May 2012.

EXPORTS

During April-May 2013 overall automobile exports declined by (-) 8.62%. Passenger Vehicles and Three Wheelers grew by 7.34% and 26.53% respectively, while Commercial Vehicles and Two Wheelers dropped significantly by (-) 19.62 and (-) 16.50% respectively in April-May 2013 over April-May 2012

Various policy initiatives have been taken by the Government like use of alternative fuels as LPG both for Energy security and Emission reduction, set up task force for preparing the hydrogen road map and other initiatives are required to be taken by the Government to revive this sunrise sector of our economy.

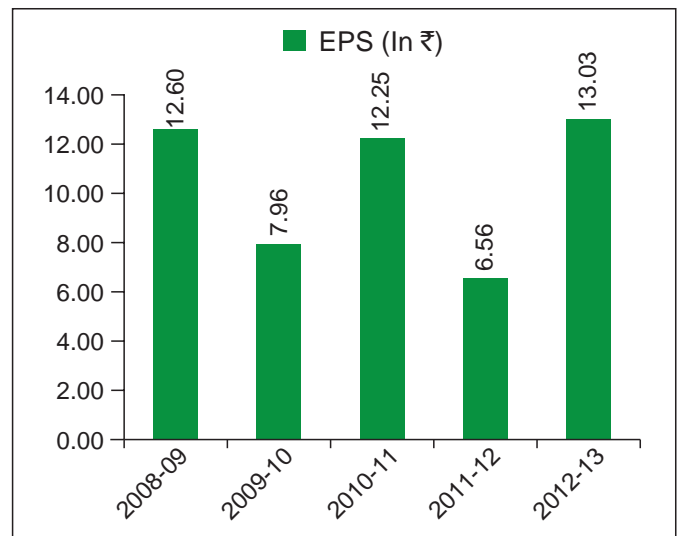
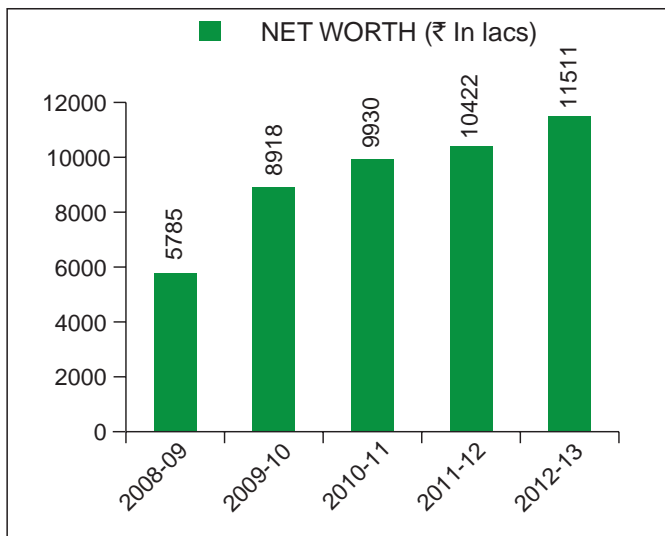
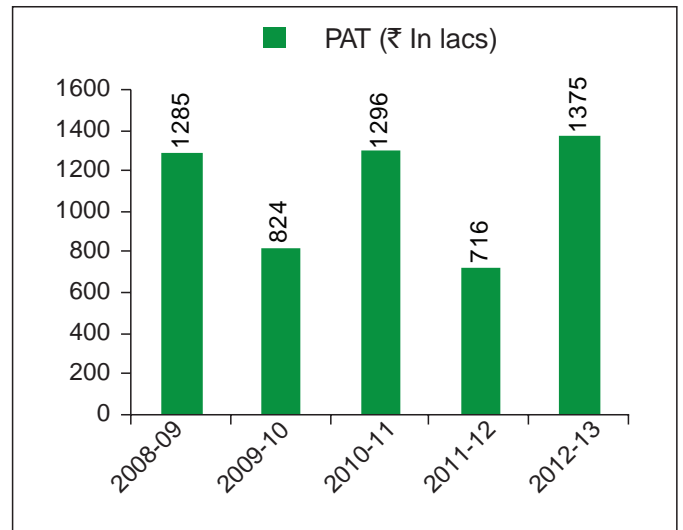
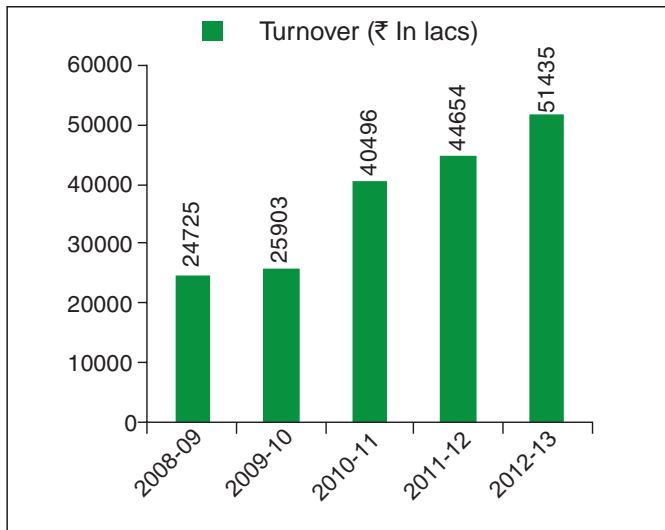
BUSINESS PERFORMANCE

Financial/Operational Performance & Analysis (Consolidated)

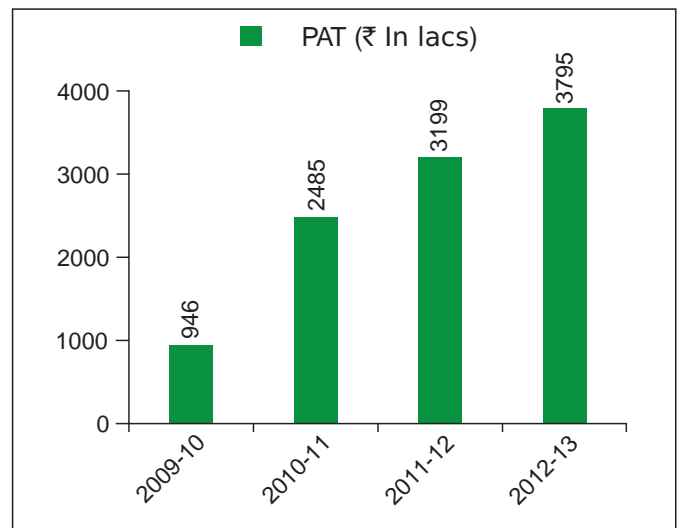
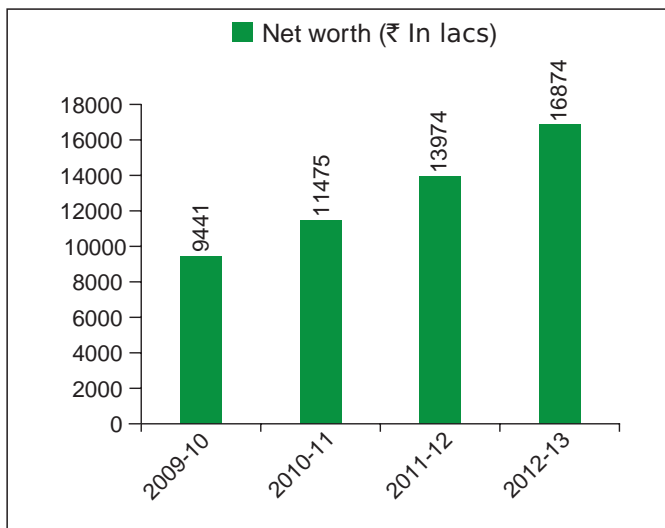
The highlights of your Company's performance in the current fiscal year are hereunder:

1. Gross Sales has increased to ₹132184.89 lacs in 2012-2013 from ₹108233.36 lacs in 2011-2012, an increase of 22.12%.
2. PAT has increased to ₹3794.63 lacs in 2012-2013 from ₹3199.14 lacs in 2011-12 an increase of 18.61%;
3. Net worth of the Company as on March 31st, 2013 is ₹16874.26 lacs as compared to ₹13973.95 lacs, an increase of 20.75%.
4. Book value per share has increased to ₹165.45 against ₹137.02 in previous year.

STANDALONE PERFORMANCE OF YOUR COMPANY FOR PAST 5 YEARS.



CONSOLIDATED PERFORMANCE OF YOUR COMPANY FOR PAST 4 YEARS



SEGMENT WISE/PRODUCT WISE PERFORMANCE

The segment wise performance of the Company during 2012-13 is as follows:

Particulars	Sheet Metal Division		Tool Room Division	
	2012-13	2011-12	2012-13	2011-12
Gross sale	41317.55	37717.18	10024.69	6709.12
Gross Profit(loss) before unallowable expenditures & interest	3506.91	2974.50	1243.02	931.24

(₹ In Lacs)

OPPORTUNITIES & THREATS

Challenge and Threats that Indian Automobile Industry has to address:

- Scale up Capacities & Absorbing newer technologies
- Cost competitiveness
- Infrastructure development
- Productivity improvement of both labour and capital
- Availability of cost effective capital
- Favorable and predictable business environment
- Availability of raw material, commensurate with growth
- Availability of auto grade technically advanced material
- Increasing fuel prices.

OPPORTUNITIES FOR INDIAN AUTOMOBILE INDUSTRY

- Huge Investments in process by almost every major car maker.
- Presence of almost all major automakers in India shows interest & commitment towards market
- Luxury Car market growing by unimaginable 50% growth showing willingness to spend
- Growth in Income amongst the citizens and their capability to spend
- Willingness to accept newer models against earlier philosophy
- With just 2.5 million passenger car sales in a year, there lies huge untapped potential.

INDIA IS FAST BECOMING A FAVORED INVESTMENT DESTINATION FOR IT'S:

- Large & growing domestic demand
- Product Development
- Availability of skilled manpower
- High Quality Standards
- Export capabilities
- Conversant with Global Automotive Standards
- Respect for Intellectual Property
- Growing IT capabilities
- Strong Entrepreneurship
- Flexibility in Small Batch production

RISKS & CONCERNS

The fostering of a healthy National automotive industry requires Government policies at both the macroeconomic as well as microeconomic levels which promote the development of automotive production and sales.

The industry is dependent on various factors and your Management perceives the following risk and concern for its business:

- Increase in Raw Material cost especially steel has made product costly.
- Increase in petroleum prices has reduced the Purchasing Power Capacity of customer which has resulted into decrease in sales quantity of automobiles.
- Increase in petroleum prices has also reduced maintenance capacity
- Increase in interest rate by banks is also one of the hindrance

MACROECONOMIC POLICIES AFFECTING THE AUTO INDUSTRY

In most countries, the level of automotive production is closely correlated to domestic or regional automotive sales and production is closely related to disposable income levels, interest rates, and finance availability and consumer confidence. Therefore, National macroeconomic and monetary policies which produce stability and consistency in GDP per capita growth are generally very significant factors affecting the level of automotive sales and production.

The macroeconomic factors which encourage automotive production and sales are as follows:

- Stable National economic performance;
- Consistent National economic and regulatory policies;
- Transparent economic and regulatory policies;
- Commitment by the Government to the auto sector;
- Monetary policies which promote low interest rates;
- Stability in exchange rate;
- Improvement of automobile infrastructure;
- Low to moderate inflation.

MICROECONOMIC POLICIES AFFECTING THE AUTO INDUSTRY

While Governments have a leading role in creating a positive macroeconomic environment for the automotive sector, the economies which have been most successful in building and maintaining a healthy auto industry are those in which Governments have decreased their involvement at the microeconomic level and allowed market principles to operate.

- Open trade and investment environment to foster economically rational decisions based on market principles, rather than Government policies;
- Consistency, transparency and non-discrimination in automotive policies;
- Harmonization & Modernization of Custom Procedures;
- Harmonization of automotive safety and emissions standards and certifications;
- Regional integration to achieve economies of scale;
- Reducing distortion impact of duty and commodity tax policies;
- Tax policies which encourage consumption rather than penalize purchase;
- Ease and availability of Consumer and investment financing

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems for assessment and eliminating various kinds of risks which include strategic, operational, financial, environmental and reputation risk. Such risks are reviewed at various meetings like internal audit committee meetings, Business review meetings where members of senior Management are involved. The Board also reviews such risks procedures periodically

The Company carries out exercises across all the location of the Company aimed at promoting effectiveness & efficiency of operations while emphasizing compliance to policies, applicable laws & regulations to achieve business objectives including performance and profitability goals and safeguarding of resources. This ensures the control and safeguarding of the Company's assets against loss through inefficiency, waste, negligence or fraud. The Company is well structured and policy guidelines are well documented with pre-defined authority.

The Audit Committee of the Company is frequently reviewing the internal controls including the internal audit reports of the Company provides its support to all operational and finance functions of the Company through regular monitoring and suggestions. The Company has exhaustive budgetary control system. Actual performance is reviewed with reference to budget by the Management review team on a monthly basis.

HUMAN RESOURCES

The Company's HR process ensure the availability of a competent and motivated team of employees .The Company continuously endeavors to provide a fair compensation amongst industry of like nature, a clear career path, reward for performance and regular training and development for each level of employee.

The competency of our workforce is the key reason for growth of the Company. To enhance the productivity, Company has developed their people by providing innovative and professional environment. It has an efficient recruitment policy and human resource Management processes, which enables to attract and retain competent & talented employees. When we hire people, we look for positive attitude and exemplary behavior so that they can imbibe our value system.

To keep ourselves abreast with time and technology, we regularly assess the competencies important for the development of our business and arrange for appropriate training and development programmes to cater different learning needs of our employees in the areas of technology, Management, leadership, cultural and other soft skills.

We are a learning organization. We have an environment, which helps to leverage the knowledge of every employee. To keep update with the changing type of technology, the competencies which are required for the development of the Business are assessed and appropriate trainings are arranged to cater to different learning needs of employees in the area of technology, Management, Leadership, Cultural and other Soft Skills.

Being at JBM Group is packed with challenges, learning and events. We observe special weeks e.g. Safety, Quality, 5-S week and Kaizen week. Apart from these formal weeks, we have various celebrations as Environment Day, Annual day, Women's Day, Health and Yoga Classes to name a few. These help the employees to pursue their interest and have balance between work life and personal life. JBM's premise is full of energy, vitality, enthusiasm and passion.

The Company had 623 permanent employees as on 31st March 2013. The industrial relations remained peaceful and cordial throughout the year.

CAUTIONARY STATEMENT:

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the Management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company's philosophy of corporate governance is based on integrity, respect for the laws & compliance thereof and transparency & accountability in all facets of its operation. The Company believes that good governance bring sustained corporate growth and facilitates effective management and control of business, maintaining the high level of business ethics and optimizing the value for all its stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of 5 (five) directors, one executive and four non-executive directors. The Board comprises three promoter directors (including one director considered as promoter director being executive director) and two non-promoter/independent directors who do not have any material pecuniary relationship or transaction with the company, its promoters, its directors and its senior management, which may affect their independence. The Board has a non-executive chairman. The company is in the process of appointing one more independent director on the board.

Mr. S. K. Arya, Chairman is retiring at the ensuing Annual General Meeting and offered himself for being eligible for the re-appointment as Director of your Company.

The details of the Directors being re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Clause 49 (IV) (G) of the Listing Agreement, are mentioned in the Notice to the Annual General Meeting, forming part of the Report.

The Executive Director looks after the day-to-day management of the Company, subject to the supervision and control of Board of Directors. The non -executive directors have the understanding of profession/company's business/finance etc.

During the financial year 2012-13, four board meetings were held on 28th May, 2012, 8th August, 2012, 7th November, 2012, and 14th February, 2013.

The details of Directors as on 31st March, 2013 are as follows:

Name of Directors	Nature of Directorship	Relationship with Each Director	Promoter / Independent Director	Directorship in Other Public Companies (Nos.)*	Committees**		Attendance at Board Meetings		Attendance at last Annual General Meeting
					Member (No.)	Chairman (No.)	No. of Meetings Held	No. of Meetings Attended	
Mr. S. K. Arya	Non-executive Chairman	Father of Mr. Nishant Arya	Promoter	10	4	1	4	4	Yes
Mr. Ashok Kumar Agarwal	Non-executive Director	-	Independent	3	3	1	4	1	No
Mr. M. K. Aggarwal	Non-executive Director	-	Independent	0	1	-	4	4	Yes
Mr. H. R. Saini	Executive Director	-	Promoter	1	1	-	4	2	Yes
Mr. Nishant Arya	Non-executive Director	Son of Mr. S. K. Arya	Promoter	4	1	-	4	3	Yes

Notes:-

* Excludes directorship of private limited companies, alternate directorship and directorship in JBM Auto Limited

** Committee means Audit Committee, Shareholders'/Investors' Grievance Committee and including position in JBM Auto Limited

None of directors of the Company was holding directorship in more than 15 public limited companies or was member in more than 10 committees or acted as chairman of more than 5 committees across all companies in which they were Directors (committee here means Audit Committee and Shareholders/Investors Grievance Committee).

Board/Committee Procedure

The Board of Directors/Committee Members are provided detailed agenda/documents and other required information (viz. operating plans/budgets and their updates, if any, results, minutes, information on important litigations, legal compliances, project status and their updates, if any, etc.), in advance for deliberation at the respective meeting.

3. AUDIT COMMITTEE

The Committee consists of the following Members:

- i) Mr. Ashok Kumar Agarwal, Chairman
- ii) Mr. M. K. Aggarwal, Member
- iii) Mr. S. K. Arya, Member

All members of the Committee have requisite financial and management expertise/knowledge and have rich experience of the industry.

The Audit Committee Meetings were attended by the members, out of which two directors were independent directors as per the details given below:

The Chairman of the Committee was not present at the last Annual General Meeting of the Company.

The Committee's terms of reference are in consistent with the SEBI Corporate Governance Code and of the Companies Act, 1956. Generally the Committee oversees the financial reporting process, recommendation of appointment/removal/fee etc. of external auditors, review of the adequacy of Internal Control System for financial reporting, review of quarterly/half-yearly/annual financial statements before submission to Board, discussion with external auditors, substantial default in payment to shareholders and creditors, if any etc.

Chief Financial Officer & Company Secretary of the Company acts as secretary of the committee. The Representative of the Statutory Auditors is permanent invitee of the Audit Committee meetings.

During the financial year 2012-13, four Committee meetings were held on 28th May, 2012, 8th August, 2012, 7th November, 2012, and 14th February, 2013. Details of attendance are as under:

S.no.	Name of Director	No. of Meetings held during the Year	No. of Meetings Attended
1	Mr. Ashok Kumar Agarwal	4	1
2	Mr. M. K. Aggarwal	4	4
3	Mr. S. K. Arya	4	4

4. REMUNERATION COMMITTEE

The Committee consists of the following Members:

- i) Mr. M. K. Aggarwal, Chairman
- ii) Mr. Ashok Kumar Agarwal, Member
- iii) Mr. S. K. Arya, Member

Remuneration payable to the Executive Director of the Company is being considered/discussed/finalized after considering various factors such as financial position of the Company, trend in industry, appointee's qualification and past remuneration etc., which is onward submitted to Board for respective approval(s).

Non- executive directors of the company do not have any pecuniary relationship or transaction with the company. They do not draw any remuneration, except sitting fees for attending meetings of Board/Committee.

During the financial year 2012-13, One Meeting of the Remuneration Committee was held.

The details of remuneration paid to the Executive Directors and sitting fees paid to other non-executive directors during the financial year 2012-13 are as under: -

(₹ in Lacs)

Remuneration paid to Executive Director		Sitting Fee paid to Directors			
Particulars	Mr. H. R. Saini	Name of Director	Board Meeting	Committee Meeting	Total
Salary and other Perquisites/Allowances	26.01	Mr. S. K. Arya	0.20	0.20	0.40
		Mr. Ashok Kumar Agarwal	0.05	0.05	0.10
Contribution to Provident and other Funds	1.95	Mr. M. K. Aggarwal	0.20	0.20	0.40
		Mr. Nishant Arya	0.15	-	0.15
Total	27.96		0.60	0.45	1.05

5. SUBSIDIARIES

The Audit Committee of the company reviews the financial statements of the subsidiary companies.

The Minutes of Board Meetings of subsidiary companies are placed before the Audit Committee and Board of the company and reviewed in detail.

6. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders/Investors Grievance Committee is chaired by a Non-Executive Director to specifically look into the redressal of shareholders queries and complaints.

The Committee consists of the following Members:

- i) Mr. S. K. Arya, Chairman
- ii) Mr. Ashok Kumar Agarwal, Member
- iii) Mr. H. R. Saini, Member

Mr. N. K. Goel, Chief Financial Officer & Company Secretary of the Company is secretary of the Committee and also compliance officer of the Company.

The Committee deals with transfer, transmission, duplicate issue, rematerialization of shares, Shareholders' Grievance and other related matters.

The Committee meets on need basis for above issues. The details of correspondence of Shareholders/SEBI/Stock Exchange or any other authority is provided to committee.

The Company has obtained following Certificates from Practicing Company Secretary:

- Certificate for compliance of share transfer formalities by the Company pursuant to Clause 47(c) of the Listing Agreement on half yearly basis.
- Secretarial Audit Certificate for reconciliation of share capital of the company pursuant to SEBI's circular on quarterly basis.

All the complaints were responded by the Company/Registrar and Transfer Agent, MCS Limited, appropriately and there were no pending complaints at the end of the financial year 2012-13.

All the queries and complaints received during the financial year ended 31st March, 2013, were duly addressed and no queries were pending for resolution on that date except where they were constrained by dispute or legal impediments or due to incomplete or non submission of documents by the shareholders.

During the year 2 numbers of Shareholder's Complaints were received by the company and the same were resolved within time. No Shareholder Complaint is pending as on 31st March, 2013.

The dividend request/dividend revalidation, demat/remat, non receipt of Annual Reports and other requests of shareholders are generally processed on weekly basis or at an earlier date on need basis.

Shareholding of Directors

Name	Mr. S. K. Arya	Mr. Ashok Kumar Agarwal	Mr. M. K. Aggarwal	Mr. H. R. Saini	Mr. Nishant Arya
No. of Shares held	101749	-	-	1593	84850

7. ANNUAL GENERAL MEETING (AGM)

Details of location of the last three Annual General Meetings (AGM);

AGM for the Financial Year	Date & Time of AGM	Venue
2011 – 2012	26th September, 2012 at 5:00 P.M.	M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054
2010 – 2011	15th September, 2011 at 12:30 P.M.	M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054
2009 – 2010	20th September, 2010 at 12:30 P.M.	M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054

- No resolution was either required or passed through postal ballot in last three years.
- No resolution is proposed through postal ballot in this year.
- Special resolutions passed during last three years are as under:

2011-2012 – Pursuant to section 372A of the Companies Act, 1956, Investment of the company's funds by acquiring Equity Shares by subscription, purchase or otherwise in JBM MA AUTOMOTIVE Pvt. Ltd. upto ₹10 crores (Excluding stamp duty).

2010-2011 – Pursuant to section 372A of the Companies Act, 1956, Investment of the company's funds by acquiring Equity Shares by subscription, purchase or otherwise in JBM Ogihara Automotive India Limited (JOAI) upto ₹20 crores (Excluding stamp duty).

2009-2010 – Pursuant to section 372A of the Companies Act, 1956, Investment of the company's funds by acquiring Equity Shares by subscription, purchase or otherwise in Yorozu Corporation upto ₹5 crores (Excluding stamp duty).

8. DISCLOSURES

- During 2012-13, other than the transactions entered into in the normal business course and reported as the related party transactions in the annual accounts, the Company had no materially significant related party transactions with its promoters/directors/senior management or relatives etc., which could have a potential conflict with the interest of Company at large.
- The Audit Committee is briefed all related party transaction undertaken by the Company.
- The Senior Management has made a disclosure to Board that they did not have personal interest in any material financial and commercial transactions that could result in conflict with the interest of Company at large.
- In the preparation of financial statements for the year 2012-13, the Company has followed Accounting Standard as notified under Companies (Accounting Standard) Rules, 2006 and treatment prescribed therein.

- The Company has a Code of Conduct for its Board and Senior Management (as per Corporate Governance Code) and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.
- 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 relating to the capital markets during the last three years.
- The Company does not have a formal Whistle Blower Policy.
- The Company is complying with mandatory requirements and partly complies with non-mandatory requirements such as:
 - re-imbusement of expenses to non-executive chairman;
 - remuneration Committee of independent & non- executive directors;
 - though half yearly results with summary of significant events in last six-months are not sent to each household of shareholders. However, the quarterly results are posted on the websites of Company, Stock Exchanges and are also published in the Newspapers.

9. MEANS OF COMMUNICATION

The Company publishes unaudited quarterly/half yearly financial results reviewed by auditor and audited annual financial results in newspapers. The said results are also informed to Stock Exchanges where shares of the Company are listed. The quarterly & half yearly results are not being sent separately to each of the shareholders. The results are usually published in The Economic Times, Financial Express (English Edition), Business Standard (English Edition) and The Economics Times & Jansatta (Hindi Edition).

The results of the Company are also posted up on the Company's corporate website i.e. www.jbm-group.com

10. MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis has been given separately in the Annual Report.

11. GENERAL SHAREHOLDERS' INFORMATION

Date & Venue of AGM (Tentative)

Day, Date & Time : Monday, 9th September, 2013 at 12:30 P.M.

Venue : M.P.C.U. Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi - 110054

Date of Book Closure : Monday, 2nd September, 2013 to Monday, 9th September, 2013 (both days inclusive)

Dividend

A Final Dividend of ₹2/- (Rupees Two only) per share has been recommended by the Board at its meeting held on 23rd May, 2013 and subject to the approval from the Shareholders at the ensuing Annual General Meeting, will be paid/ dispatched on or after 10th September, 2013 as follows:-

1. To those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged on or before 31st August, 2013.
2. In respect of shares held in electronic form, to those members whose names appear in the statement of beneficial ownership furnished by NSDL and CDSL as at the closing hours of 31st August, 2013.

Financial calendar (tentative and subject to change)

Financial Year : 1st April to 31st March

Financial reporting for the:

1st Quarter : July/August

2nd Quarter : October/November

3rd Quarter : January/February

Annual Result : April/May

Listing on Stock Exchange

Presently shares of your Company are listed at:

Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Tel No. 022 - 22721233-34 Fax 022 - 22722061/41/39/37 Security Code: 532605 ISIN NO. for NSDL & CDSL : INE 927D 01010	The National Stock Exchange of India Limited Exchange Plaza, Plot No.- C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-51, Tel No. 022 - 26598235/36 (NSE) Fax 022 - 26598237/66418125/126 Security Code: JBMA
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The listing fees have already been paid to BSE and NSE and annual custodian fees has been paid to NSDL and CDSL for the financial year 2013-14.

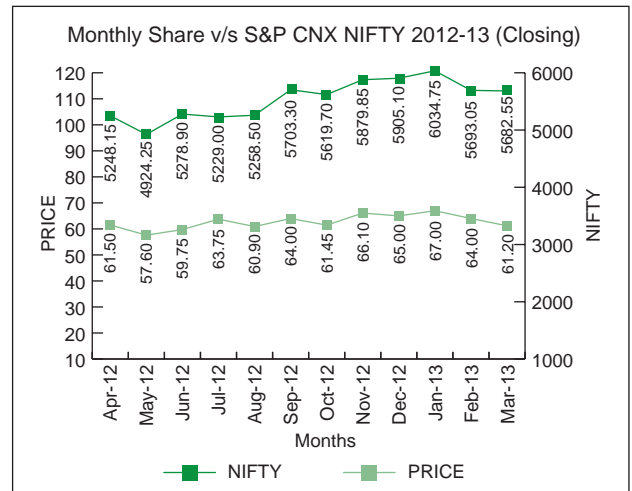
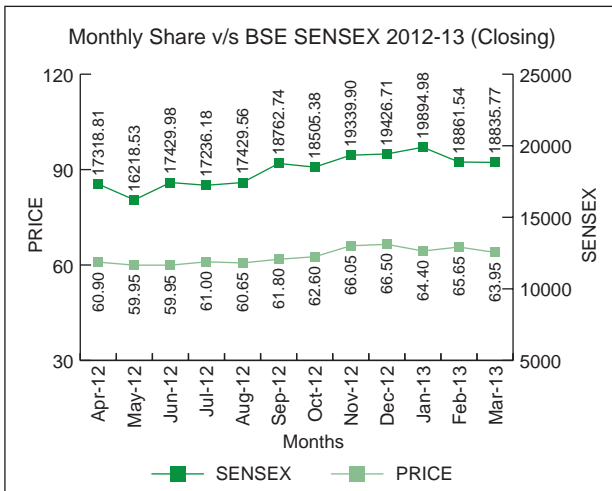
Stock Market Data

Share Price Movement:

The monthly High/Low Prices and Volume during the financial year 2012-13 is as follows:-

Month	Bombay Stock Exchange Limited			National Stock Exchange Of India Ltd.		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
Apr-12	65.00	51.30	19107	66.00	48.70	23313
May-12	62.60	48.05	21176	64.00	50.05	14790
Jun-12	71.80	54.50	23763	65.50	51.20	22070
Jul-12	68.65	58.35	31019	74.00	59.15	52518
Aug-12	70.00	56.10	40719	75.25	56.05	44984
Sep-12	68.95	58.05	15325	68.90	57.05	22393
Oct-12	71.00	57.10	30133	78.00	58.05	42062
Nov-12	71.10	58.15	41597	72.40	58.00	79740
Dec-12	66.95	62.20	21739	67.90	61.35	30920
Jan-13	68.50	64.00	41684	69.15	64.10	68636
Feb-13	67.95	61.60	26404	74.65	63.00	27973
Mar-13	66.95	56.65	9,401	67.25	56.60	9036
Total			322067			438435
Volume as % of capital			42.35%			57.65%

Performance in comparison to Broad indices: A comparison of monthly closing share price at BSE and NSE with monthly closing BSE Sensex & NSE S&P Nifty is as follows



Distribution of Shareholding as on 31st March, 2013:

No. of equity share held	Shareholders		Shares	
	Nos.	Percentage	Nos.	Percentage
1 - 500	6421	94.92%	360582	3.54%
501 - 1000	173	2.56%	133462	1.31%
1001 - 2000	77	1.14%	117167	1.15%
2001 - 3000	30	0.44%	78560	0.77%
3001 - 4000	13	0.19%	45817	0.45%
4001 - 5000	9	0.13%	40950	0.40%
5001 - 10000	8	0.12%	54398	0.53%
10001 - 50000	16	0.24%	350856	3.44%
50001 - 100000	5	0.07%	363594	3.56%
100001 and Above	13	0.19%	8653455	84.85%
Total	6765	100.00	10198841	100.00

Category of Shareholders holding shares in a company as on 31st March, 2013

Category	No. of Shareholders	Percentage	Shares Held	Percentage
Physical	2378	35.15%	90301	0.89%
NSDL	2977	44.01%	2317072	22.72%
CDSL	1410	20.84%	7791468	76.39%
Total	6765	100.00%	10198841	100.00%

Valuation of Shares: The closing price of the Company's share as at 31st March, 2013 at:

Name of the stock exchange	Share price (Closing)
The Bombay Stock Exchange Limited	63.95
The National Stock Exchange Association Ltd.	61.20
Total	100.00%

Market Capitalization: Based on the closing quotation of ₹63.95 as at March 31, 2013 at BSE, market capitalization of the Company works out to be ₹6522 lacs.

- Shareholding Pattern as on 31st March, 2013:**

Category	No. of Shares held	Voting Strength (%)
Promoters including persons acting in concert	6322556	61.99%
Mutual Funds and UTI	23907	0.23%
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	226380	2.22%
FII's	120	0.0011%
Private Corporate Bodies	2377259	23.31%
Indian Public	1219177	11.95%
NRIs/OCBs	29442	0.29%
Total	10198841	100.00%

12. OUTSTANDING ADR/GDR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

As on 31st March, 2013, the Company has no outstanding GDR/ADR/Warrants/or any other convertible instruments.

Addresses:

Investors/shareholders correspondence may be addressed either to the Company at its registered office or to its share transfer agent at the following respective address(s):

Mr. N. K. Goel Chief Financial Officer & Company Secretary JBM Auto Limited 601, Hemkunt Chamber 89, Nehru Place, New Delhi - 110 019 Tel.: 011-26427101-06 Fax: 011-26511512 E-mail: nkgoel@jbm.co.in	MCS Limited (Unit: JBM Auto Ltd.) F – 65, 1st Floor, Okhla Industrial Area, Phase-I New Delhi - 110020 Tel No. 011-41406149 Fax No. 011-41709881 E-mail: mcsdel@vsnl.com
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Pursuant to SEBI Circular, the Company has created an email ID exclusively for redressal of investor's grievances. The investors can post their grievance to the specific Email ID i.e jbmmainvestor@jbm.co.in

13. PLANT LOCATIONS:

- Plant I - Plot No. 133, Sector-24, Faridabad-121005, Haryana
Ph: +91-9711169782-83 Fax: +91-129-2233809
- Plant II - Plot No. 5, Sector-31, Kasna Industrial Area, Greater Noida-201306, (U.P)
Ph.: +91-120-4522500, 2341417, 2341429 Fax:- +91-120-2341423
- Plant III - 71-72, MIDC, Satpur Nashik – 422007, Maharashtra
Ph: +91-253-2360548, Fax: +91-253-2360558
- Plant IV - Plot No. B-2, Survey No. 1, Tata Motors Vendor Park, Sanand – 382170, Ahmedabad, Gujarat.
- Plant V - Plot No. 118, Sector-59, HSIDC, Industrial Estate, Ballabhgarh – 121004, Faridabad, Haryana
- Plant VI - A-4, Industrial Estate, Kosi Kotwan – 281403, Dist. Mathura, (U.P)
- Plant VII - Plot No. 157-E Sector-3, Pithampur Industrial Area, District- Dhar – 454775, Indore (M.P)

14. CORPORATE GOVERNANCE CERTIFICATE

The Auditor's certificate on corporate governance is attached.

Note:

The details are given purely by way of information; Members may make their own judgment and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the Company nor its officials would be held responsible.

DECLARATION UNDER CLAUSE 49 I (D) OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

To the best of my knowledge and belief and information available with me, I hereby declare that all Board Member and Senior Management Personnel of M/s JBM Auto Limited have complied with Code of Conduct during the financial year 2012-13 (as applicable on them)

Date : 23rd May, 2013

Place : Gurgaon

H. R. SAINI

Executive Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by JBM Auto Limited for the year ended on 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) pending for a period exceeding one month against the Company as per the records maintained by 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.

For **MEHRA GOEL & Co.**
Chartered Accountants
FRN: 000517N

R. K. MEHRA
Partner
M. No. 6102

Date : 23rd May, 2013
Place : Gurgaon

CEO AND CFO CERTIFICATION

23rd May, 2013

The Board of Directors
JBM Auto Limited,
601, Hemkunt Chambers,
89, Nehru Place,
New Delhi – 110019

Sub: Annual Certificate of Compliance for the FY 2012-13

Sir,

We, H. R. Saini, Executive Director and N. K. Goel, CFO & Company Secretary of the Company hereby states that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading
 - ii. these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct
- c. We accept responsibility of establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiency in the design or operations of such internal control, if any, of which we are aware and the steps we have taken to take to rectify these deficiencies
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in such internal control during the year, if any;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any;
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system for financial reporting.

Thanking you

H. R. SAINI
Executive Director

N. K. GOEL
CFO & Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of JBM Auto Limited Report on the Financial Statements

We have audited the accompanying financial statements of "JBM Auto Limited", which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **MEHRA GOEL & Co.**
Chartered Accountants
FRN : 000517N

Date : 23rd May, 2013
Place : Gurgaon

R. K. Mehra
Partner
M. No. 6102

ANNEXURE

- (i)
 - a) Proper records for fixed assets showing full particulars including quantitative details and situation has been maintained.
 - b) Physical verification of fixed assets has been carried out by the management during the year which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
 - c) No substantial parts of fixed assets have been disposed off during the year, which have affected the going concern.
- (ii)
 - a) The inventory of the Company in its possession has been physically verified by the management at reasonable intervals. Stocks in the possession and custody of third parties and stocks-in-transit as on March 31, 2013, have been verified by the management with reference to confirmations or statements of account or correspondence of the third parties or subsequent receipt of goods. In our opinion the frequency of verification is reasonable.
 - b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and these have been properly dealt with in the books of account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties as covered in the register maintained under section 301 of the Companies Act, 1956. The Company has not taken any secured loans from Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

In respect of unsecured loans taken from two parties covered in the register maintained under section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of loans are prima facie not prejudicial to the interest of the Company. The maximum amount outstanding at any time during the year is ₹1370 lacs and year end balance ₹1230 lacs. The principal and interest amount is repayable on demand.

- (iv) There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control systems.

- (v) (a) In our opinion the particulars of contracts or arrangement referred to in Section 301 of the Act have been entered into the register maintained under section 301 of the Companies Act, 1956.
- (b) The transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956, have been made at prices which are reasonable having regard that in respect of certain items alternative sources are limited and others are made with reference to price list, quality, delivery schedules and prevailing market prices for such goods and materials or the prices at which transactions for similar goods have been made with other parties.
- (vi) The Company has not accepted any deposits during the year covered by Section 58A and section 58AA or any other relevant provisions of the Companies Act, 1956, and rules framed their under.
- (vii) The Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) On the basis of records produced before us, we are of the opinion that prima facie, the cost records and accounts prescribed by the central government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956, have been maintained. However, we have not, nor we are required, carried out any detailed examination of such accounts and records.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investors Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it. However, some delays are noticed in deposit of Tax Deducted at Source and payment of advance tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at 31st March, 2013 for a period of more than six months from the date they become payable.
- (c) There are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute except certain demand under Central Excise Act appealed by Company as under: -

Name of the Act	Demand Pertains of the Year	Appeal Pending Before	Amount (₹ in Lacs)*	Nature of Demand
Central Excise Act, 1944	Various years from 1995 to 2001	CESTAT, Delhi	144.14	Excise Duty & Penalty
Central Excise Act, 1944	Various years from 2006-07 to 2010-11	CESTAT, Delhi CCE(Appeal), Noida & Kolkata	297.83	Excise Duty & Penalty
Service Tax (Finance Act, 1994)	2001-02	CESTAT, Delhi	18.40	Service Tax & Penalty
		Total	460.37	
* Net of amount paid				

- (x) The company has no brought forward losses and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion, the Company is generally regular in payment of dues to Financial Institutions or Banks except in the case of a bank delays in the payment of the installment and interest of term loan. Delays are of 91 days in the payment of 2nd installment and 20 days in the payment of 3rd quarterly installment of ₹105.60 lacs each and delay in respect of interest of term loans of 30 days, 91 days, 60 days, 50 days, 30 days and 20 days in repayment of ₹21.01 lacs, ₹20.53 lacs, ₹21.22 lacs, ₹10.75 lacs, ₹10.00 lacs and ₹21.63 lacs respectively. These were duly paid by the company during the year.
- (xii) In our opinion the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) The company is not dealing or trading in shares, securities, debentures and other securities.
- (xv) The Company has not given any guarantee for loans taken by others from banks or Financial Institutions.
- (xvi) The term loans have been applied for the purpose for which they were obtained.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds of ₹6.00 crores raised on short term were temporarily employed for the project which was replenished during the year.
- (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.
- (xix) The Company has not issued debentures during the financial year covered by our audit report.
- (xx) The company has not raised money by public issue during the financial year covered by our audit report.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For **MEHRA GOEL & Co.**
Chartered Accountants
FRN : 000517N

Date : 23rd May, 2013
Place : Gurgaon

R. K. Mehra
Partner
M. No. 6102

BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
I. EQUITY AND LIABILITIES			
Shareholders' Funds	2		
(a) Share Capital		1519.88	1519.88
(b) Reserves and Surplus		10491.50	9401.66
		12011.38	10921.54
Non-Current Liabilities	3		
(a) Long term borrowings		6701.13	8932.31
(b) Deferred Tax Liability (Net)		1392.10	1383.33
		8093.23	10315.64
Current Liabilities	4		
(a) Short-term borrowings		10697.32	9671.76
(b) Trade payables		5710.52	5330.48
(c) Other current liabilities		7302.94	6567.43
(d) Short-term provisions		550.37	297.51
		24261.15	21867.19
TOTAL		44365.76	43104.37
II. ASSETS			
Non-current assets			
(a) Fixed Assets	5		
(i) Tangible Assets		13533.85	13188.44
(ii) Intangible Assets		70.24	134.13
(iii) Capital Work in Progress		3200.53	1036.32
(b) Non-current investments	6	7132.78	7132.78
(c) Long term loans and advances	7	679.80	200.59
(d) Other non-current assets	8	965.64	1596.16
		25582.84	23288.42
Current assets	9		
(a) Inventories		5633.50	6329.12
(b) Trade receivables		11072.32	10766.07
(c) Cash and Bank Balances		153.68	455.58
(d) Other current assets		1923.42	2265.18
		18782.92	19815.95
TOTAL		44365.76	43104.37
Significant Accounting Policies	1		
Notes 1 to 35 form integral part of Financial Statements			

As per our report attached
For **MEHRA GOEL & Co.**
Chartered Accountants
FRN: 000517N

R. K. MEHRA
Partner
M.No. 6102

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

Dated : 23rd May, 2013
Place : Gurgaon

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lacs)

	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. REVENUE FROM OPERATIONS			
Gross Revenue from Operations	10	51434.91	44653.63
Less : Excise duty/Service tax		6217.57	5066.54
Net Revenue from Operations		45217.34	39587.09
II. OTHER INCOME	11	691.37	142.43
III. TOTAL REVENUE (I+II)		45908.71	39729.52
IV. EXPENSES			
Cost of materials consumed		31037.85	27337.09
Changes in inventories of finished goods & work in progress	12	725.63	(72.88)
Employee benefits expense	13	3927.52	3539.68
Finance costs	14	2595.18	2477.90
Depreciation and amortization expense	5	1183.05	1132.57
Other expenses	15	4409.23	4172.35
TOTAL EXPENSES		43878.45	38586.71
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		2030.26	1142.81
VI. EXCEPTIONAL ITEMS		28.97	
VII. PROFIT BEFORE TAX (V+VI)		2059.23	1142.81
VIII. TAX EXPENSE			
(1) Current year		624.58	260.51
(2) Deferred tax		8.77	124.96
(3) Earlier years		50.59	41.40
		683.94	426.87
IX. PROFIT AFTER TAX FOR THE YEAR (VII-VIII)		1375.29	715.95
X EARNINGS PER EQUITY SHARE:	16		
(1) Basic		13.03	6.56
(2) Diluted		13.03	6.56
Significant Accounting Policies			
Notes 1 to 35 form integral part of Financial Statements			

As per our report attached
For **MEHRA GOEL & Co.**
Chartered Accountants
FRN: 000517N

R. K. MEHRA
Partner
M.No. 6102

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

Dated : 23rd May, 2013
Place : Gurgaon

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

CASH FLOW STATEMENT FOR THE YEAR 2012-13

(₹ in Lacs)

	March, 2013		March, 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax and extraordinary items		2059.23		1142.81
Adjustment for :				
Depreciation	1183.05		1132.57	
Finance Cost	2502.67		2314.48	
Unrealised Exchange loss/(Gain) (Net)	45.14		89.10	
Interest income	(11.78)		(11.03)	
Loss on sale of assets (Net)	25.76		1.18	
Bad Debts/Provision for Doubtful Debts	29.43		9.11	
Exceptional (Gain)/loss	(28.97)	3745.30		3535.41
Operating Profit before Working Capital Changes		5804.53		4678.23
Adjustment for :				
Trade and other receivables	125.88		559.78	
Inventories	694.99		9.42	
Trade and other liabilities	1213.60	2034.47	(300.37)	268.83
Cash Generated From Operations		7839.00		4947.06
Direct taxes paid (Net)	(476.13)	(476.13)	(337.51)	(337.51)
Net Cash From Operating Activities		7362.87		4609.55
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets/CWIP	(3513.78)		(2913.86)	
Proceeds from sale of fixed assets	32.32		769.63	
Interest received	11.78		11.03	
Purchase of Investment	0.00		(224.40)	
Net Cash used in Investing Activities		(3469.68)		(2357.60)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of long term loans	(2136.15)		(258.51)	
Proceeds from long term loans	25.46		2854.76	
Increase/(Decrease) in Short Term Loans	1025.56		(2135.29)	
Interest paid	(2885.66)		(2190.66)	
Dividend Paid	(224.29)		(283.56)	
Net cash flow from financing activities		(4195.09)		(2013.26)
Net Increase in Cash and Bank balance		(301.90)		238.69
Cash and cash equivalents (Opening Balance)		455.58		216.89
Cash and cash equivalents (Closing Balance)		153.68		455.58

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on "Cash Flow Statement".
- Trade and other receivables include loans and advances.
- The previous year figures have been regrouped/rearranged wherever considered necessary.
- Cash and Cash equivalents consist of Cash in hand, balance with banks and ₹5.00 lacs (Previous Year ₹4.43 lacs) in respect of unclaimed dividend, the balance of which is not available to the company.
- Figures in bracket represents cash outflow.

Notes 1 to 35 form integral part of Financial Statements

As per our report attached

For **MEHRA GOEL & Co.**

Chartered Accountants

FRN: 000517N

R. K. MEHRA

Partner

M.No. 6102

Dated : 23rd May, 2013

Place : Gurgaon

S. K. ARYA

Chairman

H. R. SAINI

Executive Director

M. K. AGGARWAL

Director

N. K. GOELChief Financial Officer
& Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in compliance to the requirements of the Companies Act 1956, applicable Accounting Standards and the requirements of Part-I & II of Schedule-VI (revised).

b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial statements have been prepared under the historical cost convention, in accordance with applicable Accounting Standards and provisions of the Companies Act, 1956 as adopted consistently by the Company except for defined benefit pension/other funds obligations that have been measured at fair value. The carrying value of certain monetary items denominated in foreign currency is translated at the exchange rates applicable on the date of Balance Sheet.

c) USE OF ESTIMATES

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

d) REVENUE/EXPENDITURE RECOGNITION

Revenue represents the net invoice value of goods and services provided to third parties after deducting discounts, outgoing sales tax and other duties, and are recognized when all significant risks and rewards/ownership are transferred to the customer. Revenues from sale of material by products are included in revenue.

Dividend income is recognized when the Company's right to receive dividend is established. Interest and Royalty income are recognized on accrual basis in the Statement of Profit and Loss.

Expenditure is accounted for on accrual basis and provision is made for all known losses and liabilities.

e) EXTRA-ORDINARY ITEMS

Extraordinary items are those income or expense that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise, and, therefore, are not expected to recur frequently or regularly.

f) EXCEPTIONAL ITEMS

Exceptional items are those items of income or expense arising from ordinary activities, are of such size, nature or incidence that requires separate disclosure to explain the performance of the enterprise.

g) FIXED ASSETS

The initial cost of Fixed Assets comprises its purchase price, including import duties, net of modvat/cenvat, less accumulated depreciation and include directly attributable costs of bringing an asset to working condition and location for its intended use, including borrowing costs relating to the qualified asset over the period upto the date the asset is ready to commence commercial production. Adjustments arising from exchange rate variations relating to long term monetary items attributable to the depreciable fixed assets are capitalized.

Machine spares that can be used only in connection with an item or fixed asset and their use is expected to be irregular are capitalized. The replacement of such spares is charged to revenue.

h) ASSETS IN THE COURSE OF CONSTRUCTION

Assets in the course of construction are capitalized in the assets under construction account. At the point when an asset is operating at enterprises intended use, the cost of construction is transferred to appropriate category of fixed assets. Costs associated with the commissioning of an asset are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

NOTES FORMING PART OF FINANCIAL STATEMENTS

i) INTANGIBLE ASSETS

In accordance with the Accounting Standard (AS) 26 relating to intangible assets, all costs incurred on technical know how/license fee relating to production process are charged to revenue in the year of incurrence. Technical know how/license fee/product development relating to process design/plants/facilities are capitalized at the time of capitalization of the said plants/facilities and amortized over a period of three years.

j) IMPAIRMENT OF ASSETS

Carrying amount of cash generating units/Fixed assets are reviewed for impairment, if events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The excess of carrying value over the recoverable amount of the asset is charged, as an impairment loss to the Statement of Profit & Loss.

k) DEPRECIATION

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956 except in case of pallets on which depreciation is provided @ 12.5% p.a., as per management's estimate. Leasehold land, for a period less than 90 years, is amortized over the remaining period of lease from the date of commissioning of plant. Depreciation is charged on pro-rata basis for assets purchased/sold during the year. Individual assets costing ₹5000/- or less are depreciated in full, in the year of purchase. Depreciation on incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets is provided as aforesaid over the residual life of the respective assets.

l) INVENTORIES

Inventories are valued at lower of Cost and Net Realizable Value. The cost is determined on the following basis:

Raw material is recorded at cost on a First In First Out (FIFO) method.

Finished Goods and Work in Process valued at raw material cost plus cost of conversion and other costs incurred in bringing the inventory to its present location and condition by Product and Scrap are valued at net realizable value.

m) INVESTMENTS

Investments are classified into Current and Non-current investments. Current investments are stated at lower of cost or market value. Non-current investments are stated at cost and provision for diminution in value is made only if such decline is other than temporary in the opinion of management.

n) FOREIGN EXCHANGE TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies outstanding at the year end are translated at exchange rate applicable as on that date. Non-monetary items denominated in foreign currency are valued at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference on forward exchange contract and on settlement or on translation is recognized in the Statement of Profit and Loss, except in the following cases:-

- a) Exchange differences relating to long term monetary items attributable to depreciable fixed assets are capitalized; and
- b) Exchange differences relating to long term monetary item not attributable to depreciable fixed assets are transferred to "Foreign Currency Monetary Item Translation Difference Account" and amortised over its tenor till maturity.

o) BORROWING COST

Borrowing Cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from short term foreign currency borrowings to the extent they are regarded as adjustments to interest cost.

NOTES FORMING PART OF FINANCIAL STATEMENTS

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

p) EMPLOYEE'S BENEFITS

- i. Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which related service is rendered.
- ii. The Company has defined contribution plans for post retirement benefits, namely, Employees Provident Fund Scheme administered through provident fund commissioner and the company's contribution are charged to revenue every year.
- iii. Company's contribution to state plans namely Employees State Insurance Fund is charged to revenue every year.
- iv. The company has defined benefit plans namely Leave encashment/Compensated absence and Gratuity, the liability for which is determined on the basis of an Actuarial valuation at the end of the year. Gratuity Trust is administered through Life Insurance Corporation of India.
- v. Termination benefits are recognized as an expense immediately.
- vi. Gain or Loss arising out of actuarial evaluation is recognized immediately in the Statement of Profit and Loss as income or expense.

q) CLAIMS

Claims receivable are accounted for depending on the certainty of receipt and claims payable are accounted for at the time of acceptance.

r) EXCISE DUTY

Excise duty payable is accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

s) TAX EXPENSE

Provision for current income tax is made after taking credit for allowances and exemptions using the tax rate and laws that have been enacted or substantially enacted on the Balance Sheet date. In case of matters under appeal, due to disallowances or otherwise, provision is made when the said liabilities are accepted by the Company.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay the income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted as on the balance sheet date. Deferred tax asset arising from temporary differences are recognized to the extent there is virtual certainty of realization of asset in future.

t) PROPOSED DIVIDEND

Dividend as proposed by the Board of Directors is provided for in the books of account, pending approval of the Members at the Annual General Meeting.

u) PROVISION AND CONTINGENT LIABILITY

Show cause notices issued by various Government Authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by the Company then these are classified as possible obligation.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in notes.

v) DERIVATIVE FINANCIAL INSTRUMENTS

In respect of the Financial derivative contracts the premium/interest paid and profit/loss on settlement is charged to Statement of Profit & Loss. The contracts entered into other than forward contracts are marked to market at year end and the resultant loss is charged to Statement of Profit & Loss except in the cases these relate to the depreciable fixed assets in which case these are adjusted to the carrying cost of such assets.

w) CONTINGENCIES & COMMITMENTS

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, these are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements, although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the financial position or profitability.

NOTE 2 : SHAREHOLDERS' FUND

	(₹ in Lacs)	
	March, 2013	March, 2012
(a) SHARE CAPITAL		
A. Authorised		
1,50,00,000 Equity Shares of ₹10/- each	1500.00	1500.00
50,00,000 Preference Shares of ₹10/- each	500.00	500.00
	2000.00	2000.00
B. Issued, Subscribed and Paid Up		
1,01,98,841 (P.Y. 1,01,98,841) Equity Shares of ₹10/- each, fully paid up*	1019.88	1019.88
50,00,000 (P.Y. 50,00,000) 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each [Redeemable after 6 years from the date of issue i.e. 26th December, 2009]	500.00	500.00
Total	1519.88	1519.88

* Includes 3399614 Equity Shares of ₹10/- each, issued as Bonus Shares in F.Y. 2007-08 out of Free Reserves.

The company has one class of equity shares with a par value of ₹10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of director is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

In F.Y. 2009-10, the Company issued 50,00,000 (Fifty Lacs) Non Cumulative Redeemable Preference Share of ₹10/- (Rupees Ten only) each at a premium of ₹50/- (Rupees Fifty only) per share. Preference Share carry non cumulative dividend @ 8% p.a and do not have voting rights. All preference shares are redeemable after six years from the date of issue i.e 26th December, 2009. In the event of liquidation of the Company, the holders of preference shares will have priority over equity shares in payment of dividend and repayment of capital.

Shareholding Pattern (Refer Note no. 17)

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

	March, 2013	March, 2012
Number of shares outstanding at the beginning of the year	10198841	10198841
Add/Less: Number of shares issued /bought back during the year	-	-
Number of shares outstanding at the end of the year	10198841	10198841

NOTES FORMING PART OF FINANCIAL STATEMENTS

	(₹ in Lacs)	
	March, 2013	March, 2012
(b) RESERVES AND SURPLUS		
A. Securities Premium Account	3505.67	3505.67
B. General Reserve		
As per last Balance Sheet	315.00	275.00
Add : Transferred from Surplus balance	110.00	40.00
	425.00	315.00
C. Surplus		
As per last Balance Sheet	5580.98	5129.32
Add:- Profit after tax for the Year	1375.29	715.95
Less:- Appropriations		
Proposed Dividend		
- Preference Shares	40.00	40.00
- Equity Shares*	203.98	152.98
Dividend Tax		
- Preference Shares	6.80	6.49
- Equity Shares	34.66	24.82
Transfer to General Reserve	110.00	40.00
Closing Balance	6560.83	5580.98
TOTAL (A+B+C)	10491.50	9401.66

* @ ₹2/- per share (P.Y. ₹1.5/- per share)

NOTE 3:- NON CURRENT LIABILITIES

	(₹ in Lacs)	
	March, 2013	March, 2012
(a) LONG TERM BORROWINGS		
A. SECURED		
Term Loan from banks		
In Foreign Currency*	1984.40	2299.78
In Rupee**	4910.85	6487.00
Vehicle Loans From Banks***	29.46	24.01
	6924.71	8810.78
Less: Current Maturities of long term borrowings	1958.58	1778.47
	4966.13	7032.31
B. UNSECURED		
Inter Corporate Deposit		
From Related parties	1230.00	1370.00
From others	505.00	530.00
	1735.00	1900.00
Grand Total	6701.13	8932.31

* Secured by First Pari Passu charge on the current assets of the Company (Excluding those from Sanand, Gujarat unit) and by Second Pari Passu charge on the moveable and Immovable fixed assets of the Greater Noida, Uttar Pradesh and Faridabad, Haryana unit of the Company.

** Term Loan of ₹1260.00 lacs is secured by first pari passu charge on the entire moveable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the company and by first pari passu charge by way of equitable mortgage on the immovable property situated at Nashik, Maharashtra unit of the company . The Term Loan of ₹3650.85 lacs is secured by first pari passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, Gujarat subleased by Tata Motors Limited & on the moveable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the Company.

*** Secured by hypothecation of specific vehicles.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Term of Repayment of Loan	₹ In Lacs	No. of Quarterly Installments	Balance Installments	Rate of Interest
Foreign Currency Loan	1984.40	16	13.00	3 Months USD LIBOR Linked rate
Rupee Loan	3650.85	20	15.00	BPLR Linked rate
Rupee Loan	1260.00	20	16.00	BPLR Linked rate

Vehicle loan from Banks are payable in 36 Monthly equal installments from the date of disbursement

	(₹ in Lacs)	
	March, 2013	March, 2012
(b) DEFERRED TAX LIABILITY (NET)		
Timing Differences on account of		
1) Deferred Tax liability		
- Difference between book depreciation & depreciation under Income Tax Act, 1961	1272.92	1156.59
- Closing balance of Excise Duty	179.35	269.89
2) Deferred Tax Assets		
- Provision for Doubtful debts	(9.12)	(2.44)
- Claim under Sec 43 (B) of Income tax Act	(51.05)	(40.72)
3) Net Deferred Tax liability (1-2)	1392.10	1383.33

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 4:- Current Liabilities

(₹ in Lacs)

	March, 2013	March, 2012
(a) SHORT TERM BORROWINGS		
A. SECURED		
Loans from Banks		
- Cash Credit*	1759.63	2373.44
- Working Capital Demand Loans*	6317.00	4550.00
- Buyers credit /External Commercial Borrowing**	1073.09	1184.97
	9149.72	8108.41
B. UNSECURED		
Loans from Banks		
- Working Capital Loan From Bank***	1547.60	1563.35
Total	10697.32	9671.76

* Secured by hypothecation on pari passu interse between banks by way of first charge on current assets of the company (excluding current assets of Sanand, Gujarat unit) and by way of second charge on entire fixed assets of the company both present and future. Facility utilised of ₹222.00 lacs is secured by exclusive first charge on the entire current assets of Sanand, Gujarat unit of the Company and second charge on movable fixed assets including plant and machinery at Sanand, Gujarat unit of the Company, both present and future, further secured by second pari passu by way of equitable mortgage on immovable property situated at Nashik, Maharashtra unit of the Company.

** Buyer's credit/External Commercial Borrowings are secured by guarantee of Indian Banks.

*** It represents bills discounted by bankers

(b) TRADE PAYABLES*	5710.52	5330.48
	5710.52	5330.48

* In terms of Section 22 of Micro, Small & Medium Enterprises Development Act 2006, the outstanding to these enterprises are required to be disclosed. However, these enterprises are required to get registered under the Act. On communicating with them no enterprise has filed any registration certification with the Company. Hence, the disclosure of required information is not applicable.

(c) OTHER CURRENT LIABILITIES		
Current maturities of Long term borrowings	1958.58	1778.47
Interest accrued but not due on borrowings	40.13	387.49
Interest accrued and due on borrowings	20.07	55.70
Unpaid Dividends	5.00	4.43
	2023.78	2226.09
Other payables		
Payable for Capital Goods	641.09	496.99
Statutory Dues Payable	274.35	206.30
Employee related Liabilities	316.69	205.15
Advance from customers	3847.47	2999.86
Others	199.56	433.04
	5279.16	4341.35
	7302.94	6567.43
(d) SHORT TERM PROVISIONS		
Provision for employee benefits	111.88	73.22
Provision for Income tax (Net of Advance tax)	153.05	0.00
Provision for Proposed Dividend		
- Preference Shares	40.00	40.00
- Equity Shares	203.98	152.98
Provision for Dividend Tax on Proposed Dividend	41.46	31.31
Total	550.37	297.51

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lacs)

Description	Gross Block					Depreciation			Net Block		
	As at 01.04.2012	Additions during the year	Other Adjustments*	Sales/ Disposal during the year	Total as at 31.03.2013	As at 01.04.2012	For the year	Written Back/ Adjustment on sales/ disposal	Total as at 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS											
Land (Freehold)	254.93	-	-	-	254.93	-	-	-	-	254.93	254.93
Land (Lease Hold)	1827.18	351.84	-	-	2179.01	72.33	9.80	-	82.13	2096.89	1754.85
Building	2211.18	291.81	6.36	-	2509.34	292.56	77.08	-	369.64	2139.70	1918.61
Plant & Machinery	13704.10	716.18	29.52	175.63	14274.16	4786.01	969.22	122.30	5632.93	8641.23	8918.08
Furniture & Fixtures	107.26	11.29	-	1.05	117.50	54.50	9.51	0.92	63.10	54.40	52.75
Office Equipments	315.70	54.26	-	10.08	359.88	156.88	32.84	9.06	180.66	179.22	158.82
Vehicles	210.51	60.47	-	6.89	264.09	80.11	19.78	3.28	96.61	167.48	130.40
TOTAL INTANGIBLE ASSETS	18630.84	1485.85	35.88	193.65	19958.92	5442.40	1118.24	135.57	6425.07	13533.85	13188.44
Computer Software	299.65	7.83	-	-	307.48	165.52	71.72	-	237.24	70.24	134.13
TOTAL	18930.49	1493.68	35.88	193.65	20266.40	5607.92	1189.96	135.57	6662.31	13604.09	13322.57
Previous year	16924.55	2753.81	110.69	858.57	18930.49	4563.10	1132.57	87.76	5607.92	13322.57	12361.45
Capital Work in Progress										3200.53	1036.32

NOTES :-

* Other Adjustments includes ₹ 35.88 lacs (P.Y. ₹12.57 lacs) on account of Exchange Fluctuation and ₹Nil (P.Y. ₹98.12 lacs) on account of Interest cost.

1. The Lease hold Land at Faridabad is yet to be registered in the name of the Company. The Company has obtained "No Objection Certificate" from lessor to get registration of same in the name of the Company.
2. Lease hold land includes land at Singur in West Bengal and Land at Bhiwadi in Rajasthan which are yet to be registered in the name of the company.
3. Depreciation of ₹6.91 lacs on account of foreign Exchange fluctuation capitalised [note 31(a)] has been adjusted against the exceptional item.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 6: NON CURRENT INVESTMENTS

(₹ in Lacs)

	March, 2013	March, 2012
TRADE - UNQUOTED (fully paid up) at Cost		
Investment in Equity Instrument		
Subsidiaries		
11,219,994 (P.Y. 11,219,994) Equity Share of ₹10/- each fully paid up of JBM Ogihara Automotive India Ltd.	1122.00	1122.00
1,83,90,000 (P.Y. 1,83,90,000) Equity Shares of ₹10/- each fully paid up of JBM Auto System Pvt. Ltd.	2945.82	2945.82
Joint Ventures		
3,04,49,600 (P.Y. 3,04,49,600) Equity Shares of ₹10/- each fully paid up of JBM MA Automotive Pvt. Ltd.	3044.96	3044.96
2,00,000 (P.Y. 2,00,000) Equity Shares of ₹10/each fully paid up of INDO Tooling Pvt. Ltd.	20.00	20.00
	7132.78	7132.78
Aggregate value of unquoted investment	7132.78	7132.78

NOTE 7: LONG TERM LOANS AND ADVANCES

(₹ in Lacs)

	March, 2013	March, 2012
(Unsecured, considered good)		
Capital advances	537.20	75.08
Security Deposit	142.60	125.51
Total	679.80	200.59

NOTE 8: OTHER NON CURRENT ASSETS

(₹ in Lacs)

	March, 2013	March, 2012
Hedging Gain Recoverable (Refer Note: 22)	239.86	181.63
Others (Refer Note: 27)	725.78	1414.53
Total	965.64	1596.16

NOTE 9: CURRENT ASSETS

(₹ in Lacs)

	March, 2013	March, 2012
(a) INVENTORIES		
Raw material	2768.84	2836.73
Work in process	2373.15	3039.52
Material in transit	112.77	0.00
Finished Goods	134.82	194.08
Stores & spares	187.11	186.37
Scrap	56.81	72.42
	5633.50	6329.12
(b) TRADE RECEIVABLES		
(Unsecured, considered good)		
Debts outstanding for more than six months		
- Considered good	522.68	516.39
- Considered doubtful	26.83	7.51
	549.51	523.89
Less: Amount Received (Refer Note No. 29)	231.02	0.00
Less: provision for doubtful debts	26.83	7.51
	291.66	516.39
Other debts, considered good	10780.66	10249.68
Total	11072.32	10766.07

NOTES FORMING PART OF FINANCIAL STATEMENTS

(c) CASH AND BANK BALANCE		
A. Cash and Cash Equivalents		
Cash in hand	9.10	9.81
Balances with Banks		
- In current account	102.64	402.08
- In Unpaid Dividend account	5.00	4.43
Deposits for less than 3 Months Maturity*	33.59	31.99
B. Other Bank balances		
In Fixed Deposit account (3-12 Months Maturity)*	3.35	7.28
	153.68	455.58
*Under Bank's lien and includes Interest Accrued ₹339292/- (P.Y. ₹298451/-) there on		
(d) OTHER CURRENT ASSETS		
Loans & advances		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received (Refer Note: 27)	849.11	811.05
Advance to suppliers		
- Considered good	378.46	306.48
- Considered doubtful	0.42	0.42
Less: Provision for doubtful advance	(0.42)	(0.42)
Advance income tax (Net of provision)	0.00	46.00
Balance of Modvat/Cenvat	586.22	1059.74
Sales Tax/VAT Recoverable	66.31	0.00
Hedging Gain Recoverable	43.32	41.92
Total	1923.42	2265.18

NOTE 10: REVENUE FROM OPERATIONS

(₹ in Lacs)

	March, 2013	March, 2012
Sale of Products (Refer Note: 33)	46302.01	40202.78
Sale of Services	443.13	470.60
Other operating Revenue	4689.77	3980.25
Gross Revenue from Operations	51434.91	44653.63

NOTE 11: OTHER INCOME

(₹ in Lacs)

	March, 2013	March, 2012
Dividend from Subsidiary	367.80	0.00
Interest (TDS ₹33929/- (P.Y. ₹29845/-))	11.78	11.03
Profit on Sale of Fixed Assets (Net)	0.00	3.25
Royalty (TDS ₹1667600/- (P.Y. ₹1041243/-))	150.08	104.12
Exchange Fluctuation	161.46	0.00
Miscellaneous Income	0.25	24.02
Total	691.37	142.43

NOTE 12: CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

(₹ in Lacs)

	March, 2013	March, 2012
Opening stocks :		
Work in process	3039.52	2902.19
Finished goods	194.08	258.53
	3233.60	3160.72
Less : Closing stocks :		
Work in process	2373.15	3039.52
Finished Goods	134.82	194.08
	2507.97	3233.60
Increase/(Decrease) in stocks	725.63	(72.88)

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 13: EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

	March, 2013	March, 2012
Salaries & wages	3640.56	3258.40
Contribution to ESI, PF and other funds	155.37	135.00
Staff welfare	131.59	146.27
Total	3927.52	3539.68

NOTE 14: FINANCE COSTS

(₹ in Lacs)

	March, 2013	March, 2012
Interest to Banks - term loans (Refer Note: 33)	1294.46	1024.93
Interest - others	1208.21	1289.55
Other Financial Charges	40.34	53.13
Applicable net (Gain)/Loss on foreign currency transactions and translation	52.17	110.29
Total	2595.18	2477.90

NOTE 15: OTHER EXPENSES

(₹ in Lacs)

	March, 2013	March, 2012
Stores consumed	507.52	551.67
Manufacturing expenses	786.95	840.13
Power & fuel	755.66	666.16
Packing Material	500.49	506.53
Machinery repairs and maintenance	332.60	259.58
Rent (including land lease rent)	65.72	40.63
Rates & taxes	65.78	32.44
Insurance	17.21	9.27
Repair & Maintenance		
- Building	33.12	19.58
- Others	168.24	134.24
Bad Debts written off	0.72	9.11
Loss on sale of assets/assets written off (Net)	25.76	1.18
Provision for Bad & Doubtful Debts	28.71	0.00
Freight & Forwarding charges	546.03	583.66
Exchange Fluctuation(Net)	0.00	86.32
Other Administrative Expenses*	574.72	431.85
Total	4409.23	4172.35

* Includes ₹63288/- (P.Y. ₹151306/-) on account of Excise Duty Provision on change in stock.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE: 16 EARNING PER SHARE

(₹ in Lacs)

Sr. No.	Particulars	Year ended March 31, 2013	Year ended March 31, 2012
i)	Profit after tax as per Profit & Loss account	1375.29	715.95
ii)	Preference dividend and dividend tax thereon	46.80	46.49
iii)	Net profit available for equity shareholders	1328.49	669.46
	Total Equity Shares (No's)	10198841	10198841
	Basic/Diluted Earnings per Share (₹10/-)	13.03	6.56

NOTE: 17 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE CAPITAL AS ON THE BALANCE SHEET DATE

Name of Shareholders	31.03.2013		31.03.2012	
	No. of Shares held	% held in Shareholding	No. of Shares held	% held in Shareholding
I) Equity Shares of ₹10 each fully paid				
SMC Credits Limited	1892565	18.56%	1892565	18.56%
A to Z Securities Limited	1047540	10.27%	1047540	10.27%
Zeal Impex & Traders Private Limited	1004742	9.85%	1004742	9.85%
Amity Infotech Private Limited	1000000	9.81%	1000000	9.81%
Shuklamber Exports Limited	856206	8.40%	856206	8.40%
JBM Builders Pvt. Limited	757708	7.43%	757708	7.43%
NAP Investment & Leasing Pvt. Limited	568654	5.58%	568654	5.58%
ANS Holding Private Limited	514749	5.05%	514749	5.05%
II) Preference Shares of ₹10 each fully paid				
Neel Metal Products Limited	5000000	100%	5000000	100%

NOTE: 18 CONTINGENT LIABILITIES

(₹ in Lacs)

Sr. No.	Particulars	2013	2012
i)	Letter of Credit outstanding	2050.67	2862.82
ii)	Guarantees issued by the Bank on behalf of the Company	338.11	1055.86
iii)	Claims against the Company not acknowledged as debt	460.37	450.49

NOTE:19 Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for 1595.97 lacs (Previous year ₹90.81 lacs).

NOTE: 20 AUDITOR'S REMUNERATION

The break- up of Auditor's Remuneration is as under :

(₹ In Lacs)

Sr. No.	Particulars	2013	2012
i)	Audit fee	10.00	9.50
ii)	Tax audit fees	4.00	3.50
iii)	Taxation matter	4.09	2.35
iv)	Others	6.00	5.00

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE: 21 SEGMENT INFORMATION

i) Primary Segment Reporting

A. Primary business segments of the company are as under:

- (a) **Sheet Metal Components, Assemblies & Sub-assemblies** - Segment manufactures components etc.
- (b) **Tool, Dies & Moulds:** Segment manufactures Dies for Sheet Metal Segment or sells Dies.

B. Inter Segment Transfer Pricing

Inter Segment Prices are normally negotiated amongst the segments with reference to the costs, market prices and business risks, within an overall optimization objective for the company.

ii) Segment Revenues, Results and other information

(₹ In Lacs)

Particulars	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Total of Reportable Segments	
	2013	2012	2013	2012	2013	2012
External Sales	36111.57	33495.52	9017.17	5869.67	45128.73	39365.19
Inter Segment Sales	27.64	34.20	-	-	27.64	34.20
Other Income	168.21	78.46	184.62	59.59	352.83	138.05
Segment Revenues	36307.42	33608.18	9201.79	5929.26	45509.20	39537.44
Segment Results	3506.91	2974.50	1243.02	931.24	4749.92	3905.74
Segment Assets	26411.20	25602.41	6534.20	6056.50	32945.39	31658.91
Segment Liabilities	5761.19	5751.27	4979.22	3247.89	10740.41	8999.16
Capital Expenditure	3496.66	2967.65	197.11	85.40	3693.77	3053.05
Depreciation/Amortisation	1017.09	983.74	153.77	135.00	1170.86	1118.74

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

Particulars	Revenues		Results/Net Profit		Assets		Liabilities	
	2013	2012	2013	2012	2013	2012	2013	2012
Total Reportable Segments	45509.20	39537.44	4749.92	3905.74	32945.39	31658.91	10740.41	8999.16
Inter segment sales/ Adjustments	(27.64)	(34.20)	-	-	-	-	-	-
Corporate unallocated/ Others (Net)	456.12	226.28	(2690.70)	(2762.93)	11420.37	11445.46	20221.87	21800.34
Taxes/Deferred Tax	-	-	(683.94)	(426.87)	-	-	1392.10	1383.33
As per Financial statements	45937.68	39729.52	1375.29	715.95	44365.76	43104.37	32354.37	32182.83

The Company is mainly engaged in business in India and exports are not material. Hence in the context of Accounting Standard 17- "Segment Reporting" it is considered the only reportable segment.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE:22 The Company uses derivative contracts to hedge the interest rates and currency risk on its capital and revenue account. The Company does not use these contracts for trading or speculative purpose.

i. Derivative contracts remaining outstanding as on 31.03.2013

Nos. of Contracts		Equivalent USD (USD in Lacs)		INR Equivalents (₹ In Lacs)	
2013	2012	2013	2012	2013	2012
1	1	36.31	44.69	1984.40	2076.23

ii. Foreign currency exposures that have not been hedged by derivative instruments are given below.

	(₹ In Lacs)	
	As at March 31, 2013	As at March 31, 2012
Liabilities		
In Euros (€)	-	2.77
(Equivalent approximate in INR)	-	189.18
In US Dollar (\$)	35.88	28.24
(Equivalent approximate in INR)	1357.59	1453.21
In JPY (¥)	52.30	-
(Equivalent approximate in INR)	30.42	-
In SEK (kr)	-	0.24
(Equivalent approximate in INR)	-	1.84
Assets		
In Euros (€)	4.93	3.94
(Equivalent approximate in INR)	343.94	270.38
In JPY (¥)	6.35	-
(Equivalent approximate in INR)	3.70	-

NOTE: 23 RETIREMENT BENEFITS

The Company has calculated the benefits provided to employees as under:

i. Provident Fund

During the year the Company has recognised the following amounts in the Profit and Loss account:-

	2013	2012
Employer's Contribution to Provident Fund*	133.26	111.38

ii. State Plans

During the year the Company has recognised the following amounts in the profit and loss accounts: -

	2013	2012
Employer's contribution to Employee State Insurance*	21.29	23.23
Employer's contribution to Welfare Fund*	0.82	0.39

*included in contribution to Provident and other funds under Employee Remuneration and Benefits (Refer Note 13)

iii. Defined Benefit Plans

- Contribution to Gratuity Fund – Employee's Gratuity Fund.
- Leave Encashment/Compensated Absence

NOTES FORMING PART OF FINANCIAL STATEMENTS

In accordance with Accounting Standard 15 (Revised 2005), the actuarial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption:

(₹ In Lacs)

Sr. No.	Particulars	2013		2012	
		Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
i)	Actuarial Assumptions				
	Discount Rate (per annum)	8.15%	8.15%	8.75%	8.75%
	Rate of increase in compensation levels	5%	5%	5%	5%
	Rate of return on plan assets	N.A.	9.21%	N.A.	9.25%
	Expected Average remaining working lives of employees (years)	23.09	23.09	23.59	23.59
ii)	Change in the obligation during the year ended 31st March, 2013				
	Present value obligation as at 31st March, 2012	50.22	143.81	33.33	121.62
	Interest cost	3.65	10.99	3.69	9.76
	Past Service cost	-	-	-	-
	Current service cost	36.9	29.83	30.78	19.57
	Curtailement cost	-	-	-	-
	Settlement cost	-	-	-	-
	Benefit paid	(10.82)	(18.02)	(8.82)	(10.6)
	Actuarial (gain)/loss on Obligations	1.95	23.23	(8.76)	3.46
	Present value obligation as at 31st March, 2013*	81.91	189.83	50.22	143.81
iii)	Change in fair value plan Assets				
	Fair value of Plan Assets as at 31st March, 2012	-	203.04	-	166.91
	Expected return on Plan Assets	-	18.99	-	16.36
	Contributions	-	33.41	-	23.73
	Withdrawals	(10.82)	(27.00)	(8.82)	(3.85)
	Actuarial gain/(loss) on Obligations	-	(1.64)	-	(0.11)
	Fair value of Plan Assets as at 31st March, 2013	-	226.81	-	203.04
iv)	Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets				
	Present value obligation as at 31st March, 2013*	81.91	189.83	50.22	143.81
	Fair value of Plan Assets as at 31st March, 2013	-	226.81	-	203.04
	Funded Status	-	36.98	-	59.23
	Present value of unfunded obligation as at 31st March, 2013				
	Unfunded Actuarial (gains)/Losses				
	Unfunded Net Asset/(Liability) recognized in Balance Sheet*	(81.91)	-	(50.22)	-
v)	Expenses recognized in Profit and Loss Account				
	Current service cost	36.9	29.83	30.78	19.57
	Past Service cost				
	Interest cost	3.65	10.99	3.69	9.76
	Expected return on Plan Assets	-	(18.99)	-	(16.36)
	Curtailement cost				
	Settlement cost				
	Net Actuarial (gain)/loss recognized during the year	1.95	24.87	(8.76)	3.57
	Total Expense recognized in Profit and Loss Account#	42.51	46.68	25.72	16.54

* This pertains to Long term Liability worked in respect of deferred leave only. Expected short term liability of ₹2996649/- (P.Y.- ₹2299722/-).

This pertains to Long term liability only. Actual payments (under the various heads) incurred over the inter-valuation period should be added to this figure.

The estimate of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE: 24 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Subsidiaries	Enterprises over which Key Management Personnel and their relative are able to exercise significant influence	Joint Ventures	Key Management personnel and their relatives
JBM Ogihara Automotive India Ltd.	JBM Industries Limited	JBM MA Automotive Pvt. Ltd.	Mr. S. K. Arya, Chairman
JBM Auto System Pvt. Ltd.	Neel Metal Products limited	INDO Tooling Pvt. Ltd.	Mr. H. R. Saini, Executive Director
	Jay Bharat Maruti Limited		
	Gurera Industries Limited		
	Neel Industries Private Limited		

(₹ in Lacs)

Particulars	2012-13					2011-2012				
	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total
Purchase of capital goods										
Neel Metal Products Ltd.		112.87			112.87		39.66			39.66
Indo Tooling Pvt. Ltd.			1.50		1.50					
Total		112.87	1.50		114.37		39.66			39.66
Sale of Goods & Job work										
Neel Metal Products Ltd.		3034.56			3034.56		2411.14			2411.14
Jay Bharat Maruti Ltd.		840.43			840.43		1565.76			1565.76
JBM Industries Ltd.		82.20			82.20		552.12			552.12
JBM Ogihara Automotive India Ltd.						85.44				85.44
JBM Auto System Pvt. Ltd.	559.49				559.49	12.22				12.22
JBM MA Automotive Pvt. Ltd.			171.22		171.22			275.27		275.27
Indo Tooling Pvt. Ltd.			5.27		5.27					
Total	559.49	3957.19	176.49		4693.17	97.66	4529.02	275.27		4901.95
Sale of Capital goods										
Neel Metal Products Ltd.		1697.51			1697.51		25.02			25.02
JBM Industries Ltd.		1.00			1.00		37.40			37.40
Total		1698.51			1698.51		62.42			62.42
Purchase of the goods										
Neel Metal Products Ltd.		3123.05			3123.05		3391.01			3391.01
Jay Bharat Maruti Ltd.		510.58			510.58		680.56			680.56
JBM Industries Ltd.		24.20			24.20		36.73			36.73
JBM MA Automotive Pvt. Ltd.			3.51		3.51			15.93		15.93
Indo Tooling Pvt. Ltd.			25.09		25.09					
Total		3657.83	28.60		3686.43		4108.30	15.93		4124.23
Interest paid										
JBM Industries Ltd.		6.38			6.38		14.72			14.72
Neel Metal Products Ltd.		121.77			121.77		179.15			179.15
Total		128.15			128.15		193.87			193.87
Others Expenses										
JBM Ogihara Automotive India Ltd.	0.11				0.11					
Neel Industries Pvt. Ltd.		0.04			0.04					
Jay Bharat Maruti Ltd.		9.03			9.03					
JBM Auto System Pvt. Ltd.	13.96				13.96					
JBM MA Automotive Pvt. Ltd.			31.36		31.36			8.88		8.88
Gurera Industries Ltd.		3.00			3.00		3.00			3.00
Neel Metal Products Ltd.		36.04			36.04		48.66			48.66
JBM Industries Ltd.		26.03			26.03		26.04			26.04
Total	14.07	74.14	31.36		119.57		77.70	8.88		86.58
Other Income										
JBM Ogihara Automotive India Ltd.	150.08				150.08	104.12				104.12
JBM Auto System Pvt. Ltd.	367.80				367.80					
Neel Metal Products Ltd.							26.88			26.88
Total	517.88				517.88	104.12	26.88			131.00

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lacs)

Particulars	2012-13					2011-2012				
	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total
Managerial Remuneration										
Mr. H. R. Saini				27.96	27.96				25.24	25.24
Total				27.96	27.96				25.24	25.24
Security Deposits										
JBM Industries Ltd.		10.50			10.50		10.50			10.50
Gurera Industries Ltd.		9.00			9.00		9.00			9.00
Total		19.50			19.50		19.50			19.50
EMI of Car Loan										
Jay Bharat Maruti Ltd.		16.56			16.56		17.50			17.50
Total		16.56			16.56		17.50			17.50
Investment										
JBM Ogihara Automotive India Ltd.						224.40				224.40
Total						224.40				224.40
Loan										
Neel Metal Products Ltd.		1230.00			1230.00		1230.00			1230.00
JBM Industries Ltd.							140.00			140.00
Total		1230.00			1230.00		1370.00			1370.00
Amount Recoverable										
JBM Industries Ltd.		15.15			15.15		307.41			307.41
Neel Industries Pvt. Ltd.		93.97			93.97		93.51			93.51
JBM Auto System Pvt. Ltd.	261.81				261.81	7.98				7.98
JBM MA Automotive Pvt. Ltd.			950.00		950.00			1067.94		1067.94
Indo Tooling Pvt. Ltd.			187.49		187.49					
JBM Ogihara Automotive India Ltd.	150.23				150.23	114.62				114.62
Neel Metal Products Ltd.		95.05			95.05		271.58			271.58
Jay Bharat Maruti Ltd.		47.52			47.52		0.11			0.11
Gurera Industries Ltd.		5.08			5.08		7.64			7.64
Total	412.04	256.77	1137.49	-	1806.30	122.60	680.25	1067.94		1870.79
Amount Payable										
Neel Metal Products Ltd.		1.10			1.10		1401.12			1401.12
Jay Bharat Maruti Ltd.		4.51			4.51		94.83			94.83
JBM Industries Ltd.							176.88			176.88
Neel Industries Pvt. Ltd.		4.40			4.40		4.40			4.40
JBM MA Automotive Pvt. Ltd.			39.17		39.17			7.74		7.74
Total		10.01	39.17		49.18		1677.23	7.74		1684.97
Loans and Advance										
Neel Metal Products Ltd.		300.00			300.00		400.00			400.00
Total		300.00			300.00		400.00			400.00

NOTE: 25 STATEMENT ON ASSETS, LIABILITIES, INCOME & EXPENSES OF JOINT VENTURES

Details of the Company's share in the Joint Venture Assets, Liabilities, Income & Expenses as required by Accounting Standard 27 "Financial Reporting of Interest in Joint Venture" is as indicated below:

Sr. No.	Name of Company	% Ownership Interest	Country of Incorporation
1.	JBM MA Automotive Pvt. Ltd.	50.00	India
2.	Indo Tooling Pvt. Ltd.	50.00	India

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ In Lacs)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Details of Assets		
Fixed Assets – Net Block		
- Tangible	8332.33	8462.04
- Intangible	27.95	33.93
- Capital Work in Progress	88.59	262.95
Non Current Investments	300.00	300.00
Deferred Tax Asset	3.58	79.25
Long term loans and advances	120.85	21.43
Inventories	2022.48	1840.77
Trade receivables	2930.16	3463.81
Cash and Cash equivalents	103.40	52.00
Other Current Assets	1144.17	1391.68
Details of Liabilities		
Long Term Borrowings	2839.90	2127.01
Other long term Liabilities	0.00	1566.92
Long term provisions	33.91	21.47
Deferred Tax Liability	62.03	-
Short Term Borrowings	2829.70	3359.89
Trade Payables	2306.83	1963.63
Other Current Liabilities	3333.82	3508.42
Short Term Provisions	41.08	30.00
Detail of Income		
Revenue from operations (Net)	16405.09	13173.24
Other Income	6.01	467.71
Detail of Expenses		
Cost of Material Consumed	12538.22	10203.26
Changes in inventories of Finished Goods and Work in progress	(400.35)	(481.88)
Employees Benefits Expense	1130.83	882.80
Finance Cost	789.14	777.50
Depreciation and Amortization Expense	721.20	693.01
Other Expenses	1304.42	1294.36
Tax Expense	168.07	126.10
Details of Contingent Liabilities		
Capital commitments	25.70	348.39

- The assets & liabilities and Income & Expenditure given above are on the basis of unaudited financial results of JBM MA Automotive Pvt. Ltd. and of Indo Tooling Pvt. Ltd.

NOTE:26 The Company has taken land on lease for a period of 35 years, admeasuring 9.579 acre under an agreement commencing w.e.f. 5th May, 2009 with Tata Motors Ltd. on an annual rent payable from the 3rd year onwards. The lease rent is being charged to revenue during the year. The lease rent as stipulated in the agreement shall increase periodically.

NOTE:27 Other Non Current Assets and Advance Recoverable in Cash or in Kind or for Value to be received includes Singur project relocation cost, which shall be recovered from Tata Motors Ltd. by way of amortization in sales.

NOTE:28 The Company has filed a writ petition with the Hon'ble High Court of Kolkatta, West Bengal for injunction restraining the Govt. of West Bengal for acting in terms of Singur Land rehabilitation and Development Act, 2011. The Division Bench of the Kolkatta High Court had held that the Singur Act was unconstitutional and had therefore struck down the Act. The State Government has challenged the said judgement of the Kolkatta High Court before the Hon'ble Supreme Court and the same is still pending. Meanwhile the Division Bench had granted a stay on the said order dated 21st June, 2012 which has also been extended by Supreme Court. By virtue of the order of stay, the State Government is still retaining the possession of the Singur land. Pending finalization of the case, the company has not made any provision against advance given for the same.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE:29 The Company was awarded a sum of ₹355.13 lacs in the arbitration proceedings against a trade receivable. The other Party had appealed against the arbitration order in the Supreme Court of India and has deposited 50% of the said sum amounting to ₹177.56 lacs in the form of Interest bearing FDR's till the finalization of appeal. In pursuance of the SLP, the Hon'ble Supreme Court of India has allowed to release the said sum of 50% along with interest, an amount of ₹231.02 lacs in favour of the company with a direction that if ultimately the SLP is decided against the Company, then the Company has to refund the amount with interest.

In view of the same the interest so received has not been recognized as income and the same is included as amount received.

NOTE:30 Consumption of Raw materials and Components has been computed by adding purchase to the opening stock and deducting closing stock verified physically by the management.

NOTE:31 (a) Upto 31st March, 2012, the exchange difference arising from long term foreign borrowings, to the extent they were regarded as an adjustment to interest cost, were treated as borrowing cost in terms of AS-16, "Borrowing costs". Pursuant to a clarification dated 9 August, 2012 from the MCA, the Company has changed the accounting policy w.e.f. from 1st April, 2011, to treat the same as "Foreign exchange fluctuation" accounted as per AS-11 "Effects of changes in Foreign Exchange Rates", instead of AS-16 "Borrowing Costs". This has resulted in to reversal of finance cost of ₹35.88 lacs and increase in depreciation by ₹6.91 lacs (including ₹3.46 lacs for the year ended 31st March, 2012). The aforesaid change, resulting in net gain of ₹28.97 lacs has been shown as exceptional items and has increased Basic/Diluted EPS by ₹0.28

(b) The Company has decided to exercise the option provided in notification GSR No.914(E) dated 29-12-2011 issued by ministry of companies affairs regarding the treatment of exchange differences.

NOTE:32 Trade and Other Receivables and Payables are subject to confirmation.

NOTE:33 Sale of Products (net) of ₹364.32 lacs and Finance costs of ₹364.32 lacs relating to the year 2011-12 has been accounted for during the year. This has no impact on the profit of the company.

NOTE:34 Previous year figures have been regrouped and/or rearranged wherever considered necessary.

NOTE:35 Additional information pursuant to the general instructions for preparation of Statement of Profit and Loss of Revised Schedule VI of the Companies Act, 1956 are as under :

i) OPENING, CLOSING STOCK AND SALES

Products	Opening Stock	Closing Stock	Sales	Closing WIP
Finished Goods				
Components, Assemblies and Sub-assemblies	194.08 (258.53)	134.82 (194.08)	36738.58* (33873.09)	841.81 (779.45)
Tools, Dies and Moulds			9915.14** (6691.41)	1531.34 (2260.07)
Others			4781.19 (4089.09)	

* Includes Components produced on Job Work for ₹179.66 lacs (P.Y. ₹123.98) lacs

** Includes Tools produced on Job Work for ₹263.47 lacs (P.Y. ₹346.62) lacs

Note: Figures in brackets represents previous year's amounts

NOTES FORMING PART OF FINANCIAL STATEMENTS

ii) CONSUMPTION OF RAW MATERIALS AND COMPONENTS

(₹ in Lacs)

Sr. No.	Particulars	2013	2012
1.	Component	6774.93	4594.00
2.	Metal Sheet	19597.17	19418.22
3.	Die Material	4606.17	3277.11
4.	Others	59.57	47.76
	Total	31037.85	27337.09

iii. CIF VALUE OF IMPORTS

(₹ in Lacs)

Sr. No.	Particulars	2013	2012
1.	Raw Material	4987.40	190.60
2.	Stores & Spares	4.53	4.98
3.	Capital Goods	-	95.76

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

(₹ in Lacs)

Sr. No.	Particulars	2013		2012	
		Value	% age	Value	% age
a)	Raw Material & Components				
1.	- Imported	5510.24	17.75%	200.13	0.73%
2.	- Indigenous	25527.61	82.25%	27136.96	99.27%
	Total	31037.85	100.00%	27337.09	100.00%
b)	Stores & Spares				
1.	- Imported	4.53	0.89%	5.23	0.95%
2.	- Indigenous	503.00	99.11%	546.44	99.05%
	Total	507.52	100.00%	551.67	100.00%

v) EXPENDITURE INCURRED IN FOREIGN CURRENCY

(₹ in Lacs)

Sr. No.	Particulars	2013	2012
1.	Travelling	60.40	26.73
2.	Repair & Maintenance (Plant & Machinery)	-	0.65
3.	Interest on ECB's	28.24	42.45
4.	Interest on Term Loan	178.85	138.36
5.	Interest on WCDL	-	12.21
6.	Job Work Charges	15.73	18.12
7.	Freight, Warehouse & Other Charges	-	17.16
8.	Professional & technical Fees	315.26	321.20

vi) EARNINGS IN FOREIGN CURRENCY

(₹ in Lacs)

Sr. No.	Particulars	2013	2012
1.	FOB value of Exports	915.96	707.63

As per our report attached

For **MEHRA GOEL & Co.**

Chartered Accountants

FRN: 000517N

R. K. MEHRA

Partner

M.No. 6102

S. K. ARYA

Chairman

H. R. SAINI

Executive Director

M. K. AGGARWAL

Director

N. K. GOEL

Chief Financial Officer
& Company Secretary

Dated : 23rd May, 2013

Place : Gurgaon

Summary of Financial information of Subsidiary Companies

(₹ in Lacs)

Sr. No.	Name of Subsidiary Company	Capital	Reserves	Total Assets	Total Liabilities	Investment	Turnover/ Total Income	Profit Before Taxation	Provision For Taxation	Profit After Tax	Interim/ Proposed Dividend
1	JBM Auto System Pvt. Ltd.	2489.00	8960.89	29435.78	29435.78	1000.00	46577.25	3522.57	1178.55	2344.02	497.80
2	JBM Ogihara Automotive India Ltd.	2200.00	94.88	7544.32	7544.32	-	9885.61	308.30	158.87	149.43	-

Statement pursuant to Section 212(1)(e) of Companies Act, 1956

Sr. No.	Particulars	JBM Auto System Pvt. Ltd.	JBM Ogihara Automotive India Ltd.
1	Financial year of the subsidiary company ended on	31 March, 2013	31 March, 2013
2	The extent of holding company's interest in the subsidiary at the end of the financial year 31.03.2013		
	- No. of Shares	18390000	11219994
	- Face value of Share	10	10
	- Percentage of Holding Company's interest in the total share capital of the subsidiary	73.89%	51.00%
3	Net aggregate amount of profit/(loss) of the subsidiary company not dealt with in the Company's accounts so far as it concerns the members of the company :		
	- For the financial year ended 31.03.2013 (₹ in Lacs)	2344.02	149.43
	- For all the previous financial years of the subsidiary (₹ in Lacs)	6478.34	107.65
4	Net aggregate amount of profit/(loss) of the subsidiary company dealt with in the Company's accounts so far as it concerns the members of the company:		
	- For the financial year ended 31.03.2013 (₹ in Lacs)	NIL	NIL
	- For all the previous financial years of the subsidiary (₹ in Lacs)	NIL	NIL

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

Dated : 23rd May, 2013
Place : Gurgaon

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of JBM AUTO LIMITED

We have audited the accompanying consolidated financial statements of JBM Auto Limited and its subsidiaries and joint ventures, (collectively the group) which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements of the subsidiary prepared for the purpose of compliance of the provisions of Section 211 & 212 of the Companies Act, 1956 is the responsibility of the management and have been considered and included in the consolidated accounts on the basis of accounts audited by us.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the Preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- a) We did not audit the financial statements of one subsidiary, namely JBM Auto System Pvt. Ltd. The financial statements of the subsidiary reflect Total Assets of ₹29435.78 lacs as at March 31, 2013 and Total Revenue of ₹46776.20 lacs and Net Cash flows of ₹57.22 lacs for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors. We have audited the financial statements of one subsidiary, namely JBM Ogihara Automotive India Limited.
- b) We did not audit the financial statements of two joint ventures, namely JBM MA Automotive Private Limited and Indo Toolings Private Limited, whose financial statements reflect Total Assets of ₹30147.02 lacs as at March 31, 2013 and Total Revenue of ₹32822.18 lacs, Total Expenditure of ₹32166.93 lacs for the year ended on that date. Our opinion, in so far as it relates to the amount included in respect of these joint ventures, is based on the unaudited financial statements.
- c) We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and (AS) 27, Financial Reporting of Interest in Joint Venture as notified in Companies (Accounting Standard) Rules, 2006.

- d) Subject to our comments in Para (a) and (b) above and Note No.18 of Notes to Accounts to consolidated financial statements of the company and on the basis of the information and explanation given to us and on the consideration of reports of other auditors on the separate financial statements of one subsidiary and separate individual unaudited financial statements of its joint ventures, in our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - ii) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **MEHRA GOEL & Co.**
Chartered Accountants
FRN : 000517N

Date : 23rd May, 2013
Place : Gurgaon

R. K. MEHRA
Partner
M. No. 6102

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
I. EQUITY AND LIABILITIES			
Shareholders' Funds	2		
(a) Share Capital		1519.88	1519.88
(b) Reserves and Surplus		15854.38	12954.07
		17374.26	14473.95
Minority Interest		4447.12	3912.85
Non-Current Liabilities	3		
(a) Long term borrowings		14896.40	17403.23
(b) Deferred Tax Liability		1978.26	1536.67
(c) Other Long term liabilities		17.20	1573.39
(d) Long term provisions		57.33	26.46
		16949.19	20539.75
Current Liabilities	4		
(a) Short-term borrowings		17820.42	13746.93
(b) Trade payables		16097.29	12634.38
(c) Other current liabilities		14572.54	14980.40
(d) Short-term provisions		631.08	387.63
		49121.33	41749.35
TOTAL		87891.90	80675.90
II. ASSETS			
Non-current assets	5		
(a) Fixed Assets			
(i) Tangible Assets		40910.07	34330.55
(ii) Intangible Assets		99.07	173.55
(iii) Capital Work in Progress		3974.71	3153.27
(b) Non-current investments	6	1300.00	1300.00
(c) Deferred tax assets	3(b)	3.58	177.99
(d) Long term loans and advances	7	1661.75	817.31
(e) Other non-current assets	8	985.26	1599.56
		48934.44	41552.24
Goodwill		87.24	87.24
Current assets	9		
(a) Inventories		13110.88	12925.53
(b) Trade receivables		20375.68	18864.23
(c) Cash and Bank Balances		561.96	752.51
(d) Other current assets		4821.70	6494.14
		38870.22	39036.42
TOTAL		87891.90	80675.90
Significant Accounting Policies	1		
Notes 1 to 38 form integral part of Financial Statements			

As per our report attached

For **MEHRA GOEL & Co.**

Chartered Accountants

FRN: 000517N

R. K. MEHRA

Partner

M.No. 6102

S. K. ARYA

Chairman

H. R. SAINI

Executive Director

M. K. AGGARWAL

Director

N. K. GOEL

Chief Financial Officer

& Company Secretary

Dated : 23rd May, 2013

Place : Gurgaon

CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lacs)

	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. REVENUE FROM OPERATIONS			
Gross Revenue from Operations	10	132184.89	108233.36
Less : Excise duty		15088.54	11501.45
Net Revenue from Operations		117096.35	96731.91
II. OTHER INCOME	11	380.69	577.52
III. TOTAL REVENUE (I+II)		117477.04	97309.42
IV. EXPENSES			
Cost of Materials consumed		84286.11	71247.47
Changes in inventories of finished goods and work in progress	12	276.67	(1294.11)
Employee benefits expense	13	9702.66	8004.01
Finance Costs	14	4348.21	3923.22
Depreciation and amortization expense	5	3311.08	3033.95
Other expenses	15	9597.20	7611.22
TOTAL EXPENSES		111521.94	92525.76
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		5955.10	4783.67
VI. EXCEPTIONAL ITEMS		28.97	0.00
VII. PROFIT BEFORE TAX (V+VI)		5984.07	4783.67
VIII. LESS: TAX EXPENSE			
- Current year		1639.28	1352.31
- MAT Adjusted		(115.39)	(57.64)
- Deferred tax		615.26	307.14
- Earlier years		50.29	(17.29)
		2189.43	1584.53
IX. PROFIT AFTER TAX (BEFORE ADJUSTMENT FOR MINORITY INTEREST) (VII-VIII)		3794.63	3199.14
X. SHARE OF (PROFIT)/LOSS TRANSFERRED TO MINORITY INTEREST		(534.27)	(611.56)
XI. PROFIT AFTER TAX (AFTER ADJUSTMENT FOR MINORITY INTEREST) (IX-X)		3260.36	2587.59
XII. EARNINGS PER EQUITY SHARE:			
(1) Basic	20	31.51	24.92
(2) Diluted		31.51	24.92
Significant Accounting Policies			
Notes 1 to 38 form integral part of Financial Statements			

As per our report attached

For **MEHRA GOEL & Co.**

Chartered Accountants

FRN: 000517N

R. K. MEHRA

Partner

M.No. 6102

S. K. ARYA

Chairman

H. R. SAINI

Executive Director

M. K. AGGARWAL

Director

N. K. GOEL

Chief Financial Officer
& Company Secretary

Dated : 23rd May, 2013

Place : Gurgaon

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2012-13

(₹ in Lacs)

	March, 2013	March, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	5984.07	4783.67
Adjustment for :		
Depreciation	3311.08	3033.95
Unrealised Exchange loss/(Gain) (Net)	45.14	81.56
Finance Cost	4188.42	3677.95
Interest income	(21.20)	(68.19)
Previous year adjustment in profits of Subsidiary and joint ventures	4.24	(174.18)
(Profit)/Loss on sale of assets (Net)	18.41	8.67
Bad Debts/Provision for Doubtful Debts	54.32	26.18
Exceptional (Gain)/loss	(28.97)	7571.45
Operating Profit before Working Capital Changes	13555.51	11369.60
Adjustment for :		
Trade and other receivables	(523.20)	(4536.23)
Inventories	(185.98)	(2004.70)
Trade and other liabilities	(145.95)	5979.05
Cash Generated From Operations	12700.38	10807.72
Direct taxes paid (Net)	(990.10)	(1566.52)
Net Cash From Operating Activities	11710.28	9241.20
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(9808.10)	(9433.39)
Proceeds from sale of fixed assets	62.62	1355.80
Subsidy received from Government of Maharashtra	132.66	203.80
Interest received	21.20	68.19
Purchase of Investment	0.00	(780.00)
Net Cash used in Investing Activities	(9591.62)	(8585.60)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Loans	(5151.76)	(276.51)
Proceeds from Issue of Shares to Minority	0.00	215.60
Proceeds from Long term loans	3766.40	7197.06
Increase/(Decrease) in Short Term loans	4073.49	(4356.20)
Interest paid	(4562.29)	(3463.14)
Dividend Paid	(435.04)	(283.56)
Net cash flow from financing activities	(2309.21)	(966.74)
Net Increase in Cash and Bank balance	(190.55)	(311.15)
Cash and cash equivalents (Opening Balance)	752.51	1063.66
Cash and cash equivalents (Closing Balance)	561.96	752.51

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on "Cash Flow Statement".
- Trade and other receivables include loans and advances.
- The previous year figures have been regrouped/rearranged wherever considered necessary.
- Cash and Cash equivalents consist of Cash in hand, balance with banks and ₹5.00 lacs (Previous Year ₹4.43 lacs) in respect of unclaimed dividend, the balance of which is not available to the company.
- Figures in bracket represents cash outflow.

Notes 1 to 38 form integral part of Financial Statements.

As per our report attached

For **MEHRA GOEL & Co.**

Chartered Accountants

FRN: 000517N

R. K. MEHRA

Partner

M.No. 6102

S. K. ARYA

Chairman

H. R. SAINI

Executive Director

M. K. AGGARWAL

Director

N. K. GOEL

Chief Financial Officer

& Company Secretary

Dated : 23rd May, 2013

Place : Gurgaon

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF CONSOLIDATION

The consolidated financial statements related to JBM Auto Limited (the Company) and its subsidiaries and Joint Ventures. The accounts are prepared on historical cost basis and in accordance with the applicable accounting standards and other applicable relevant statutes.

A. BASIS OF ACCOUNTING

- i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2013.
- ii. The financial statements of the Company and subsidiary companies have been prepared in accordance with the applicable Accounting Standards and generally accepted accounting principles.

B. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with the applicable Accounting Standards on the following basis:-

- i. The financial statements of the Company and its subsidiary companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 –“Consolidated Financial Statements” as notified under Companies Accounting Standard Rules, 2006.
- ii. The Financial statement of Joint Venture Company have been combined by applying proportionate consolidation method on a line by line basis on items of assets, liabilities, income and expenses after eliminating proportionate share of unrealized profit or losses in accordance with Accounting Standard (AS) 27 on “Financial Reporting of Interest in Joint Ventures” as notified under Companies Accounting Standard Rules, 2006.
- iii. The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the company’s separate Financial Statements except as otherwise disclosed in the Notes to Accounts.
- iv. The excess of the cost to the Company of its Investment in Subsidiaries and Joint Venture over its share/proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the Financial Statements as Goodwill. In case the cost of investment in a Subsidiary or Joint Venture is less than the share/proportionate share in the equity of the investee as on the date of the Investment, the difference is treated as Capital Reserve. Goodwill/Capital Reserve measured as above of more than one subsidiary, have not been netted off for the purpose of consolidation.
- v. Minority interest’s share of net profit/Loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- vi. Minority interest’s share of Net Assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity of the company’s shareholders.

C. OTHER SIGNIFICANT ACCOUNTING POLICIES

i) DEPRECIATION/AMORTIZATION

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956 except in case of pallets on which depreciation is provided @ 12.5% p.a., as per management’s estimate. Leasehold land, for a period less than 90 years, is amortized over the remaining period of lease from the date of commissioning of plant and Computer Software is amortized @ 33.33% p.a.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Depreciation has been provided on Straight Line method for some subsidiaries and joint venture companies as follows:

Assets	Depreciation rates
Building	Depreciated @ 5.00% p.a.
Plant & Machinery	Depreciated @ 12.50% p.a.
Computer	Depreciated @ 20.00% and 33.33% p.a. Straight Line Method.
Office Equipment	Depreciated @ 33.33% p.a. Straight Line Method.
Furniture & Fixture	Depreciated @ 33.33% p.a. Straight Line Method.
Vehicle	Depreciated @ 25% and 33.33% p.a. Straight Line Method.
Tools & Dies	Depreciated over the estimated useful life.
Software	Software is charged to revenue in the year of purchase/depreciated on a pro-rata the period of license for use or where is integral to the computer system over the period of life to the computer system.
Plant Supervision Cost	Amortized over the period of 5 years.
Pallets	Depreciated @ 25.00 % p.a.

- ii. Other policies are set out under "Significant Accounting Policies" as given in the respective Financial Statements of the Company, Subsidiaries and its Joint Venture.

NOTE 2 : SHAREHOLDERS' FUND

	(₹ in Lacs)	
	March, 2013	March, 2012
(a) SHARE CAPITAL		
A. Authorised		
1,50,00,000 Equity Shares of ₹10/- each	1500.00	1500.00
50,00,000 Preference Shares of ₹10/- each	500.00	500.00
	2000.00	2000.00
B. Issued, Subscribed and Paid Up		
1,01,98,841 (P.Y. 1,01,98,841) Equity Shares of ₹10/- each, fully paid up*	1019.88	1019.88
50,00,000 (P.Y. 50,00,000) 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each [Redeemable after 6 years from the date of issue i.e. 26th December, 2009]	500.00	500.00
Total	1519.88	1519.88

* Includes 3399614 Equity Shares of ₹10/- each, issued as Bonus Shares in F.Y. 2007-08 out of Free Reserves.

The Company has only one class of Equity Shares having par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

In F.Y. 2009-10, the Company issued 50,00,000 (Fifty Lacs) Non Cumulative Redeemable Preference Share of ₹10/- (Rupees Ten only) each at a premium of ₹50/- (Rupees Fifty only) per share. Preference Share carry non cumulative dividend @ 8% p.a and do not have voting rights. All preference shares are redeemable after six years from the date of issue i.e 26th December, 2009. In the event of liquidation of the Company, the holders of preference shares will have priority over equity shares in payment of dividend and repayment of capital.

Shareholding Pattern (Refer Note no. 21)

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

	March, 2013	March, 2012
Number of shares outstanding at the beginning of the year	10198841	10198841
Add/Less: Number of shares issued /bought back during the year	-	-
Number of shares outstanding at the end of the year	10198841	10198841

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	(₹ in Lacs)	
	March, 2013	March, 2012
(b) RESERVES AND SURPLUS		
A. Capital Reserve		
As per last Balance Sheet	1364.85	1161.06
Add: Subsidy received from Govt.	132.66	203.80
	1497.51	1364.85
B. Securities Premium Account	3505.67	3505.67
	3505.67	3505.67
C. General Reserve		
As per last Balance Sheet	315.00	275.00
Add : Transferred from Surplus balance	336.96	40.00
	651.96	315.00
D. Surplus		
As per last Balance Sheet	7768.54	5513.06
Previous year adjustment in profits of Subsidiary and Joint Ventures	3.49	(78.11)
Add: Profit after tax for the Year	3260.36	2587.58
Add: Transfer to Goodwill	0.00	10.31
Less: Proposed Dividend		
- Preference Shares	40.00	40.00
- Equity Shares*	333.97	152.98
Less: Dividend Tax		
- Preference Shares	6.80	6.49
- Equity Shares	115.42	24.82
Less: Transferred to General Reserves	336.96	40.00
Balance carried to Balance Sheet	10199.24	7768.54
	15854.38	12954.07

* @ ₹2/- per share (P.Y. ₹1.5/- Per Share)

NOTE 3:- NON CURRENT LIABILITIES

	(₹ in Lacs)	
	March, 2013	March, 2012
(a) LONG TERM BORROWINGS		
A. SECURED		
Term Loans From Banks		
In Foreign Currency*	4796.90	5420.64
In Rupee**	10824.25	13046.26
Vehicle Loans From Banks***	32.47	27.18
From Others	579.64	582.93
	16233.26	19077.00
Less: Current Maturities of long term borrowings	4754.86	3573.77
	11478.40	15503.23
B. UNSECURED		
Inter Corporate deposits		
- From Related parties	1230.00	1370.00
- From Others	2188.00	530.00
	3418.00	1900.00
Grand Total	14896.40	17403.23

* ₹1984.40 lacs Secured by First Pari Passu charge on the current assets of the Company (Excluding those from Sanand, Gujarat unit) and by Second Pari Passu charge on the Moveable and Immovable fixed assets of the Greater Noida, Uttar Pradesh and Faridabad, Haryana unit of the Company. The Subsidiary, JBMA has external commercial borrowings of ₹2812.50 lacs is secured by first pari passu charge over the goods and current assets and mortgage by deposit of title deeds by first and exclusive charge over immovable properties situated at Oragadam.

** Term Loan of ₹1260.00 lacs is secured by first pari passu charge on the entire moveable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the company and by first pari passu charge by way of equitable mortgage on the immovable property situated at Nashik, Maharashtra unit of the company. The Term Loan of ₹3650.85 lacs is secured by first pari passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, Gujarat subleased by Tata Motors Limited & on the moveable fixed assets including plant & machinery situated at Sanand unit of the Company.

** The Subsidiary, JBMA has medium term loan of ₹906.50 lacs, secured by first pari passu charge on the plant and machinery and movable asset of the company, ranking pari passu with DBS Bank Ltd.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- ** The Subsidiary, JBM Ogihara has term loan of ₹2850.00 lacs, secured by first charge by way of hypothecation over entire moveable fixed assets and equitable mortgage over lease hold rights of land and building situated at plot No. 1, Bidadi Industrial Area, Ramanager Bengaluru, Karnataka and further secured by second charge on current assets both present and future.
- ** The Joint Venturer, JBM MA has outstanding loan of ₹2156.90 lacs is secured by first pari passu charge on all fixed assets both moveable & immovable and second charge on all current assets.
- *** Secured by hypothecation of specific Vehicles.

Term of Repayment of Loan	₹ In Lacs	No. of Quarterly/Half yearly installments	Balance Installments	Rate of Interest
Foreign Currency Loan	1984.40	16	13	3 Months USD LIBOR Linked rate
Foreign Currency Loan	2812.50	16	15	3 Months USD LIBOR Linked rate
Rupee Loan	3650.85	20	15	BPLR Linked rate
Rupee Loan	1260.00	20	16	BPLR Linked rate
Rupee Loan	2850.00	39	35	BPLR Linked rate
Rupee Loan	906.50	5	5	BPLR Linked rate
Rupee Loan	2156.90	40	18	BPLR Linked rate

Vehicle loan from Banks are payable in 36 Monthly equal installments from the date of disbursement.

	(₹ in Lacs)	
	March, 2013	March, 2012
(b) DEFERRED TAX LIABILITY (Net)		
Timing Differences on account of		
1) Deferred Tax liability		
- Difference between book depreciation & depreciation under Income Tax Act 1961.	3023.68	2467.65
- Closing balance of Excise Duty	179.35	269.89
2) Deferred Tax Assets		
- Provision for Doubtful debts	(741.17)	(2.44)
- Claim under Sec 43 (B) of Income tax Act	(96.84)	(70.43)
- Deferred Tax asset on Unabsorbed losses	(390.34)	(1306.00)
3) Net Deferred Tax liability (1-2)	1974.68	1358.68
(c) OTHER LONG TERM LIABILITIES		
Trade payables	17.20	1573.39
	17.20	1573.39
(d) LONG TERM PROVISION		
Provision for Leave encashment	57.33	26.46
Total	57.33	26.46

NOTE 4:- CURRENT LIABILITIES

	(₹ in Lacs)	
	March, 2013	March, 2012
(a) SHORT TERM BORROWINGS		
SECURED		
Loans from Banks		
- Cash Credit*	2238.36	2986.75
- Working Capital Demand Loans*	9110.45	5814.81
- Buyers credit/External Commercial Borrowing**	2813.07	1858.52
UNSECURED		
Loans from Banks		
- Working Capital Loan ***	3321.84	2812.87
Inter Corporate Deposit	336.70	273.98
Total	17820.42	13746.93

- * Includes ₹7854.64 lacs secured by hypothecation on pari passu inter se between banks by way of first charge on current assets of the company (excluding current assets of Sanand, Gujarat unit) and by way of second charge on entire fixed assets of the company both present and future. Facility utilised of ₹222.00 lacs is secured by exclusive first charge on the entire current assets of Sanand, Gujarat unit of the Company and second charge on movable fixed assets including plant and machinery at Sanand, Gujarat unit of the Company, both present and future, further secured by second pari passu by way of equitable mortgage on immovable property situated at Nashik, Maharashtra unit of the Company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- * The subsidiary, JBMA has outstanding secured short term loan of ₹2450.00 lacs is secured by first charge on book debts and stocks of the company ranking pari passu inter se between the company's bankers.
- * The subsidiary, JBM Ogihara has outstanding secured short term loan of ₹103.41 lacs is secured by first charge on entire current assets of the company both present and future and further secured by second charge by way of equitable mortgage over lease hold rights of land & building situated at Plot No. 1, Bidadi Industrial Area, Ramanagar Bengaluru, Karnataka and extension of charge by way of hypothecation over entire fixed assets of the company.
- * The Joint venturer, ITPL has outstanding secured short term loan of ₹39.27 lacs is secured against entire current assets of the Company, existing and future.
- * The Joint venturer, JBM MA has outstanding secured short term loan of ₹336.04 lacs secured by the hypothecation on pari passu charge on current assets of the company both present and future and pari passu second charge on all present and future fixed assets of the company, ₹125.00 lacs is secured by the hypothecations on pari passu charge on current assets of the company both present and future and pari passu second charge on all present and future fixed assets of the company and ₹218.45 lacs is secured against the company receivables only.
- ** Buyers credit /External Commercial Borrowings are secured by guarantee of Indian Banks.
- *** It represents bills discounted by banker's.

	(₹ in Lacs)	
	March, 2013	March, 2012
(b) TRADE PAYABLE	16097.29	12634.38
	16097.29	12634.38
(c) OTHER CURRENT LIABILITIES		
Current maturities of Long term borrowings	4754.86	3573.77
Interest accrued but not due on borrowings	92.79	440.03
Interest accrued and due on borrowings	103.79	130.42
Unpaid Dividends	5.00	4.43
	4956.44	4148.65
Other Payables		
- Capital Creditors	3006.68	2125.16
- Statutory Dues Payable	888.86	644.41
- Employee related Liabilities	680.87	490.87
- Advance from customers	4368.74	6142.57
- Others	670.95	1428.75
	9616.10	10831.76
	14572.54	14980.40
(d) SHORT TERM PROVISIONS		
Provision for employee benefits	162.77	120.00
Provision for Proposed Dividend		
- Preference Shares	40.00	40.00
- Equity Shares	203.98	152.98
Provision for Dividend Tax on Proposed Dividend	41.46	31.31
Provision for Income Tax	182.87	13.00
Provision for Wealth Tax	0.00	30.35
	631.08	387.63

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Description	GROSS BLOCK						DEPRECIATION				Net Block	
	As at 01.04.2012	Additions during the year	Other Adjustments*	Sales/ Disposal during the year	Total as at 31.03.2013	As at 01.04.2012	For the year	Written Back/ Adjustment on sales/ disposal	Total as at 31.03.2013	As at 31.03.2013	As at 31.03.2012	
Tangible Assets												
Land (Freehold)	254.93	0.00	0.00	0.00	254.93	0.00	0.00	0.00	0.00	254.93	254.93	
Land (Lease Hold)	3887.99	2034.41	0.00	0.00	5922.40	217.24	63.11	0.00	280.35	5642.06	3670.76	
Building	7646.83	2626.48	6.36	18.25	10261.41	1186.15	345.25	0.00	1531.40	8730.00	6460.67	
Plant & Machinery	43859.93	5008.00	29.52	175.63	48721.81	20425.42	2693.44	122.30	22996.56	25725.26	23434.51	
Furniture & Fixtures	175.53	20.91	0.00	1.05	195.40	104.31	15.82	0.92	119.21	76.19	71.22	
Office Equipments	569.13	81.10	0.00	10.38	639.84	322.93	65.63	9.19	379.37	260.47	246.20	
Vehicles	323.52	80.35	0.00	34.82	369.05	131.26	43.32	26.69	147.89	221.17	192.27	
Total Tangible Assets	56717.86	9851.25	35.88	240.13	66364.85	22387.31	3226.57	159.10	25454.78	40910.07	34330.55	
Intangible Assets												
Computer Software	367.36	16.93	0.00	0.00	384.30	193.81	91.42	0.00	285.22	99.07	173.55	
Total Intangible Assets	57085.22	9868.18	35.88	240.13	66749.15	22581.12	3317.99	159.10	25740.01	41009.14	34504.10	
Previous Year	50559.95	8151.44	110.69	1736.85	57085.22	19919.55	3033.95	372.38	22581.12	34504.10	30640.40	
Capital Work in Progress										3974.71	3153.27	

NOTE 5 : FIXED ASSETS

(₹ in Lacs)

NOTES :-

* Other Adjustments includes ₹35.88 lacs (P.Y. ₹12.57 lacs) on account of Exchange Fluctuation and ₹ Nil (P.Y. ₹98.12 lacs) on account of Interest cost.

1. The Lease hold Land at Faridabad is yet to be registered in the name of the Company. The Company has obtained "No Objection Certificate" from lessor to get registration of same in the name of the Company.
2. Lease hold land includes land at Singur in West Bengal and Land at Bhiwadi in Rajasthan which are yet to be registered in the name of the company.
3. Depreciation of ₹6.91 lacs on account of foreign Exchange fluctuation capitalised [note 34(a)] has been adjusted against the exceptional item.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6: NON CURRENT INVESTMENTS

(₹ in Lacs)

	March, 2013	March, 2012
TRADE- UNQUOTED (fully paid up) at Cost		
Investment in Equity Instrument		
2,67,000 (P.Y. - 2,67,000) Equity Shares of ₹10/- each fully paid up in Pitampura Auto Cluster Limited	13.35	13.35
10,000,000 (Nil) Equity Shares of ₹10/- each in Yorozu JBM Automotive Tamilnadu Pvt. Ltd.	1000.00	0.00
Investment in Preference Shares		
57,33,000 (P.Y. - 57,33,000) 4% Cumulative Redeemable Preference Shares of ₹10/- each fully paid up of Pitampura Auto Cluster Limited	286.65	286.65
Share Application Money		
Yorozu Corporation	0.00	1000.00
	1300.00	1300.00
Aggregate value of unquoted investment	1300.00	1300.00

NOTE 7 : LONG TERM LOANS AND ADVANCES

(₹ in Lacs)

	March, 2013	March, 2012
(Unsecured, considered good)		
Capital advances	651.66	378.67
Security Deposit	160.19	138.63
Other Loans & Advances	849.90	300.00
Total	1661.75	817.31

NOTE 8 : OTHER NON CURRENT ASSETS

(₹ in Lacs)

	March, 2013	March, 2012
(Unsecured, considered good)		
Hedging Gain Recoverable (Refer Note: 26)	243.66	185.03
Others (Refer Note:31)	741.60	1414.53
Total	985.26	1599.56

NOTE 9: CURRENT ASSETS

(₹ in Lacs)

	March, 2013	March, 2012
(a) INVENTORIES		
Raw material	7562.40	7358.24
Work in process	4377.37	4590.01
Stores & spares	349.71	228.31
Scrap	102.01	137.70
Material in transit	172.44	0.00
Finished Goods	546.95	611.27
	13110.88	12925.53
(b) TRADE RECEIVABLES		
(Unsecured)		
Debts outstanding for more than six months		
- Considered good	606.18	589.97
- Considered doubtful	26.98	9.93
	633.16	599.90
Less: Amount Received (Refer Note No. 33)	231.02	0.00
Less: provision for doubtful debts	26.98	9.93
	375.16	589.97
Other debts, considered good	20000.52	18274.26
Total	20375.68	18864.23

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(c) CASH AND BANK BALANCE		
A Cash and Cash Equivalents		
Cash in hand	16.67	11.38
Balances with Banks		
- In current account	499.49	697.45
- In Unpaid Dividend account	5.00	4.43
Deposits for less than 3 Months Maturity	33.59	31.99
B Other Bank balances		
In Fixed Deposit account (3-12 Months Maturity)*	7.21	7.28
	561.96	752.51
*Under Bank's lien and includes Interest Accrued ₹339292/- (P.Y. ₹298451/-) there on		
(d) OTHER CURRENT ASSETS		
Loans & advances		
(Unsecured ,considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received (Refer Note - 31)	989.54	983.66
Advance to suppliers		
- Considered good	849.73	2431.73
- Considered doubtful	0.42	0.42
Less: Provision for doubtful advance	(0.42)	(0.42)
Security deposits	147.18	57.43
MAT Credit Available	0.00	57.64
Advance income tax	76.36	490.57
Balance of Modvat/Cenvat	2649.25	2144.78
Sales Tax/VAT Recoverable	66.32	286.43
Hedging Gain recoverable	43.32	41.92
Total	4821.70	6494.14

NOTE-10 REVENUE FROM OPERATIONS

(₹ in Lacs)

	March, 2013	March, 2012
Sale of Products (Refer Note: 36)	117446.90	95301.99
Sale of Services	724.22	672.21
Other Operating Revenue	14013.77	12259.15
Gross Revenue from Operations	132184.89	108233.36

NOTE 11 : OTHER INCOME

(₹ in Lacs)

	March, 2013	March, 2012
Interest {TDS ₹132358/- (P.Y. ₹581312/-)}	21.20	68.19
Profit on Sale of Fixed Assets (Net)	7.45	465.24
Miscellaneous Income	352.04	44.08
Total	380.69	577.52

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12: CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

(₹ in Lacs)

	March, 2013	March, 2012
Opening Stocks*:		
Work in process	4283.73	3382.03
Finished goods	919.51	527.39
	5203.24	3909.41
Less : Closing Stocks:		
Work in process	3810.80	4284.02
Finished Goods	1115.77	919.51
	4926.57	5203.52
Increase/(Decrease) in Stocks	276.67	(1294.11)

* Includes ₹28881/- (P.Y. ₹402497/-) on account of difference of Unaudited and Audited Financial statements of Previous year of Subsidiaries and Joint Ventures

NOTE 13 : EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

	March, 2013	March, 2012
Salaries & wages	8508.08	6960.02
Contribution to ESI, PF and other funds	335.16	305.19
Staff welfare	859.42	738.79
Total	9702.66	8004.01

NOTE 14 : FINANCE COSTS

(₹ in Lacs)

	March, 2013	March, 2012
Interest to Banks- term loans (Refer Note: 36)	2719.34	1970.21
Interest - Others	1469.08	1707.73
Other Financial Charges	43.07	68.89
Applicable net (Gain)/Loss on foreign currency transactions and translation	116.72	176.39
Total	4348.21	3923.22

NOTE 15 : OTHER EXPENSES

(₹ in Lacs)

	March, 2013	March, 2012
Stores consumed	1306.04	988.12
Manufacturing expenses	1338.26	1168.15
Power & fuel	2076.89	1537.32
Packing Material	788.86	544.10
Machinery repairs and maintenance	805.43	852.69
Rent (including land lease rent)	146.08	119.46
Rates & taxes	195.85	103.48
Insurance	33.48	32.62
Repair & maintenance		
- Building	75.78	117.63
- Others	518.11	136.06
Bad Debts written off	25.61	26.18
Loss on sale of assets/written off (Net)	25.86	8.67
Provision for Bad & Doubtful Debts	28.71	2.42
Freight & Forwarding charges	807.29	714.06
Exchange fluctuation(Net)	34.29	184.10
Miscellaneous expenses *	1390.66	1076.15
Total	9597.20	7611.22

* Includes ₹1308283/- (P.Y. ₹151306/-) on account of Excise Duty Provision on change in stock.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 16 THE SUBSIDIARIES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
JBM Ogihara Automotive India Limited	India	51.00 %
JBM Auto System Private Limited	India	73.89 %

NOTE: 17 THE JOINT VENTURES CONSIDERED IN CONSOLIDATED FINANCIAL STATEMENTS

Name of the Joint Ventures	Country of Incorporation	Proportion of ownership interest
JBM MA Automotive Private Limited	India	50.00 %
Indo Toolings Private Limited	India	50.00 %

NOTE: 18 In view of different sets of environment in which the subsidiaries/joint ventures are operating, the accounting policies followed by the subsidiaries/joint ventures are different from the accounting policies of the company in respect of following. Such different accounting policies have been adopted in respect of the following:

Particulars	Name of Joint venture/ Subsidiaries	Accounting Policies	
		JBM Auto Limited	Subsidiaries/Joint Venture
Inventory	JBM MA AUTOMOTIVE PVT. LTD	Inventories are valued at the lower of Cost as per FIFO Method or NRV.	Inventories are valued at the lower of Weighted Average Cost or NRV
	JBM AUTO SYSTEMS PVT. LTD	Inventories are valued at the lower of Weighted Average Cost or NRV	
	Inventories are valued at the lower of Cost as per FIFO Method or NRV		

NOTE: 19 In respect of jointly controlled Entities, the Company's share of Assets, Liabilities, income and expenditure of the joint venture companies are as follows:

Particulars	(₹ In Lacs)	
	2013	2012
Assets		
Fixed Assets	8448.87	8758.92
Non - Current Investments	300.00	300.00
Non - Current Assets	120.85	21.43
Current Assets	6200.21	6748.26
Deferred Tax Asset	3.58	79.25
Liabilities		
Non - Current Liabilities and Provisions	2935.85	3715.40
Short term Borrowings	2829.70	3359.89
Current Liabilities and Provisions	5681.73	5502.05
Income	16411.09	13640.95
Expenses	16251.54	13495.15

- The assets & liabilities and Income & Expenditure given above are on the basis of unaudited financial results of JBM MA Automotive Pvt. Ltd. and of Indo Tooling Pvt. Ltd.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 20 EARNING PER SHARE

		(₹ In Lacs)	
Particulars		2013	2012
a)	Profit after tax as per Profit & Loss account	3260.36	2587.59
b)	Preference dividend and dividend tax thereon	46.80	46.49
c)	Net profit available for equity share holders	3213.56	2541.10
Total Equity Shares (No's)		10198841	10198841
Basic/Diluted Earnings per Share (₹)		31.51	24.92

NOTE: 21 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE CAPITAL AS ON THE BALANCE SHEET DATE

Name of Shareholders	31.03.2013		31.03.2012	
	No. of Shares held	% held in Shareholding	No. of Shares held	% held in Shareholding
I) Equity Shares of ₹10 each fully paid				
SMC Credits Limited	1892565	18.56%	1892565	18.56%
A to Z Securities Limited	1047540	10.27%	1047540	10.27%
Zeal Impex & Traders Private Limited	1004742	9.85%	1004742	9.85%
Amity Infotech Private Limited	1000000	9.81%	1000000	9.81%
Shuklamber Exports Limited	856206	8.40%	856206	8.40%
JBM Builders Pvt Limited	757708	7.43%	757708	7.43%
NAP Investment & Leasing Pvt Limited	568654	5.58%	568654	5.58%
ANS Holding Private Limited	514749	5.05%	514749	5.05%
II) Preference Shares of ₹10 each fully paid				
Neel Metal Products Limited	5000000	100%	5000000	100%

NOTE: 22 CONTINGENT LIABILITIES

		(₹ In Lacs)	
		2013	2012
i)	Letter of Credit outstanding	2050.67	4817.25
ii)	Guarantees issued by the Bank on behalf of the Company	338.11	1055.86
iii)	Claims against the Company not acknowledged as debt	739.21	726.85

NOTE: 23 Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹2335.31 lacs (P.Y. ₹1699.38 lacs).

NOTE: 24 AUDITOR'S REMUNERATION

The break- up of auditor's remuneration is as under:

		(₹ In lacs)	
		2013	2012
a)	Audit fee	30.50	27.41
b)	Tax audit fees	6.05	5.00
c)	Taxation matter	5.09	2.35
d)	Others	9.14	7.49

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 25 SEGMENT INFORMATION

i) Primary Segment Reporting

A. Primary business segments of the company are as under:

- (a) **Sheet Metal Components, Assemblies & Sub-assemblies** - Segment manufactures components etc.
 (b) **Tool, Dies & Moulds** - Segment manufactures Dies for Sheet Metal Segment or sells Dies.

B. Inter Segment Transfer Pricing

Inter Segment Prices are normally negotiated amongst the segments with reference to the costs, market prices and business risks, within an overall optimization objective for the companies.

ii) Segment Revenues, Results and other information:

(₹ In Lacs)

	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Total of Reportable Segments	
	2013	2012	2013	2012	2013	2012
External Sales	107496.29	90184.29	9511.45	6325.71	117007.74	96510.00
Inter Segment Sales	27.64	34.20	0.00	-	27.64	34.20
Other Income	149.44	513.55	260.50	59.59	409.94	573.14
Segment Revenues	107673.37	90732.04	9771.95	6385.31	117445.33	97117.35
Segment Results	9104.61	8011.59	1323.19	980.32	10427.78	8991.91
Segment Assets	69036.04	62419.99	7431.93	6632.45	76467.97	69052.44
Segment Liabilities	25826.55	24428.02	5405.55	3423.25	31232.11	27851.27
Capital Expenditure	10517.32	9415.91	202.39	88.42	10719.71	9504.33
Depreciation/Amortisation	3139.84	2880.15	159.05	139.98	3298.89	3020.13

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

	Revenues		Results/Net Profit		Assets		Liabilities	
	2013	2012	2013	2012	2013	2012	2013	2012
Total Reportable Segments	117445.33	97117.35	10427.78	8991.91	76467.97	69052.44	31232.11	27851.28
Inter segment sales/ Adjustments	(27.64)	(34.20)	-	-	-	-	-	-
Corporate unallocated/ Others (Net)	88.32	226.28	(4443.72)	(4208.24)	11420.39	11445.46	32860.16	32901.15
Taxes/Deferred Tax		-	(2189.43)	(1584.53)	3.58	177.99	1978.26	1536.67
As per Financial statements	117506.01	97309.42	3794.63	3199.14	87891.90	80675.90	66070.53	62289.10

The Company is mainly engaged in business in India and exports are not material. Hence in the context of Accounting Standard 17- "Segment Reporting" it is considered the only reportable segment.

NOTE: 26 The Company uses derivative contracts to hedge the interest rates and currency risk on its capital account. The Company does not use these contracts for trading or speculative purpose.

i. Derivative contracts remaining outstanding as on 31.03.2013

Nos of Contracts		Equivalent USD (USD in Lacs)		INR Equivalents (₹ In Lacs)	
2013	2012	2013	2012	2013	2012
1	1	36.31	44.69	1984.40	2076.23

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The value of swap contracts entered into to hedge the foreign currency risk of firm commitments /highly probable transactions as at 31st March, 2013 is USD 5,751,534 (Previous year USD 6,134,969).The Company has accounted for the swap contract and the underlying loan availed for the purchase of fixed assets in accordance with paragraphs 36-39 and 46A of the Accounting Standard 11 – The Effects of Changes in Foreign Exchange Rates since the contract and the underlying loan are taken on the same dates for the same fixed tenure.

ii. Foreign currency exposures that have not been hedged by derivative instruments are given below.

	(₹ in Lacs)	
	As at March 31, 2013	As at March 31, 2012
Liabilities		
In Euros (€)	0.02	2.77
(Equivalent approximate in INR)	1.22	189.18
In US Dollar (\$)	36.88	28.34
(Equivalent approximate in INR)	1411.84	1475.83
In SEK (kr)	-	0.24
(Equivalent approximate in INR)	-	1.84
In JPY (¥)	66.27	41.25
(Equivalent approximate in INR)	38.49	79.21
In Thai Baht (THB)	126.99	-
(Equivalent approximate in INR)	235.81	-
Assets		
In Euros (€)	4.93	3.94
(Equivalent approximate in INR)	343.94	270.38
In JPY (¥)	6.35	-
(Equivalent approximate in INR)	3.70	-

NOTE: 27 RETIREMENT BENEFITS

The Company has calculated the benefits provided to employees as under:

i) Provident Fund

During the year the Company has recognized the following amounts in the Profit and Loss account: (₹ in Lacs)

	2013	2012
Employer's Contribution to Provident Fund*	308.17	231.32

ii) State Plans

During the year the Company has recognized the following amounts in the profit and loss accounts: (₹ in Lacs)

	2013	2012
Employer's contribution to Employee State Insurance*	26.13	73.33
Employer's contribution to Welfare Fund*	0.86	0.54

*included in contribution to Provident and other funds under Employee Remuneration and Benefits (Refer Note no. 13).

iii) Defined Benefit Plans

- a) Contribution to Gratuity Fund – Employee's Gratuity Fund.
- b) Leave Encashment/Compensated Absence

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standard 15 (Revised 2005), the actuarial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption.

		(₹ in Lacs)			
		2013		2012	
		Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
i)	Actuarial Assumptions				
	Discount Rate (per annum)	8.15%	8.15%	8.75%	8.75%
	Rate of increase in compensation levels	5%	5%	5%	5%
	Rate of return on plan assets	N.A	9.21%	N.A	9.25%
	Expected Average remaining working lives of employees (years)	23.09	23.09	23.59	23.59
ii)	Change in the obligation during the year ended 31st March, 2013				
	Present value obligation as at 31st March, 2012	50.22	143.81	33.33	121.62
	Interest cost	3.65	10.99	3.69	9.76
	Past Service cost	-	-	-	-
	Current service cost	36.90	29.83	30.78	19.57
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Benefit paid	(10.82)	(18.02)	(8.82)	(10.60)
	Actuarial (gain)/loss on Obligations	1.95	23.23	(8.76)	3.46
	Present value obligation as at 31st March, 2013*	81.91	189.83	50.22	143.81
iii)	Change in fair value plan Assets				
	Fair value of Plan Assets as at 31st March, 2012	-	203.04	-	166.91
	Expected return on Plan Assets	-	18.99	-	16.36
	Contributions	-	33.41	-	23.73
	Withdrawals	(10.82)	(27.00)	-	(3.85)
	Actuarial gain/(loss) on Obligations	-	(1.64)	-	(0.11)
	Fair value of Plan Assets as at 31st March, 2013	-	226.81	-	203.04
iv)	Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets				
	Present value obligation as at 31st March, 2013	81.91	189.83	50.22	143.81
	Fair value of Plan Assets as at 31st March, 2013	-	226.81	-	203.04
	Funded Status	-	36.98	-	59.23
	Present value of unfunded obligation as at 31st March, 2013	-	-	-	-
	Unfunded Actuarial (gains)/Losses	-	-	-	-
	Unfunded Net Asset/(Liability) recognized in Balance Sheet*	(81.91)	-	(50.22)	-
v)	Expenses recognized in Profit and Loss Account				
	Current service cost	36.90	29.83	30.78	19.57
	Past Service cost	-	-	-	-
	Interest cost	3.65	10.99	3.69	9.76
	Expected return on Plan Assets	-	(18.99)	-	(16.36)
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Net Actuarial (gain)/loss recognized during the year	1.95	24.87	(8.76)	3.57
	Total Expense recognized in Profit and Loss Account#	42.51	46.68	25.72	16.54

* This pertains to Long term Liability worked in respect of deferred leave only. Expected short term liability of ₹2996649/- (P.Y.-2299722/-).

This pertains to Long term liability only. Actual payments (under the various heads) incurred over the intervaluation period should be added to this figure.

The estimate of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 28 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Enterprises over which Key Management Personnel and their relative are able to exercise significant influence	Joint Venturer	Key Management personnel and their relatives
JBM Industries Limited	Ogihara (Thailand) Co. Ltd	Mr. S. K. Arya, Chairman
Neel Metal Products limited		Mr. H. R. Saini, Executive Director
Jay Bharat Maruti Limited		Mr. Pramod Manglik, CEO Cum Director
Gurera Industries Limited		Mr. Rajesh Sahay, CEO
Neel Industries Private Limited	MA SPA	Mr. S. C. Suneja

(₹ In Lacs)

	2012-13			2011-12		
	Enterprise over which key management personnel and their relative are able to exercise significance influence/Venturer	Key Management personnel and their relatives	Total	Enterprise over which key management personnel and their relative are able to exercise significance influence/Venturer	Key Management personnel and their relatives	Total
Purchase of capital goods						
Neel Metal Products Ltd.	112.87		112.87	39.66		39.66
Ogihara (Thailand) Co. Ltd.				6.47		6.47
Total	112.87		112.87	46.13		46.13
Sale of Goods & Job work						
Neel Metal Products Ltd.	3034.56		3034.56	2411.14		2411.14
Jay Bharat Maruti Ltd.	840.43		840.43	1565.76		1565.76
JBM Industries Ltd.	82.20		82.20	552.12		552.12
Total	3957.19		3957.19	4529.02		4529.02
Sale of Capital goods						
Neel Metal Products Ltd.	1697.51		1697.51	25.02		25.02
JBM Industries Ltd.	1.00		1.00	37.40		37.40
Total	1698.51		1698.51	62.42		62.42
Purchase of the goods						
Neel Metal products Limited	3123.05		3123.05	3430.67		3430.67
Jay Bharat Maruti Ltd.	510.58		510.58	680.56		680.56
JBM Industries Ltd.	24.20		24.20	36.73		36.73
MA SPA						
Total	3657.83		3657.83	4147.96		4147.96
Interest paid						
JBM Industries Ltd.	6.38		6.38	14.72		14.72
Neel Metal Products Ltd.	121.77		121.77	179.15		179.15
Total	128.15		128.15	193.87		193.87
Others Expenses						
Gurera Industries Ltd.	3.00		3.00	3.00		3.00
Neel Metal Products Ltd.	36.04		36.04	48.66		48.66
JBM Industries limited	26.03		26.03	26.04		26.04
Ogihara (Thailand) Co. Ltd.	98.94		98.94	88.26		88.26
Neel Industries (P) Ltd	0.04		0.04			
Jay Bharat Maruti Limited	9.03		9.03			
Total	173.08		173.08	227.43		227.43
Other Income						
Neel Metal Products Ltd				26.88		26.88
Total				26.88		26.88
Managerial Remuneration						
Mr. H. R. Saini		27.96	27.96		25.24	25.24
Mr. Pramod manglik		65.00	65.00		55.00	55.00
Mr. Rajesh Sahay		45.00	45.00		24.36	24.36
S.C. Suneja		53.00	53.00		53.00	53.00
Total		137.96	137.96		157.60	157.60
Security Deposits						
JBM Industries Ltd.	10.50		10.50	10.50		10.50
Gurera Industries Ltd.	9.00		9.00	9.00		9.00
Total	19.50		19.50	19.50		19.50
EMI of Car Loan						
Jay Bharat Maruti Ltd.	16.56		16.56	17.50		17.50
Total	16.56		16.56	17.50		17.50
Loan						

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

	2012-13			2011-12		
	Enterprise over which key management personnel and their relative are able to exercise significance influence/Venturer	Key Management personnel and their relatives	Total	Enterprise over which key management personnel and their relative are able to exercise significance influence/Venturer	Key Management personnel and their relatives	Total
Neel Metal Products Ltd.	1230.00		1230.00	1230.00		1230.00
JBM Industries limited				140.00		140.00
Total	1230.00		1230.00	1370.00		1370.00
Amount Recoverable						
JBM Industries Ltd.	15.15		15.15	307.41		307.41
Neel Industries Private Limited	93.97		93.97	93.51		93.51
Neel Metal Products Ltd.	95.05		95.05	271.58		271.58
Jay Bharat Maruti Ltd.	47.52		47.52	0.11		0.11
Gurera Industries Ltd.	5.08		5.08	7.64		7.64
MA SPA	2.93		2.93	1.36		1.36
Total	259.70		259.70	681.61		681.61
Amount Payable						
Neel Metal Products Ltd.	1.10		1.10	1401.12		1401.12
Jay Bharat Maruti Ltd.	4.51		4.51	94.83		94.83
JBM Industries Ltd.				176.88		176.88
Neel Industries Private Limited	4.40		4.40	4.40		4.40
Ogihara (Thailand) Co. Ltd.	83.17		83.17	76.18		76.18
S.C. Suneja		3.98	3.98		7.63	7.63
Total	93.18	3.98	97.16	1753.41	7.63	1761.04
Loans and Advance						
Neel Metal Products Ltd.	300.00		300.00	400.00		400.00
Total	300.00		300.00	400.00		400.00

NOTE: 29 The Company has entered into transactions of purchase and sale of goods/services with other private limited companies in which Directors are interested. The Company has, however, not obtained prior permission from the Central Government in respect of the transactions, as in the opinion of the management such transactions are exempt under sub section (2) clause (a) of Section 297 of the Companies Act, 1956. The total value of these transactions amount to ₹40.28 lacs.

NOTE: 30 The Company has taken land on lease for a period of 35 years, admeasuring 9.579 acre under an agreement commencing w.e.f. 5th May 2009 with Tata Motors Ltd. on an annual rent payable from the 3rd year onwards. The lease rent paid is being charged to revenue in the year of payment. The lease rent as stipulated in the agreement shall increase periodically.

NOTE: 31 Other Non Current Assets and Advance Recoverable in Cash or in Kind for Value to be received includes Singur project relocation cost, which shall be recovered from Tata Motors Ltd. by way of amortization in sales.

NOTE: 32 The Company has filed a writ petition with the Hon'ble High Court of Kolkatta, West Bengal for injunction restraining the Govt. of West Bengal for acting in terms of Singur Land rehabilitation and Development Act, 2011. The Division Bench of the Kolkatta High Court had held that the Singur Act was unconstitutional and had therefore struck down the Act. The State Government has challenged the said judgement of the Kolkatta High Court before the Hon'ble Supreme Court and the same is still pending. Meanwhile the Division Bench had granted a stay on the said order dated 21st June, 2012 which has also been extended by Supreme Court. By virtue of the order of stay, the State Government is still retaining the possession of the Singur land.

Pending finalization of the case, the company has not made any provision against advance given for the same.

NOTE: 33 The Company was awarded a sum of ₹355.13 lacs in the arbitration proceedings against a trade receivable. The other Party had appealed against the arbitration order in the Supreme Court of India and has deposited 50% of the said sum amounting to ₹177.56 lacs in the form of Interest bearing FDR's till the finalization of appeal. In pursuance of the SLP, the Hon'ble Supreme Court of India has allowed to release the said sum of 50% along with interest, an

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

amount of ₹231.02 lacs in favour of the company with a direction that if ultimately the SLP is decided against the Company, then the Company has to refund the amount with interest.

In view of the same the interest so received has not been recognized as income and the same is included as amount received.

NOTE: 34 (a) Upto 31st March, 2012, the exchange difference arising from long term foreign borrowings, to the extent they were regarded as an adjustment to interest cost, were treated as borrowing cost in terms of AS-16, "Borrowing costs". Pursuant to a clarification dated 9 August, 2012 from the MCA, the Company has changed the accounting policy w.e.f. from 1st April, 2011, to treat the same as "Foreign exchange fluctuation" accounted as per AS-11 "Effects of changes in Foreign Exchange Rates", instead of AS-16 "Borrowing Costs". This has resulted in to reversal of finance cost of ₹35.88/- lacs and increase in depreciation by ₹6.91/- lacs (including ₹3.46/- lacs for the year ended 31 March, 2012). The aforesaid change, resulting in net gain of ₹28.97/- lacs has been shown as exceptional items and has increased Basic/Diluted EPS by ₹0.28.

(b) The Company has decided to exercise the option provided in notification GSR No.914(E) dated 29-12-2011 issued by ministry of companies affairs regarding the treatment of exchange differences.

NOTE: 35 Consumption of Raw materials and Components has been computed by adding purchase to the opening stock and deducting closing stock verified physically by the management.

NOTE: 36 Sale of Products (net) of ₹364.32 lacs and Finance costs of ₹364.32 lacs relating to the year 2011-12 has been accounted for during the year. This has no impact on the profit of the company.

NOTE: 37 Trade and Other Receivables and Payables are subject to confirmation.

NOTE:38 Previous year figures have been regrouped and/or rearranged wherever considered necessary.

Auditors' Report

As per our report attached

For **MEHRA GOEL & Co.**
Chartered Accountants
FRN: 000517N

R. K. MEHRA
Partner
M. No. 6102

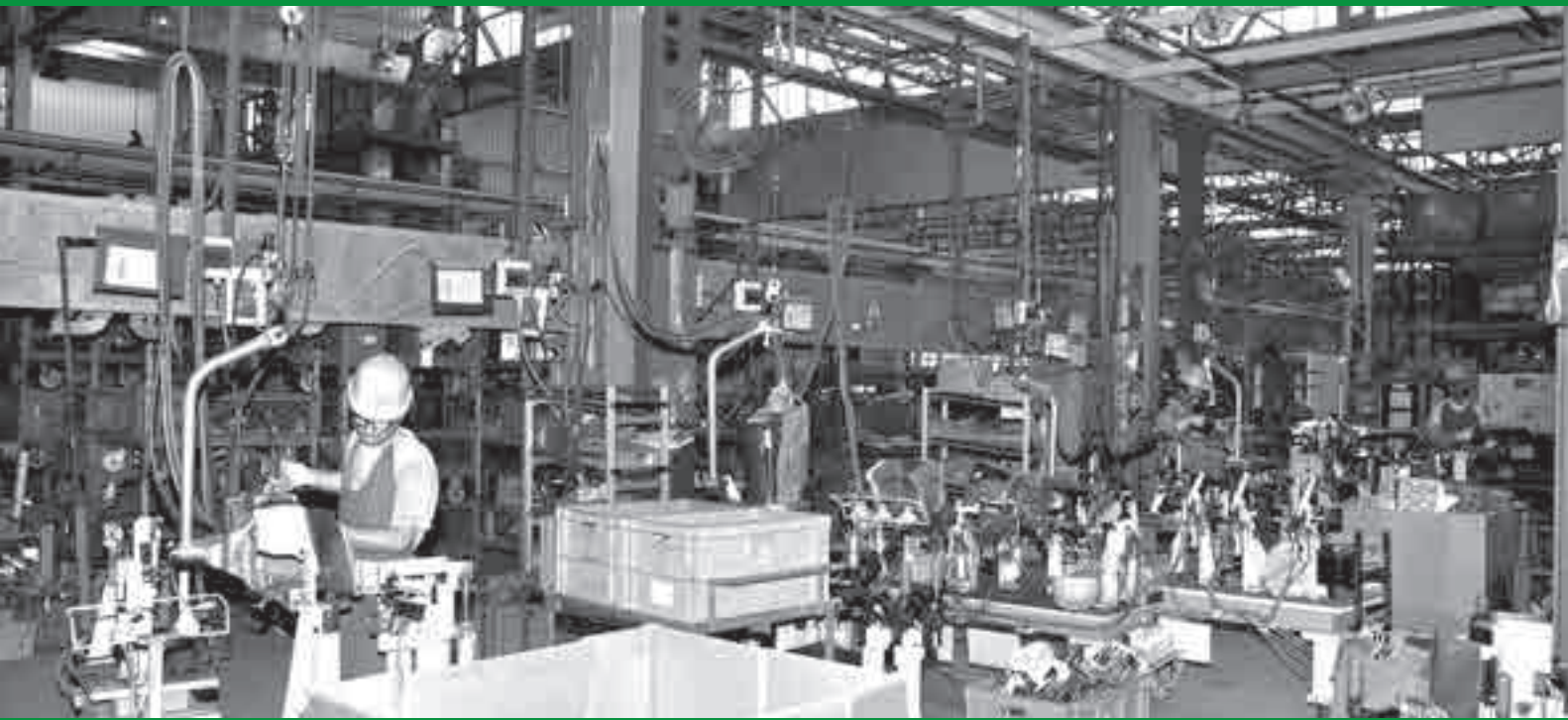
S. K. ARYA
Chairman

M. K. AGGARWAL
Director

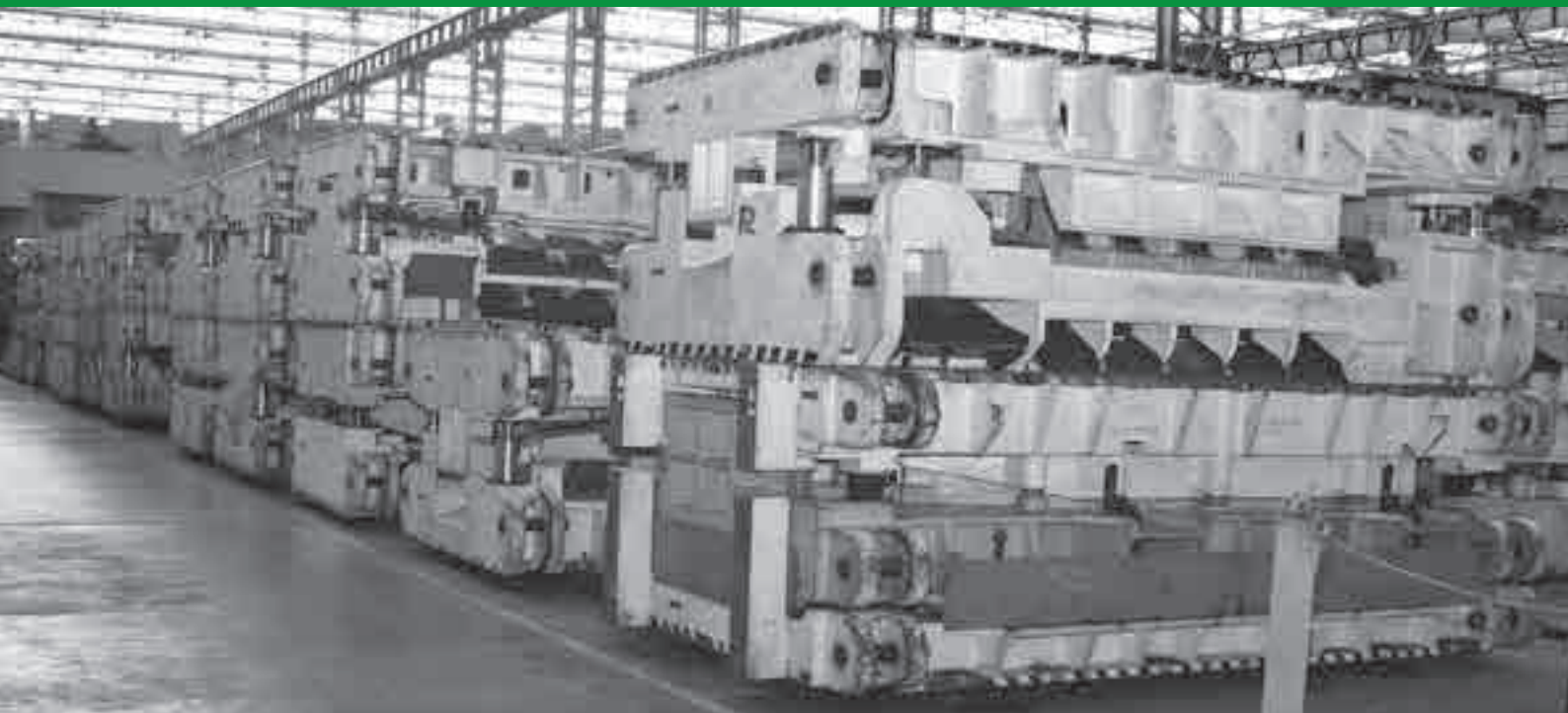
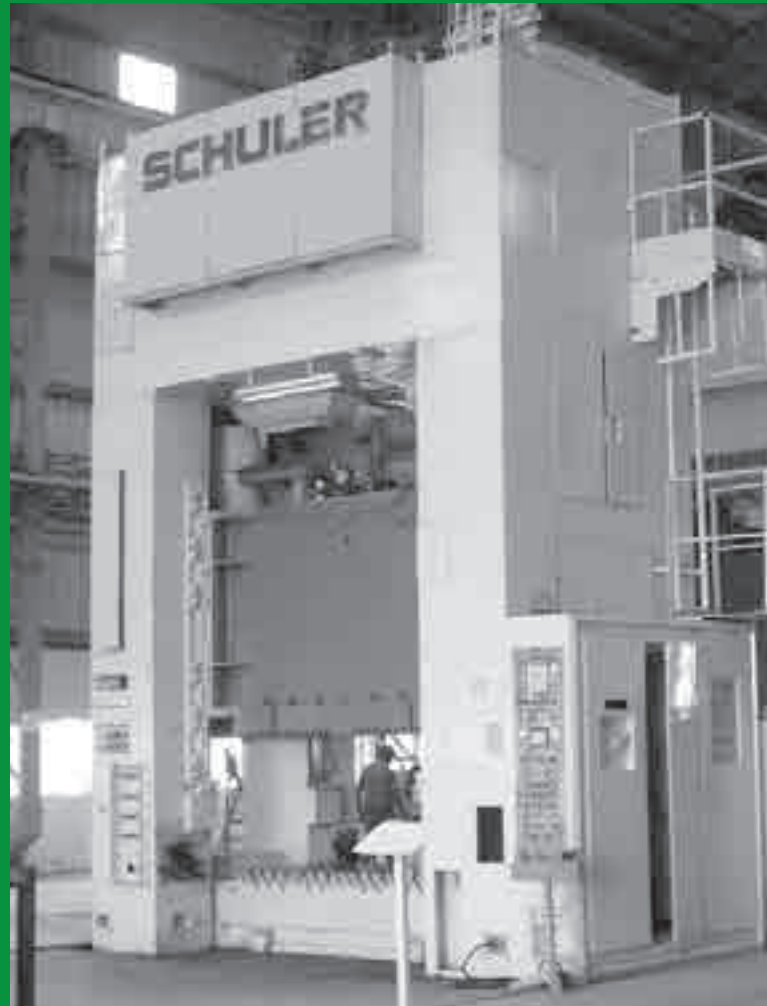
H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

Dated : 23rd May, 2013
Place : Gurgaon



OUR FACILITIES



Forward-looking statements: This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized.

The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.





Our milestones are touchstones

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