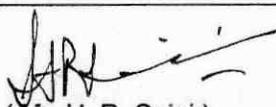
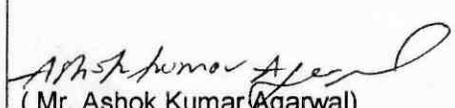


FORM A

(Clause 31(a) of Listing Agreement)

Covering letter of the annual report to be filed with the stock exchanges

1	Name of the Company :	JBM Auto Limited
2	Annual financial statements for the year ended	31 st March, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	NA
5	Signed by -	
	• Executive Director	 (Mr. H. R. Saini)
	• CFO	 (Mr. Vivek Gupta)
	• Auditor of the Company	 (Mr. R. K. Mehra) M/s MehraGoel & Co. Chartered Accountants FRN: 000517N
	• Audit Committee Chairman	 (Mr. Ashok Kumar Agarwal)

Date : 18th May, 2015





enhancing
TECHNOLOGY

enabling
INNOVATION

expanding
HORIZONS

empowering
PEOPLE

Corporate Information



Mr. S. K. Arya
Chairman



Mr. Ashok Kr. Agarwal
Director



Mr. M. K. Aggarwal
Director



Mr. Nishant Arya
Director



Mrs. Vimal Vasisht
Director
*w.e.f. 20th July, 2014



Mr. H. R. Saini
Executive Director
*upto 6th June, 2015



Mr. Sandip Sanyal
Executive Director
*w.e.f. 18th May, 2015

**Chief Financial Officer
& Company Secretary**

Mr. Vivek Gupta

Statutory Auditors

Mehra Goel & Co.,
Chartered Accountants

Share Transfer Agent

MCS Share Transfer Agent Limited

Bankers

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

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About JBM

Today, JBM Auto is all poised to further consolidate its leadership position as one of India's leading automotive component manufacturers. With our extensive product portfolio, marquee customers, strategic market position, strong R&D, global approach and newer avenues of business operations, we have emerged as a key global supplier in the industry. In our pursuit of excellence, we have consistently incorporated world-class technology led by a dedicated team of professionals and maintained a steady focus on innovation thereby delivering greater satisfaction to our customers and creating better value for our stakeholders.

With the launch of our buses this year, JBM Auto has embarked on a journey of evolution to become an integrated automotive player. Going ahead, the bus division shall act as an important driver of overall growth of the company.

JBM Auto Ltd. is the flagship company of \$1.35 bn JBM Group that has a diversified portfolio in the field of automotive, engineering & design services and renewable, with an infrastructure of 35 manufacturing plants and 4 engineering & design centres across 18 locations globally.



JBM's focus on quality delivery, frugal engineering, time to market and art-to-part philosophy has provided the group an indomitable position in the industry.

Sheet Metal Division

MANUFACTURING SHEET METAL COMPONENTS, ASSEMBLIES, SUB-ASSEMBLIES.

JBM Auto's Sheet Metal Division manufactures metal components, assemblies and sub-assemblies. These 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 sections of the vehicle including structural and load bearing areas. The division also manufactures skin panels which define the exterior surface for a vehicle which are the most vital parts, as they provide the 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 customization. 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.

Bus Division

JBM GROUP LAUNCHES 'CITYLIFE' TO REVOLUTIONIZE INTRA-CITY BUS TRAVEL IN INDIA.

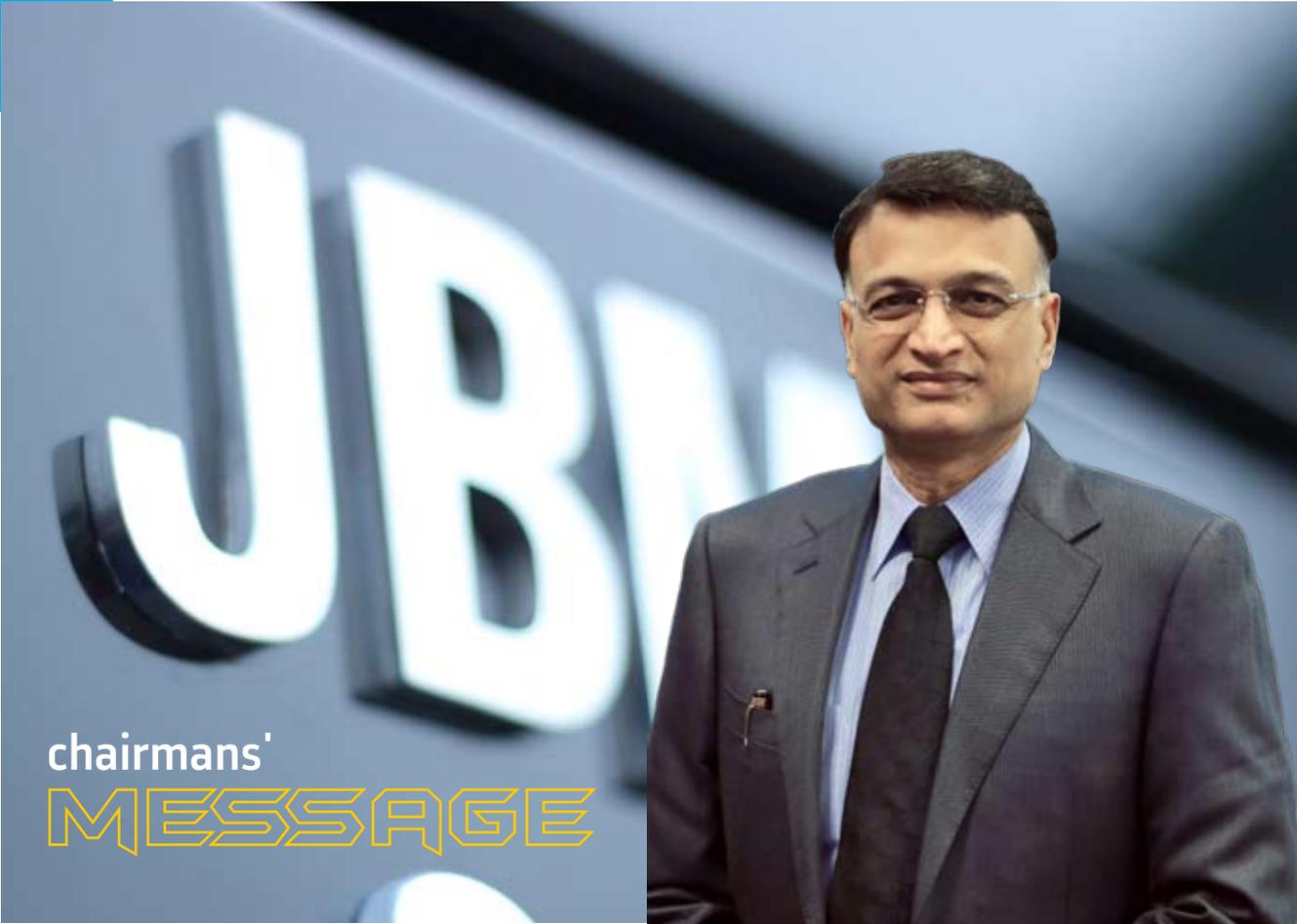
Recently JBM launched its very own Low Floor Bus – 'CITYLIFE' that has been especially designed for intra-city travel in India. 'CITYLIFE' was launched with much fanfare at the Delhi Auto Expo 2014 in Greater Noida.

Backed by a total investment of Rs. 500cr, the bus will be manufactured in technological partnership with renowned European bus-maker Breda Menarinibus (BMB).



Skill Development Centre

The JBM Group firmly believes in shared prosperity through holistic development of the society. As a step in this direction, JBM Group has established a manufacturing technology based training centre primarily to meet growing demand of skilled manpower in the engineering and automotive sector. The centre would provide skilled manpower initially to the Group companies and later on to the other industries. The facilities include an Advanced Welding Laboratory, Modern Training Workshop with Conventional and CNC machines, CAD / CAM Lab, Fitting and Assembly Section, Class Rooms equipped with latest teaching aids and relevant library. The target group includes candidates from school dropouts to ITIs, Polytechnics and Engineering Students of mechanical and automotive trades.



chairmans' MESSAGE

Dear Shareholders,

With the Indian economy accelerating towards higher growth trajectories, it presents us with prospects of faster development and growth. I feel elated at the consistent performance of your company, the experiences of which, going ahead, will act as catalysts to rise and touch greater milestones. Strengthened by our performance over these years and with the dynamically evolving socio-economic milieu of today, we are confident of taking our flagship company – JBM Auto Ltd. to an all new height with multifold growth in next 5 years. The Art to Part philosophy of the company has already started showing positive signals towards moving up the value chain and bringing in brighter prospects to your company.

The times gone by last year have been positive and full of learnings for us. The auto industry in India produced a total of 23,366,246 vehicles including passenger vehicles, commercial vehicles, three wheelers and two wheelers in April-March 2015 as against 21,500,165 in April-March 2014, registering a growth of 8.68% over the same period last year. The sales of Passenger Vehicles grew by 3.90%, the Commercial Vehicles segment registered a de-growth

of (-) 2.83%, Three Wheelers sales grew by 10.80% and Two Wheelers sales registered growth of 8.09% in April-March 2015 over April-March 2014. The overall automobile exports grew by 14.89 percent over the same period last year. These encouraging numbers have been a result of positive factors such as encouraging policy announcements from a strong and stable political dispensation at the Centre and softening global crude oil prices in the second half of the fiscal.

I am happy to share with you that your company is riding on the opportunities created by these positive macroeconomic initiatives. To sustain the momentum, your company has also continuously introduced a series of cost-optimization measures, frugal engineering and lean manufacturing processes to improve the operational efficiencies, increased the product portfolio as a result of which we managed to perform exceedingly well. For the year ended 31st March 2015, your company has posted a 52% jump in the profit after tax at Rs 76.41 crore (Rs 50.21 crore in FY13-14) on a Sales of Rs 1556.95 crore (Rs 1363.89 crore in FY13-14). On an increased equity following the 1:1 bonus in October 2014, your company's earnings stood at Rs 18.25 per share, compared with Rs 12.19 per share (on

fully-diluted basis) during the previous year. Your company also split the face value of its equity shares from Rs 10 to Rs 5 last year.

The Board has recommended a 50% dividend on the increased equity - the highest ever in your company's history. The stellar performance came despite the headwinds of inflation, high interest rates, increasing competition and sluggish industry growth. This would not have been possible without the commitment of all my colleagues and the unstinted support of all our stakeholders.

There has been remarkable progress at the Bus Division of your company that was launched last year. The CNG variant of 'CITYLIFE', having undergone the product validation process, has now secured the homologation certificate as well. The series production of this model has started with both the bus plants having commenced production from the first half of FY15-16. Your company is manufacturing India's first true low-floor city buses which have created a new segment in the public transportation domain. The buses are being manufactured at the company's state-of-the-art facilities at Faridabad and Kosi Kalan with an annual capacity of 2000 buses. The roll out of first batch of these buses will start from the second quarter of FY15-16. The Company is betting high on 'CITYLIFE' and expects to capture significant market share in the major Metros of the country by the end of current financial year. State of the art in-house test track and prototyping facilities have also been provisioned at the Kosi facility. Further, the Bus project is currently engaged towards development of new models and multiple variants. Looking ahead, the bus project will be a major revenue driver for your company in the coming years.

Last year also witnessed enhancement of capacities at our plants in Chennai and Indore with an investment of Rs 100 crore each. The two facilities in the Chennai region - one in Maraimalai Nagar and one in Oragadam serve as the key automotive clusters in the state. These plants cater to major OEMs including Ford, Renault-Nissan, Daimler, TAFE, Ashok Leyland and many more. The investment has enhanced the capacity from 75,000 to 100,000 components and assemblies per day. Products manufactured in these facilities include chassis and suspension systems, welded assemblies, cross car

beams and others. The facility in Indore supplies to VECV that specialises in manufacturing truck cabins, exhaust systems, fuel tanks, air tanks among other components and assemblies. Besides catering to the domestic market, these plants also cater to some major OEMs in Europe, ASEAN countries, emerging markets and America.

Recently, we inaugurated a new manufacturing plant in Sanand, Gujarat for manufacturing auto components for Ford and other upcoming customers in the region with an initial investment of Rs.200 crore. The Sanand facility will primarily manufacture components such as bumper assembly, under body parts and other high-level assemblies for Ford. Your company has had a long-standing association with Ford India and we have partnered and witnessed the Ford growth story in the Indian Automobile market. With this new manufacturing facility in Sanand, we intend to further consolidate this association with a vision to offer the best quality products at the right time, which has been a constant strength for the JBM Group. The Sanand plant has capacity to cater to 2.5 lakh vehicles per annum.

We are a lot more optimistic about the future today than we were last year. With crude oil having fallen below \$50 a barrel, we envisage steady growth of the automobile sector in India as well as globally. The new government's focus on infrastructure development and manufacturing sector also augurs well with your company's business. With rapid urbanization and rising per capita incomes, newer models being introduced in the market, we are confident of automobile sales in India to remain robust in the coming years. Over the last decade, India has continuously outperformed emerging market peers and I firmly believe that it will continue to do so going ahead.

I also take this opportunity to thank our esteemed shareholders for their continued trust and support. On behalf of the management of JBM Auto, I would also like to thank all our esteemed stakeholders and bankers for their consistent support and look forward to their enthusiastic participation to achieve the ever aspiring objectives of the organisation.

S K Arya
Chairman

The Board has recommended a 50% dividend on the increased equity - the highest ever in your company's history. The stellar performance came despite the headwinds of inflation, high interest rates, increasing competition and sluggish industry growth.

financial HIGHLIGHTS

STANDALONE

(₹ In Lacs)

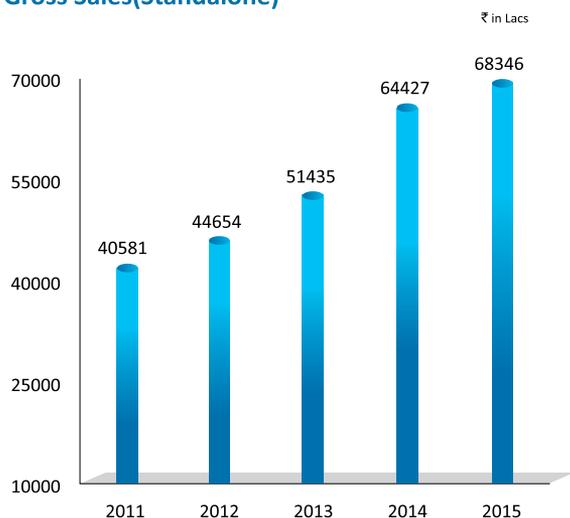
Particulars	2011	2012	2013	2014	2015
Gross Sales	40581	44654	51435	64427	68346
Net Sales	36485	39587	45217	56581	60011
Other Income	41	142	691	657	839
Total Income (Gross)	40621	44796	52126	65084	69186
Profit Before Depreciation & Tax (PBDT)	2689	2275	3242	4826	5509
Profit Before Tax (PBT)	1872	1143	2059	3390	3918
Profit After Tax (PAT)	1296	716	1375	2431	3360
Equity Share Capital	1020	1020	1020	1020	2040
Reserve & Surplus	8910	9402	10492	15113	16151
Net Worth (Standalone)	9930	10422	11511	16133	18191
PBT/Net Sales (%)	5.13	2.89	4.55	5.99	6.53
PAT/Net Sales (%)	3.55	1.81	3.04	4.30	5.60
RONW (PAT/Net worth)%	13.05	6.87	11.95	15.07	18.47
Debt Equity Ratio (Times)	0.97	1.14	0.85	0.48	0.73

CONSOLIDATED

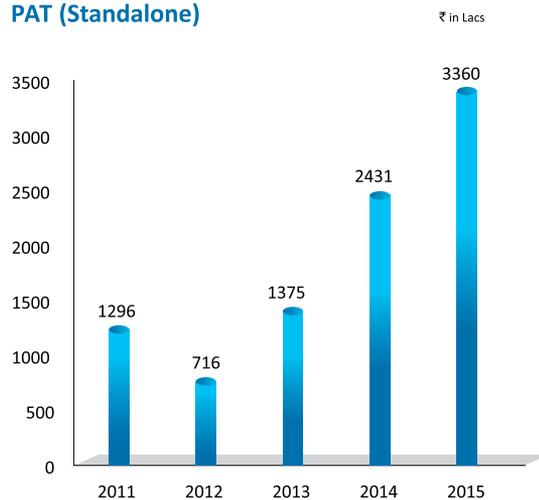
(₹ In Lacs)

Particulars	2011	2012	2013	2014	2015
Gross Sales	81950	108233	132185	154041	174704
Net Sales	73105	96732	117096	136389	155695
Other Income	238	578	381	559	409
Total Income (Gross)	82188	108811	132566	154600	175113
Profit Before Depreciation & Tax (PBDT)	6007	7818	9295	12417	16212
Profit Before Tax (PBT)	3741	4784	5984	8402	12236
Profit After Tax (PAT)	2152	2588	3260	5021	7641
Equity Share Capital	1020	1020	1020	1020	2040
Reserve & Surplus	10455	12954	15854	22706	28023
Net Worth	11475	13974	16874	23726	30063
PBT/Net Sales (%)	5.12	4.95	5.11	6.16	7.86
PAT/Net Sales (%)	2.94	2.68	3.24	3.68	4.91
RONW (PAT/Net worth)%	18.75	18.52	22.49	21.16	25.42
Debt Equity Ratio (Times)	1.58	1.65	1.35	0.66	0.88

Gross Sales(Standalone)



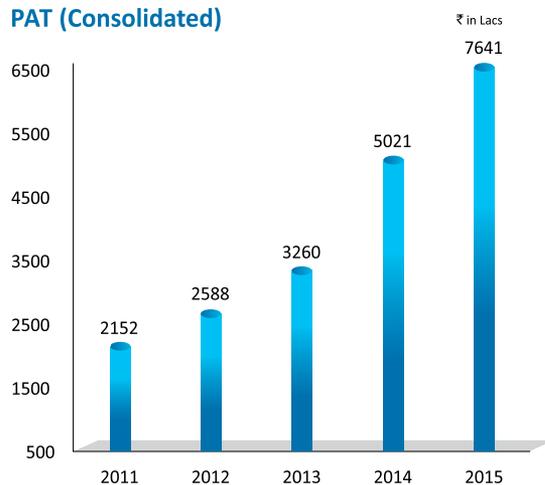
PAT (Standalone)



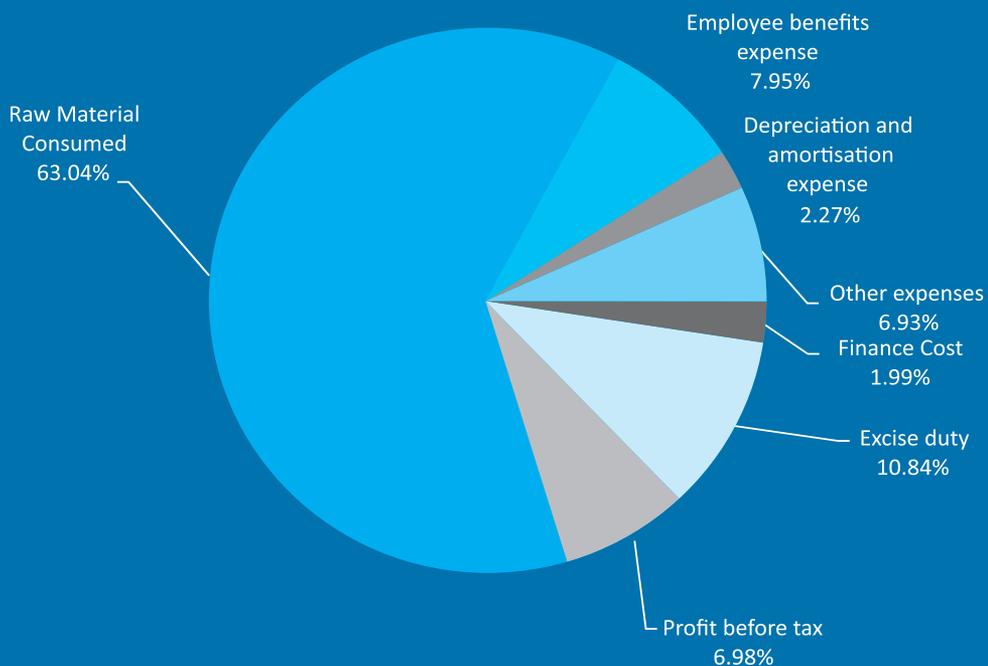
Gross Sales (Consolidated)



PAT (Consolidated)



Distribution of Income 2015



vision & VALUES

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

Our Vision

Expanding leadership in our business by creating an agile environment that delivers excellence and delight to stakeholders through the power of people, innovation and technology.

Our Values

- **Integrity & Ethics** by having the conscience to be honest and sincere, resulting in appropriate conduct without being overseen.
- **Ownership & Commitment** by feeling a sense of accountability towards all tasks undertaken and taking complete responsibility for the outcomes.
- **Respect & Teamwork** by fostering trust among people and an appreciation for diversity of ideas, thereby harnessing the potential of individuals and channeling it to accomplish greater group goals.
- **Customer Trust & Delight** by meeting commitments, being sensitive to customer needs and addressing matters with clarity and speed.
- **Safe & Green** by being, in all our actions, a conscientious corporate citizen that prioritizes the safety of its people, protects the environment and contributes to the wellbeing of society.

Directors' Report

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 19th Annual Report on the business and operations of the Company together with the audited accounts of your Company for the year ended 31st March, 2015.

1. FINANCIAL HIGHLIGHTS

(₹ In Crore)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Total Revenue	608.50	572.37	1561.04	1369.48
Profit Before Tax	39.18	33.90	122.36	84.02
Less: Tax expenses	5.57	9.59	29.73	27.03
Profit After Tax	33.60	24.31	92.64	56.99
Less: Minority Interest	—	—	16.23	6.79
Profit After Tax (after Minority Interest)	33.60	24.31	76.41	50.21
Balance brought forward	84.39	65.61	137.93	101.99
Add: Previous year adjustment in Profit of subsidiary and joint venture.	—	—	—	(0.001)
Amount available for appropriation	117.99	89.92	214.34	152.20
Less: Dividend	11.00	3.51	11.00	8.49
Less: Dividend Tax	1.46	(0.41)	2.64	0.43
Less: Transfer to General Reserve	1.50	2.44	6.62	5.35
Balance carried forward to Balance Sheet	104.03	84.38	194.08	137.93

2. DIVIDEND AND APPROPRIATION

(A) Dividend

Your Directors are pleased to recommend a dividend of ₹ 2.50 per equity share (50% of ₹ 5/- each for the financial year 2014-15) as against the dividend of ₹ 3/- per equity share (30% of ₹ 10/- each for the financial year 2013-14).

(B) Appropriation

During the Financial year 2014-15, an amount of ₹ 1.50 crore (₹ 2.44 crore in the financial year 2013-14) was transferred to General Reserve of the Company.

3. STATE OF THE COMPANY'S AFFAIRS

Financial Year 2014-15 has been yet another year of achievements for your Company. During the year under review, your Company performed well in this economic crisis and unfavorable economic condition.

During the year under review, on standalone basis, your Company achieved, a Total Revenue of ₹ 608.50 crore as against ₹ 572.37 crore recorded in the previous year, registering a growth of 6.31 %. The profit after tax (PAT) increased to ₹ 33.60 crore from ₹ 24.31 crore in the previous year, registering a growth of 38.21 %.

During the year under review, on consolidated basis, your Company achieved a total revenue of ₹ 1561.04 crore as against ₹ 1369.48 crore recorded in the previous year, registering a growth of 13.99 %. The profit after tax (after minority interest) increased to ₹ 76.41 crore from ₹ 50.21 crore in the previous year, registering a growth of 52.18 %.

4. MATERIAL CHANGES AND COMMITMENTS

During the year under review, your Company has approved and issued the following:

1. Sub-division of the face value of equity share from ₹ 10/- each to ₹ 5/- each.
2. Issue of Bonus Shares in the ratio 1:1 i.e. One new equity share for existing one equity share held.

All the legal compliances under Companies Act, 2013 and listing Agreement in this regard had been completed.

5. CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance along with a Certificate from the Secretarial Auditor of the Company regarding the compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's operational and financial performance as well as the initiatives taken by the Company in key functional areas such as Human Resources, Quality, etc. are given in the Management Discussion and Analysis Report, which forms part of this Annual Report. This report also discusses in detail, initiatives taken by the Company in the areas of Corporate Social Responsibility and Sustainability.

7. PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED

(i) Directors

Mr. H. R. Saini, Executive Director of the Company has retired from the Directorship of the Company w.e.f. 7th June, 2015. Your directors have appointed Mr. Sandip Sanyal as Additional Director of the Company, who shall hold office upto the date of ensuing Annual General Meeting of the Company.

The Company has received requisite notice in writing from a member of the Company proposing the candidature of Mr. Sandip Sanyal for the office of Director.

In terms of the Articles of Association of the Company and the provisions of the Companies Act, 2013, Mr. Mahesh Kumar Aggarwal and Mr. Ashok Kumar Agarwal, Non-Executive Independent Directors of the Company shall not retire by rotation in the ensuing Annual General Meeting. Further, in terms of the Articles of Association of the Company and the provisions of section 154 of the Companies Act, 2013, Mr. Nishant Arya, will retire by rotation, at the ensuing Annual General Meeting. Mr. Nishant Arya, being eligible, offers himself for re-appointment.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ("the Act") and Clause 49 of the Listing Agreement with the Stock Exchanges. The terms of appointment of Independent Directors may be accessed on the Company's website at the link: <http://www.jbm-group.com/pdfs/jbm-auto-appointment-of-Independent-directors.pdf>.

(ii) Key Managerial Personnel

Mr. H. R. Saini, Executive Director (retired on 07.06.2015) and Mr. Vivek Gupta, CFO & Company Secretary of the Company, the Key Managerial Personnel were already in the office before the commencement of the Companies Act, 2013. The Board of Directors in their meeting held on 6th February, 2015 designated them as 'Key Managerial Personnel' of the Company in terms of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the Board of Director at their meeting held on 18.05.2015 have appointed Mr. Sandip Sanyal as Executive Director under the category of 'Key Managerial Personnel' of the Company in terms of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

8. COMPLIANCE UNDER COMPANIES ACT, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company complied with the compliance requirements and the detail of compliances under Companies Act, 2013 are enumerated below:

8.1. Extract of Annual Return

An extract of Annual Return in Form MGT-9 as on March 31, 2015 is attached as **Annexure-I** to this Report.

8.2. Board Meetings held during the year

During the year, 5 meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report.

8.3. Directors' Responsibility Statement

Your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanation obtained by them:

- (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that we had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- (c) that we had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that we had prepared the annual accounts on a going concern basis;
- (e) that we had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) that we had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8.4. Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under section 178(3) of the Companies Act, 2013

The Remuneration policy of the Company containing the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Corporate Governance Report.

8.5. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statement and forms part of the Annual Report.

8.6. Particulars of contracts or arrangements with related parties referred to section 188(1) of the Companies Act, 2013

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and at Arm's Length pricing basis. The Audit Committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2014-15 which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in Note 25 of the notes to the financial statements. The Form AOC-2 for the transactions made with the related parties during the financial year 2014-15 is attached as **Annexure - II**.

The policy on materiality of and dealing with related party transaction as approved by the Board of Directors of the Company may be accessed on the web site of the Company at the web link: http://www.jbm-group.com/pdfs/JBMA_Auto_tp.pdf

8.7. AUDITORS

(A) Statutory Auditor

M/s. Mehra Goel & Co, Chartered Accountants, Statutory Auditors, will retire at the close of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from them regarding their consent and eligibility under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

(B) Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company has engaged the services of Ms. Sunita Mathur, Company Secretary in Practice, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2015. The Secretarial Audit Report (in Form MR-3) is attached as **Annexure-III** to this Report.

8.8. Comments by the Board on Audit Qualification

(i) Statutory Audit report

There are no qualifications, reservations or adverse remarks or disclaimers made by the statutory auditors, in their audit report on standalone financial statement of the Company.

However, auditors have given qualified opinion in their audit report on the consolidated financials of the Company.

Management Response & Comments by the Board on Audit Qualification is given at the page no. 94.

(ii) Secretarial Audit report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditor, in the Secretarial Audit report.

8.9. Risk Management

Your Company has a robust Risk Management policy. The Company through a Risk Management Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting.

The Board had approved policy on Risk Management. The policy has been uploaded on the Company's website, under the web link: <http://www.jbm-group.com/pdfs/Risk-Management-Policy.pdf>

8.10. Corporate Social Responsibility Initiatives

During the year, your directors have constituted the Corporate Social Responsibilities (CSR) Committee comprising Mr. S. K. Arya as Chairman, Mr. Nishant Arya and Mr. Mahesh Kumar Aggarwal as other members. The said committee has been entrusted with the responsibilities of formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending to the Board the amount to be spent on CSR activities. The CSR policy may be accessed on the Company's website at the link: http://www.jbm-group.com/pdfs/JBMA_Auto_CSR_Policy.pdf.

The report on CSR activities is attached as **Annexure-IV** to this Report.

8.11. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the Director being evaluated).

8.12. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations.

The particulars relating to the energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 are given in the **Annexure V** to this Report.

9. DISCLOSURES

(a) Audit Committee

The Audit Committee comprises of two Independent Directors & one Non-Executive Director namely Mr. Ashok Kumar Agarwal as Chairman, Mr. Mahesh Kumar Aggarwal and Mr. S. K. Arya as members. All the recommendations made by the Audit Committee were accepted by the Board.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of two Independent Directors & one Non-Executive Director namely Mr. Ashok Kumar Agarwal, Mr. Mahesh Kumar Aggarwal and Mr. S. K. Arya.

(c) Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no director/ employee has been denied access to the Chairman of the Audit Committee and that the complaints received were addressed properly during the year.

The policy has been uploaded on the Company's website, under the web link: <http://www.jbm-group.com/investor-jal-wbp.asp?lk=investor2b3>

(d) Public Deposits, Loans/ Advances/Guarantees/Investments

Your Company has not accepted any deposits from the public or its employees during the year under review.

(e) Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

(f) Internal Control Systems and their adequacy

Details of the same are provided in the Management Discussion and Analysis Report to this Report.

(g) Subsidiary Companies

Your Company has two subsidiaries namely:

- i) M/s JBM Auto System Private Limited, and
- ii) M/s JBM Ogihara Automotive India Limited

Your Company monitors performance of subsidiary companies, inter-alia, by the following means:

- a) The Company has one material unlisted Indian subsidiary i.e. M/s JBM Auto System Private Limited, and Mr. Mahesh Kumar Aggarwal, Independent Director of the Company has been nominated on the Board of material subsidiary. Further, Mr. Sandip Sanyal has been appointed as Key Managerial Personnel (KMP) in JBM Auto Limited. He has also been appointed as Key Managerial Personnel (KMP) in JBM Auto System Private Limited and he will be involved in monitoring the progress of JBM Auto System Private Limited.
- b) The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary company.
- c) The minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board Meeting of the Company.
- d) Your Company formulated a Policy on Material Subsidiary as required under Clause 49(V)(D) and the policy is hosted on the website of the Company under the web link http://www.jbm-group.com/pdfs/JBMA_Auto_Material-Subsidiary.pdf

(h) Salient Features of the Financial Statements of Subsidiaries, Associates and Joint Ventures

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries' and Associates' in Form AOC-1 is attached to the financial statements.

(i) Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with applicable Accounting Standards form part of this Annual Report. The Consolidated Financial Statements presented by the Company include the financial results of its two subsidiary companies and two joint venture companies.

(j) Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules form part of the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

Any shareholder interested in obtaining a copy of the statement may write to the Company.

(k) Material changes and commitment affecting financial position of the Company

There are no material changes and commitments, affecting the financial position which has occurred between the end of the financial year of the Company i.e. 31st March, 2015 and the date of the Directors' Report i.e. 12th August, 2015.

(l) No cases filed under section 22 of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

(m) No Stock Option was granted to the Directors or Employees of the Company.

10. CORPORATE GOVERNANCE

Your Company is committed to achieve the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set by the Regulators/ applicable laws. Our focus on corporate governance, where investor and public confidence in companies is no longer based strictly on financial performance or products and services but on a company's structure, its Board of Directors, its policies and guidelines, its culture and the behaviour of not only its officers and directors, but also all of its employees

11. ACKNOWLEDGEMENT AND APPRECIATION

Your Directors take this opportunity to thank the Company's customers, shareholders, suppliers, bankers, financial institutions and the Central and State Governments for their unstinted support. The Directors would also like to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board

Sd/-

S. K. ARYA

Chairman

DIN : 00004626

Place: Gurgaon (Haryana)

Date: 12.08.2015

Form MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L74899DL1996PLC083073
- ii) Registration Date : 05.11.1996
- iii) Name of the Company : JBM Auto Limited
- iv) Category / Sub-Category of the Company : Public Company / Limited by shares
- v) Address of the registered office and contact details : 601, Hemkunt Chamber,
89, Nehru Place, New Delhi – 110019
Tel : 011 26427104
Fax : 011 26427100
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : MCS Share Transfer Agent Ltd.
F-65, 1st Floor,
Okhla Industrial Area, Phase- 1
New Delhi – 110020
Tel : 011 41406149

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sheet Metal Components for Automobiles	25910	84.98
2	Tools & Dies for Automobiles	28221	14.95

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shareheld	Applicable Section
1	JBM Auto System Private Limited	U34300TN1998PTC046810	Subsidiary	73.89	2(87)(ii)
2	JBM Ogihara Automotive India Limited	U27100DL2009PLC187584	Subsidiary	51.00	2(87)(ii)
3	Indo Toolings Private Limited	U28931MP2008PTC034503	Associate	50.00	2(6)
4	JBM MA Automotive Private Limited	U29220PN2007PTC155874	Associate	50.00	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (face value of equity share is ₹ 10/- each)				No. of Shares held at the end of the year (face value of equity share is ₹ 5/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a) Individual/ HUF	290171	–	290171	2.85	1153684	–	1153684	2.83	0.02
b) Central Govt	–	–	–	–	–	–	–	–	–

Category of Shareholders	No. of Shares held at the beginning of the year (face value of equity share is ₹ 10/- each)				No. of Shares held at the end of the year (face value of equity share is ₹ 5/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	6032415	-	6032415	59.15	24129540	-	24129540	59.15	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub -total (A) (1):	6,322,586	-	6,322,586	62.00	25,283,224	-	25,283,224	61.98	0.02
2. Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	6322586	-	6322586	62.00	25283224	-	25283224	61.98	0.02
B. Public shareholding									
1. Institutions									
a) Mutual Funds	23607	300	23907	0.23	-	1200	1200	-	0.23
b) Banks / FI	-	300	300	-	-	1200	1200	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Co.	1080	-	1080	0.01	4320	-	4320	0.01	-
g) FIs	-	120	120	-	3942	480	4422	0.01	0.01
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	24687	720	25407	0.25	8262	2880	11142	0.03	0.22
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2452213	2220	2454433	24.07	9079554	8880	9088434	22.28	1.79
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (face value of equity share is ₹ 10/- each)				No. of Shares held at the end of the year (face value of equity share is ₹ 5/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	786836	84178	871014	8.54	3039961	277431	3317392	8.13	0.41
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	496476	–	496476	4.87	2873487	–	2873487	7.04	2.18
c) NRI	28925	–	28925	0.28	221685	–	221685	0.54	0.26
Sub-total (B) (2):-	3764450	86398	3850848	37.75	15214687	286311	15500998	38.00	0.238
Total Public Shareholding (B)=(B)(1)+(B) (2)	3789137	87118	3876255	38.00	15222949	289191	15512140	38.02	0.017
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	10111723	87118	10198841	100	40506173	289191	40795364	100.00	–

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year having face value of ₹ 10/- each			No. of Shares held at the end of the year having face value of ₹ 5/- each			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
		6,322,586	62.00	Nil	25,283,224	61.98	Nil	0.02

Note : During the year 1900 numbers of shares transferred by the two Promoters only. Date wise transfer details are given below in point no. (iii) of said two Promoters.

The increase in number of shares was due to the sub-division of face value of equity shares from ₹ 10/- each to ₹ 5/- each and issue of Bonus shares in the ratio of 1:1 i.e. one new equity share of existing one equity share of ₹ 5/- each.

(iii) Change in Promoters' Shareholding

Name	Opening (01.04.2014) & Closing Shares (31/03/2015)	Date of change	Transactions	Reason
A TO Z SECURITIES LTD.	1047540	01/04/2014	–	
	2095080	10/10/2014		Stock Split ₹ 5.00
	4190160	17/10/2014		Bonus 1 : 1
	4190160	31/03/2015	–	

Name	Opening (01.04.2014) & Closing Shares (31/03/2015)	Date of change	Transactions	Reason
ANS HOLDING PRIVATE LIMITED	514749	01/04/2014	–	
	1029498	10/10/2014		Stock Split ₹ 5.00
	2058996	17/10/2014		Bonus 1 : 1
	2058996	31/03/2015	–	
FOCAL LEASING & CREDITS LIMITED	394783	01/04/2014	–	
	789566	10/10/2014		Stock Split ₹ 5.00
	1579132	17/10/2014		Bonus 1 : 1
	1579132	31/03/2015	–	
JBM BUILDERS PRIVATE LIMITED	757708	01/04/2014	–	
	1515416	10/10/2014		Stock Split ₹ 5.00
	3030832	17/10/2014		Bonus 1 : 1
	3030832	31/03/2015	–	
JBM INDUSTRIES LIMITED	180	01/04/2014	–	
	360	10/10/2014		Stock Split ₹ 5.00
	720	17/10/2014		Bonus 1 : 1
	720	31/03/2015	–	
NAP INVESTMENT AND LEASING PVT. LTD.	568654	01/04/2014	–	
	1137308	10/10/2014		Stock Split ₹ 5.00
	2274616	17/10/2014		Bonus 1 : 1
	2274616	31/03/2015	–	
SMC CREDITS LIMITED	1892565	01/04/2014	–	
	3785130	10/10/2014		Stock Split ₹ 5.00
	7570260	17/10/2014		Bonus 1 : 1
	7570260	31/03/2015	–	
SHUKLAMBER EXPORTS LIMITED	856206	01/04/2014	–	
	1712412	10/10/2014		Stock Split ₹ 5.00
	3424824	17/10/2014		Bonus 1 : 1
	3424824	31/03/2015	–	
SURENDRA KUMAR ARYA (HUF)	72214	01/04/2014	–	
	144428	10/10/2014		Stock Split ₹ 5.00
	288856	17/10/2014		Bonus 1 : 1
	288856	31/03/2015	–	
NISHANT ARYA	84850	01/04/2014	–	
	169700	10/10/2014		Stock Split ₹ 5.00
	339400	17/10/2014		Bonus 1 : 1
	339400	31/03/2015	–	

Name	Opening (01.04.2014) & Closing Shares (31/03/2015)	Date of change	Transactions	Reason
NEELAM ARYA	84040	01/04/2014	–	
	168080	10/10/2014		Stock Split ₹ 5.00
	336160	17/10/2014		Bonus 1 : 1
	336160	31/03/2015	–	
SURENDRA KUMAR ARYA	29535	01/04/2014	–	
	59070	10/10/2014		Stock Split ₹ 5.00
	118140	17/10/2014		Bonus 1 : 1
	118140	31/03/2015	–	
RAM RICHPAL AGARWAL	3600	01/04/2014		
	3150	30/06/2014	-450	Transfer
	3100	04/07/2014	-50	Transfer
	2950	11/07/2014	-150	Transfer
	2910	25/07/2014	-40	Transfer
	2710	08/08/2014	-200	Transfer
	2610	22/08/2014	-100	Transfer
	2500	05/09/2014	-110	Transfer
	2400	12/09/2014	-100	Transfer
	2300	03/10/2014	-100	Transfer
	4400	10/10/2014	2100	Stock Split ₹ 5.00
	8600	17/10/2014	4200	Bonus 1 : 1
	8400	19/12/2014	-200	Transfer
	8200	13/02/2015	-200	Transfer
8200	31/03/2015	–		
SATYA PRIYA ARYA	525	01/04/2014	–	
	1050	10/10/2014		Stock Split ₹ 5.00
	2100	17/10/2014		Bonus 1 : 1
	2100	31/03/2015	–	
VISHUDHA DEVI ARYA	400	01/04/2014		
	300	12/09/2014	-100	Transfer
	200	30/09/2014	-100	Transfer
	400	10/10/2014	200	Stock Split ₹ 5.00
	800	17/10/2014	400	Bonus 1 : 1
	800	31/03/2015	–	
ESHA ARYA	15007	01/04/2014	–	
	30014	10/10/2014		Stock Split ₹ 5.00
	60028	17/10/2014		Bonus 1 : 1
	60028	31/03/2015	–	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs :

Name	Opening & Closing Shares 01/04/2014 and 31/03/2015	% of Shares	Date	Transactions	Reason	Cumulative Shares Date wise closing Shares	% of Shares
ZEAL IMPEX AND TRADERS PRIVATE LIMITED	1004742	9.85	01/04/2014				
			10/10/2014	1004742	Stock Split ₹ 5.00	2009484	19.70
			17/10/2014	2009484	Bonus 1 : 1	4018968	9.85
	4018968	9.85	31/03/2015				
AMITY INFOTECH PVT. LTD.	1000000	9.81	01/04/2014				
			10/10/2014	1000000	Stock Split ₹ 5.00	2000000	9.81
			17/10/2014	2000000	Bonus 1 : 1	4000000	9.81
	4000000	9.81	31/03/2015				
ANIL KUMAR GOEL	176500	1.73	01/04/2014				
			18/04/2014	3464	Transfer	179964	1.76
			25/04/2014	-179964	Transfer	–	–
	–	–	31/03/2015				
M. AGARWAL STOCK BROKERS (P) LTD.	57490	0.56	01/04/2014				
			12/09/2014	-17000	Transfer	40490	0.40
			19/09/2014	-37777	Transfer	2713	0.03
			10/10/2014	2713	Stock Split ₹ 5.00	5426	0.03
			17/10/2014	5426	Bonus 1 : 1	10852	0.03
			31/12/2014	3148	Transfer	14000	0.03
	14000	0.03	31/03/2015				
WALLFORT FINANCIAL SERVICES LTD	50000	0.49	01/04/2014				
			25/07/2014	-25000	Transfer	25000	0.25
			29/08/2014	-25000	Transfer	–	–
			12/12/2014	25000	Transfer	25000	0.0613
25000	0.06	31/03/2015					
SL CHOKHANY LEASING & FINANCE COMPANY PRIVATE LTD	46711	0.46	01/04/2014				
			04/04/2014	2487	Transfer	49198	0.48
			02/05/2014	302	Transfer	49500	0.49
			30/05/2014	323	Transfer	49823	0.49
			06/06/2014	-49000	Transfer	823	0.01
			10/10/2014	823	Stock Split ₹ 5.00	1646	0.01
			17/10/2014	1646	Bonus 1 : 1	3292	0.01
			28/11/2014	231	Transfer	3523	0.01
			13/02/2015	300	Transfer	3823	0.01
			27/03/2015	-3448	Transfer	375	–
375	–	31/03/2015					

Name	Opening & Closing Shares 01/04/2014 and 31/03/2015	% of Shares	Date	Transactions	Reason	Cumulative Shares Date wise closing Shares	% of Shares
JNJ HOLDINGS PVT. LTD.	45000	0.44	01/04/2014				
			04/04/2014	-7000	Transfer	38000	0.37
			11/04/2014	-2000	Transfer	36000	0.35
			18/04/2014	-7269	Transfer	28731	0.28
			02/05/2014	-4200	Nil	24531	0.24
			09/05/2014	-3077	Transfer	21454	0.21
			16/05/2014	-3000	Transfer	18454	0.18
			06/06/2014	-700	Transfer	17754	0.17
			13/06/2014	-7531	Transfer	10223	0.10
			20/06/2014	-5724	Transfer	4499	0.04
			30/06/2014	-3100	Transfer	1399	0.01
			11/07/2014	-1000	Transfer	399	-
			18/07/2014	-398	Transfer	1	-
			10/10/2014	1	Stock Split ₹ 5.00	2	-
			17/10/2014	2	Bonus 1 : 1	4	-
			23/01/2015	50669	Transfer	50673	0.12
			30/01/2015	31000	Transfer	81673	0.20
			06/02/2015	4000	Transfer	85673	0.21
			13/02/2015	-7500	Transfer	78173	0.19
		27/03/2015	-173	Transfer	78000	0.19	
	78000	0.19	31/03/2015				
ARVINDKUMAR J SANCHETI	42866	0.42	01/04/2014				
			04/04/2014	-2000	Transfer	40866	0.40
			11/04/2014	-1000	Transfer	39866	0.39
			09/05/2014	1000	Transfer	40866	0.40
			16/05/2014	-1410	Transfer	39456	0.39
			19/09/2014	-300	Transfer	39156	0.38
			10/10/2014	39156	Stock Split ₹ 5.00	78312	0.38
			17/10/2014	78312	Bonus 1 : 1	156624	0.38
			24/10/2014	-1500	Transfer	155124	0.38
			31/10/2014	-2000	Transfer	153124	0.38
		30/01/2015	-500	Transfer	152624	0.37	
	152624	0.37	31/03/2015				
TRUPTI UDAY MERCHANT	40000	0.39	01/04/2014				
			11/04/2014	-10000	Transfer	30000	0.29
			10/10/2014	30000	Stock Split ₹ 5.00	60000	0.29
			17/10/2014	60000	Bonus 1 : 1	120000	0.29
	120000	0.29	31/03/2015				

Name	Opening & Closing Shares 01/04/2014 and 31/03/2015	% of Shares	Date	Transactions	Reason	Cumulative Shares Date wise closing Shares	% of Shares
JAYSHREE SAMEER CHANDURKAR	37500	0.37	01/04/2014				
			25/04/2014	-4826	Transfer	32674	0.32
			02/05/2014	-6550	Transfer	26124	0.26
			25/07/2014	-50	Transfer	26074	0.26
			08/08/2014	-1581	Transfer	24493	0.24
			15/08/2014	-500	Transfer	23993	0.24
			22/08/2014	-500	Transfer	23493	0.23
			29/08/2014	-1500	Transfer	21993	0.22
			05/09/2014	-2500	Transfer	19493	0.19
			12/09/2014	-3000	Transfer	16493	0.16
			19/09/2014	-1606	Transfer	14887	0.15
			30/09/2014	-1500	Transfer	13387	0.13
			03/10/2014	-500	Transfer	12887	0.13
			10/10/2014	12887	Stock Split ₹ 5.00	25774	0.13
			17/10/2014	24774	Bonus 1 : 1	50548	0.12
			07/11/2014	-780	Transfer	49768	0.12
			16/01/2015	-1000	Transfer	48768	0.12
		06/02/2015	-2000	Transfer	46768	0.11	
	46768	0.11	31/03/2015				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of shares at the beginning of the year (face value ₹ 10/- each)	% of total shares of the company	Date	Increase/ Decrease in shareholding (face value ₹ 5/- each)	Reason	No. of shares (face value ₹ 5/- each)	% of total shares of the company
A	DIRECTORS							
1	S. K. Arya (Chairman)	29535	0.29	10.10.2014 17.10.2014	88605	Sub-division and Bonus issue	118140	0.29
2	Nishant Arya (Non-Executive Director)	84850	0.83	10.10.2014 17.10.2014	254550	Sub-division and Bonus issue	339400	0.83
3	H. R. Saini (Executive Director upto 07.06.2015)	1593	0.06	10.10.2014 17.10.2014	4779	Sub-division and Bonus issue	6372	0.06
4	Mr. Ashok Kr. Agarwal (Non-Executive Director)	Nil	Nil	NA	NA	NA	NA	NA

Sl. No.		Shareholding		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of shares at the beginning of the year (face value ₹ 10/- each)	% of total shares of the company	Date	Increase/Decrease in shareholding (face value ₹ 5/- each)	Reason	No. of shares (face value ₹ 5/- each)	% of total shares of the company
5	Mr. Mahesh Kr. Aggarwal (Non-Executive Director)	Nil	Nil	NA	NA	NA	NA	NA
6	Mrs. Vimal Vasisht (Non-Executive Director)	Nil	Nil	NA	NA	NA	NA	NA
7	Mr. Sandip Sanyal (Additional Director w.e.f. 18.05.2015)	Nil	Nil	NA	NA	NA	NA	NA
B	Key Managerial Personnel (KMP's)							
1	Vivek Gupta, (CFO & Co. Secretary)	200	0.002	09.10.2014	600	Sub-division and Bonus issue	800	0.002
				31.12.2014	500	Transfer	1300	0.003

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	16186.04	2200.31	–	18386.35
ii) Interest due but not paid	31.50	–	–	31.50
iii) Interest accrued but not due	27.58	–	–	27.58
Total (i+ii+iii)	16245.12	2200.31	–	18445.43
Change in Indebtedness during the financial year :				
• Addition	7826.10	2042.17	–	9868.27
• Reduction	2303.40	505.00	–	2808.40
Net Change	5522.70	1537.17	–	7059.87
Indebtedness at the end of the financial year :				
i) Principal Amount	21708.74	3737.48	–	25446.22
ii) Interest due but not paid	21.07	–	–	21.07
iii) Interest accrued but not due	96.95	–	–	96.95
Total (i+ii+iii)	21826.76	3737.48	–	25564.24

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

Sl. no.	Particulars of Remuneration	Mr. H. R. Saini (per annum)	Total Amount (per annum)
1	Gross salary:		
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	27.32	27.32
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.26	1.26
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission -as % of profit -others, specify	Nil	Nil
5	Others, (Provident Fund)	1.94	1.94
	Total (A)	30.52	30.52
	Ceiling as per the Act : ₹ 197.49 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

B. Remuneration to other directors:

(₹ in Lacs)

Sl. no.	Particulars of Remuneration	Mr. S. K. Arya	Mr. Nishant Arya	Mr. Ashok Kumar Agarwal	Mr. Mahesh Kumar Aggarwal	Mrs. Vimal Vasisht	Mr. Sandip Sanyal (w.e.f. 18.05.2015)	Total Amount
1	Independent Directors							
	• Fee for attending board / committee meetings	NA	NA	0.45	0.45	0.20	NA	1.10
	• Commission	NA	NA	Nil	Nil	Nil	NA	Nil
	• Others, please specify	NA	NA	Nil	Nil	Nil	NA	Nil
	Total (1)	–	–	0.45	0.45	0.20	–	1.10
2	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	0.45	0.25	NA	NA	NA	NA	0.70
	• Commission	NA	NA	Nil	Nil	Nil	NA	Nil
	• Others, please specify	NA	NA	Nil	Nil	Nil	NA	Nil
	Total (2)	0.45	0.25	–	–	–	–	0.70
	Total (B)=(1+2)	0.45	0.25	0.45	0.45	0.20	–	1.80
	Total Managerial Remuneration	0.45	0.25	0.45	0.45	0.20	–	1.80
	Overall Ceiling as per the Act	₹ 39.50 Lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ In lacs)

Sl. No.	Particulars of Remuneration of Key Managerial Personnel	CEO	CFO & Company Secretary	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	23.37	23.37
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	NA	0.32	0.32
	(c) Profits in lieu of salary under section 17(3)Income tax Act, 1961	NA	–	–
2	Stock Option	NA	–	–
3	Sweat Equity	NA	–	–
4	Commission			
	– as % of profit	NA	–	–
	– others, specify..			
5	Others, (Provident Fund)	NA	1.94	1.94
	Total	NA	25.63	25.63

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

FORM NO. AOC – 2

**[PURSUANT TO CLAUSE (H) OF SUB-CLAUSE (3) OF SECTION 134 OF
THE COMPANIES ACT, 2013 AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
----- N.A. -----									

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any:
1	Arcelor Neel Tailored Blank Pvt. Ltd.	Private Company in which a Director of the Company is a Director	Purchase of goods or Material	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
2	Gurera Industries Ltd.	Public Company in which Director is a Director holding more than 2% of its paid up Share capital	Payment of Lease Rent	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
3	Indo Toolings Pvt. Ltd.	Associate Company	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
4	JBM Auto System Pvt. Ltd.	Subsidiary Company	Sale of goods or Material	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
5	JBM MA Automotive Pvt. Ltd.	Associate Company	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil

Sl. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any:
6	Jay Bharat Maruti Ltd.	Public Company in which Director is a Director holding more than 2% of its paid up share capital	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
7	JBM Ogihara Automotive India Ltd	Subsidiary Company	Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
8	JBM Industries Ltd	Public Company in which Director is a Director holding more than 2% of its paid up share capital	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil
9	Neel Metal Products Ltd	Public Company in which Director is a Director holding more than 2% of its paid up share capital	Sale and Purchase of goods or Material and Availing or rendering of services And Leasing of property	Ongoing transactions	Based on transfer pricing guidelines	30.05.2014 & 06.02.2015	Nil

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of
Managerial Personnel) Rules, 2014]

To

The Members

JBM AUTO LIMITED

601, Hemkunt Chambers,
89 Nehru Place,
New Delhi-110019

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JBM Auto Limited (“the Company”). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the JBM Auto Limited (Company’s) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by JBM Auto Limited “the Company” for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made under the Act;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under including Listing Agreement entered into by the Company with BSE Limited (“BSE”) and National Stock Exchange Limited (“NSE”) Stock Exchange(s);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under the Act;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made under the Act to the extent applicable to Overseas Direct investment (ODI), Foreign Direct investment (FDI) and External Commercial Borrowings (ECB)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Laws specifically applicable to the Industry to which the Company belongs, as identified by the Management, that is to say:

- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Payment of Gratuity Act, 1972
- The Employees State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Equal Remuneration Act, 1976
- The Employment Exchanges (CNV) Act, 1959

- The Employees Provident Funds & M.P. Act, 1952
- The Contract Labour (Regulation & Abolition) Act, 1970
- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control) Act, 1981
- Environment Protection Act, 1986
- Water (Prevention and Control of Pollution) Act, 1977

I have also examined compliance with the applicable clauses of the Listing agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

During the period under review and as confirmed to me by the management the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, and Listing Agreement etc. mentioned above. I have relied on the judgement of Company Management declaration with regard to Compliance of Tax Laws both Direct and Indirect and other Compliances.

I further report that

Board of Directors is duly constituted with proper balance of Executive Directors, Non Executive Directors, Women Director and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority Decisions is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Board of Directors at their meeting held on August 14, 2014, had discussed and recommended to the shareholders to approve:

1. Sub-division of the face value of equity share from ₹ 10/- each to ₹ 5/- each.
2. Issue of Bonus Shares in the ratio 1:1 i.e. One new equity share for existing one equity share held as on record date. Further, the Shareholders of the Company in their 18th Annual General Meeting held on September 24, 2014 had approved the sub-division of the face value of equity shares from ₹ 10/- each to ₹ 5/- each and issue of Bonus shares, and accordingly Company had issued the Bonus shares to its members whose names was appearing in the register of members of the Company as on the record date i.e. October 9, 2014.

I further report that during the audit period the Board of Director at their meeting held on November 13, 2014 has approved the conduct of Postal Ballot process for getting the shareholders' approval through postal ballot process and decided the cut-off date i.e. November 21, 2014 for voting including e-voting for the matters as stated below:

- (a) Power to Borrow Money under Section 180(1)(c) of the Companies Act, 2013
- (b) Creation of Charge / Mortgage of Assets of The Company under Section 180(1)(a) of the Companies Act, 2013
- (c) Approval for giving loan / guarantee or providing security and acquisition of securities of other body corporate under Section 186(3) of the Companies Act, 2013
- (d) Issue of Securities under section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013.

The Company conducted the whole postal ballot process in the manner as specified under section 110 of the Companies Act, 2013 and rules made thereunder. The results of postal ballot were declared by the Chairman of the Company on January 12, 2015 at the registered office of the Company.

Place: New Delhi
Date: 12.08.2015

Sd/-
Sunita Mathur
Company Secretary in Practice
FCS No. 1743
C P No.: 741

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company's CSR policy has been uploaded in the website of the Company under the web-link: <http://www.jbm-group.com/investor-jal-cp.asp?lk=investorcp>

The Composition of the CSR Committee consisting of:

- i. Mr. S. K. Arya, Chairman
- ii. Mr. Nishant Arya, Member
- iii. Mr. Mahesh Kumar Aggarwal, Member

Average net profit of the Company for last three financial years

Average net profit: ₹ 2259.50 lacs

Prescribed CSR expenditure (2% of the average net profit of the last three financial years)

The Company during the financial year 2014-15 was required to spend ₹ 45.19 lacs on CSR activities

Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year: ₹ 45.19 lacs
- b. Amount unspent : NIL
- c. Manner in which the amount spent during the financial year is detailed below:

(₹ In lacs)

(1) S. No.	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Locations (Unit)	(5) Amount outlay	(6) Amount Spent on the project or programs	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agencies
1	Vocational Skills	Promoting education, including special education and vocation skills.	Plot No. 16, Sector-20B, Faridabad, Haryana	45.19	45.28	45.28	45.28
TOTAL				45.19	45.28	45.28	45.28

Responsibility Statement by the Corporate Social Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Sd/-

Sandip Sanyal
(Executive Director)
DIN : 07186909

Sd/-

S. K. Arya
(Chairman, CSR Committee)
DIN : 00004626

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning & Outgo required under the Companies (Accounts) Rule, 2014

A. Conservation of energy

(i) Steps taken for conservation of energy

Various energy conservation measures taken by the Company during the year under review are:

- a) Replacement of old equipments with new and high rating equipments.
- b) Discipline to switch off lights and machineries, when not working or not in use, is being maintained.
- c) High accuracy welding controller provide in welding line to avoid current variation
- d) Monitoring and analysis of electricity consumption, awareness training to users
- e) Replacement of Mercury lamps with CFL lights, wherever possible to conserve energy
- f) Energy savers have been fitted at many places to reduce energy consumption.
- g) Measures have been taken for availability of natural lightings wherever possible to reduce the load on electrical lighting.
- h) Energy saving Drives installed on the machines to conserve energy.

(ii) Energy cost reduction

- a) At Faridabad unit, the company has installed an Independent Electricity Feeder to avoid frequent electricity trippings.
- b) Also, at Faridabad unit the company has entered into an agreement with Indian Energy Exchange (IEX) for purchase of electricity units at cheaper rates through the bidding process
- c) Constant monitoring to maintain sustainable power consumption level which resulted in optimization of energy consumption.
- d) Minimized compressed air leakage through vigorous maintenance and quantification of leakage in plant, which resulted into reduction in air leakage.
- e) Energy Audit has also been conducted from time to time to avoid the wastages and to reduce the cost of energy.
- f) Installed energy efficient light (LED) in office areas.
- g) Installed energy efficient motors in paint shop which consumes average 30% lesser power than conventional motors
- h) Using auto power cut off mechanism in paint booth oven based on temperature setting to reduce energy consumption
- i) Use of IGBT based welding machines which consumes lesser power. Also it facilitates auto cut off of welding machines in case of exceeding specified idle time to reduce power consumption.

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

(iii) Steps taken by the Company for utilizing alternate source of energy

Company is considering the various alternate source of energy.

(iv) Capital Investment on energy conservation equipments

All energy conservation measures have been taken by process optimization without any major capital investment.

B. Technology absorption

(i) Efforts made towards technology absorption

R&D team is actively engaged in adapting world class aggregates with latest technology like IFS/IPA and multiplexing in our bus. R&D has also teamed up with leading consultants for improving passenger ride and comfort.

(ii) The benefit derived like production improvement, cost reduction, product development or import substitution

This technology adaption resulted in better performance of Buses and unique features for Indian market

(iii) Information regarding imported technology (Imported during last three years)

Detail of Technology Imported	Year of Import	Whether the Technology been fully absorbed
For manufacturing of subframe component front suspension, LWR Arm Assembly R/L for Honda Mobilio.	2014-15	Yes
For manufacturing of assembly of Front Lower, Front Sub Frame, rear Axle Beam for Honda Brio	2013-14	Yes
For manufacturing of assembly of Frame Comp Front, Suspension Lower Arm Assembly R/L FR for Honda Jazz/ Honda City	2012-13	Yes

(iv) Expenditure incurred on research and development

		(₹ in Lacs)
Sl. No.	Particulars	Amounts
(a)	Capital	319.36
(b)	Revenue	271.85
	Total	591.21

C. Foreign Exchange Earnings and Outgo

		(₹ in Lacs)
Foreign exchange earned in terms of actual inflow		818.13
Foreign exchange outgo in terms of actual outflow		3372.43

Management Discussion and Analysis Report

A. ECONOMIC OVERVIEW

I. GLOBAL ECONOMY

The global economy is growing more slowly than expected, with disappointments in developing countries, especially in oil exporting countries and some emerging countries. Forecasts have been revised upwards in the Euro Area and India, but downwards in the United States, Brazil and oil-exporting countries. As a result, growth in the BRICS is increasingly diverging.

Oil prices are at an all time low as unconventional supplies have begun to adjust which otherwise has pressure, current account deficit and other issues. Currency volatility and low commodity prices present challenges to monetary and fiscal policy.

The Global GDP growth in the year 2014 was a modest 3.4%, reflecting a pickup in growth in advanced economies relative to the previous year and a slowdown in emerging markets and developing economies. Complex forces affected global activity in the year 2014 such as lower oil prices and many country or region-specific factors and exchange rate swings triggered by actual and expected changes in monetary policies. Overall, global growth is projected to reach 3.8% in year 2016, in line with the projections in the January 2015 World Economic Outlook (WEO). Global recovery will continue to be moderate and uneven. While developed economies are expected to strengthen, aided by lower oil prices and low interest rates, most emerging economies are expected to slow down moderately, due to country specific reasons with India being an exception. The Indian economy is expected to grow by around 8% in 2015-16.

II. INDIAN ECONOMY

Growth in the gross domestic product is expected to accelerate to around 8% in financial year 2015-16 on improved performance in both industry and services as policy addresses structural bottlenecks and external demand improves.

Growth is expected to edge up further to 8.2% in FY 2016-17, helped by a supportive monetary policy in 2015, as inflation continues to trend lower and by a pickup in capital expenditure.

Selected economic indicators (%) – India	FY 2015-16 *	FY 2016 - 17*
GDP Growth	7.8	8.2
Inflation	5.0	5.5
Current Account Balance (share of GDP)	-1.1	-1.5

*Source – Asian Development Bank (ADB)

The growth picked up in 2014 supported by declined inflation and the comfortable external position positive policies, stable government at the centre and lower global oil prices. The outlook for India is economic strengthening through higher infrastructure spending, increased fiscal to states, and continued reforms to financial and monetary policy. The introduction of Goods and Services Tax (GST), a value added tax that will replace all indirect taxes levied on goods and services by the Government, both Central and States, once implemented, will help to consolidate the economy. This will be one of the biggest taxation reforms that will take place in India once the Bill gets the green signal for implementation.

B. INDUSTRY STRUCTURE AND DEVELOPMENT

The worldwide automotive industry has been enjoying a period of relatively strong growth and profitability, and annual sales have reached pre-recession levels in some regions.

The Indian auto industry is the sixth largest automotive markets in the world. India is also a substantial auto exporter, with solid export growth expectations for the near future. Various initiatives by the Government of India and the major automobile players in the Indian market is expected to make India a leader in the two wheeler and four wheeler market in the world by 2020. The Make in India, Skill India Program are the Govt. of India initiatives in this direction. The Industry has long term plans and vision on where the automotive components Industry and Vehicle Industry could reach in the next 10 years in terms of size, global footprint, contribution to India's GDP, institutional structure and capabilities, regulations required for that kind of size, repair and recycling of automotive vehicles, components and services. The Industry is all set to make Indian Automotive Industry to be engine of growth of the Indian economy which also decides the fortunes of other manufacturing industries i.e Iron, Steel, Aluminum, Machine Tools, Moulds and Dies, Banking and other services. The growth in Indian Automotive Industry have a rolling effect on micro and small and medium Industries and also across multiple sectors. The Indian Automotive Industry has also realized that for sustainable growth the Industry should promote safe, efficient and comfortable mobility for every person with a eye on environment protection through stricter emission norms. The Industry is also focusing on exports to several fold. It is an endeavor of the Govt. and the Automotive Industry to make India as manufacturing and exports hub and to achieve focus competitiveness, technological advancement, infrastructure

Investment and branding. The Industry seeks to increase the share of local vehicles and components, automotive electronics, light weighting materials, moulds, dies and machinery which can save the crucial foreign exchange for the country.

C. INDUSTRY PERFORMANCE IN FINANCIAL YEAR 2014-15

I. PRODUCTION

The industry produced a total of 23,366,246 vehicles including passenger vehicles, commercial vehicles, three wheelers and two wheelers in FY 2014-15 as against 21,500,165 vehicle in FY 2013-14, registering a growth of 8.68%.

II. DOMESTIC SALES VOLUME

The sales of passenger vehicles increased by 3.90% in FY 2014-15 over last year. Within the passenger vehicles segment, passenger cars and utility vehicles increased by 4.99% and 5.30% respectively, while Vans declined by (-) 10.19% in April-March 2015 over the same period last year.

The overall commercial vehicles segment registered a de-growth of (-) 2.83% in April-March 2015 as compared to last year. Medium & Heavy Commercial Vehicles (M&HCVs) grew by 16.02% and light commercial vehicles declined by (-) 11.57%.

Two Wheelers sales registered growth of 8.09% in FY 2014-15 over FY 2013-14. Within the Two Wheelers segment, scooters, motorcycles and mopeds increased by 25.06%, 2.50% and 4.51% respectively in FY 2014-15 over FY 2013-14.

Three Wheelers sales grew by 10.80% in (FY 2014-15 over the last year. Passenger carriers and goods carriers increased by 12.16% and 5.27% respectively in FY 2014-15 over FY 2013-14.

III. EXPORTS

In FY 2014-15, overall automobile exports volume grew by 14.89% over last year. Passenger vehicles, commercial vehicles, three wheelers and two wheelers grew by 4.42%, 11.33%, 15.44% and 17.93% respectively during FY 2014-15 over last year.

Foreign car makers that entered India to tap the domestic market and make it a hub to serve overseas markets are experiencing success. Exports of foreign carmakers increased significantly in FY 2015. In FY 2015 Volkswagon, Nissan and Ford increased the exports of vehicles manufactured in India to South Africa, Mexico and countries in South America and Africa.

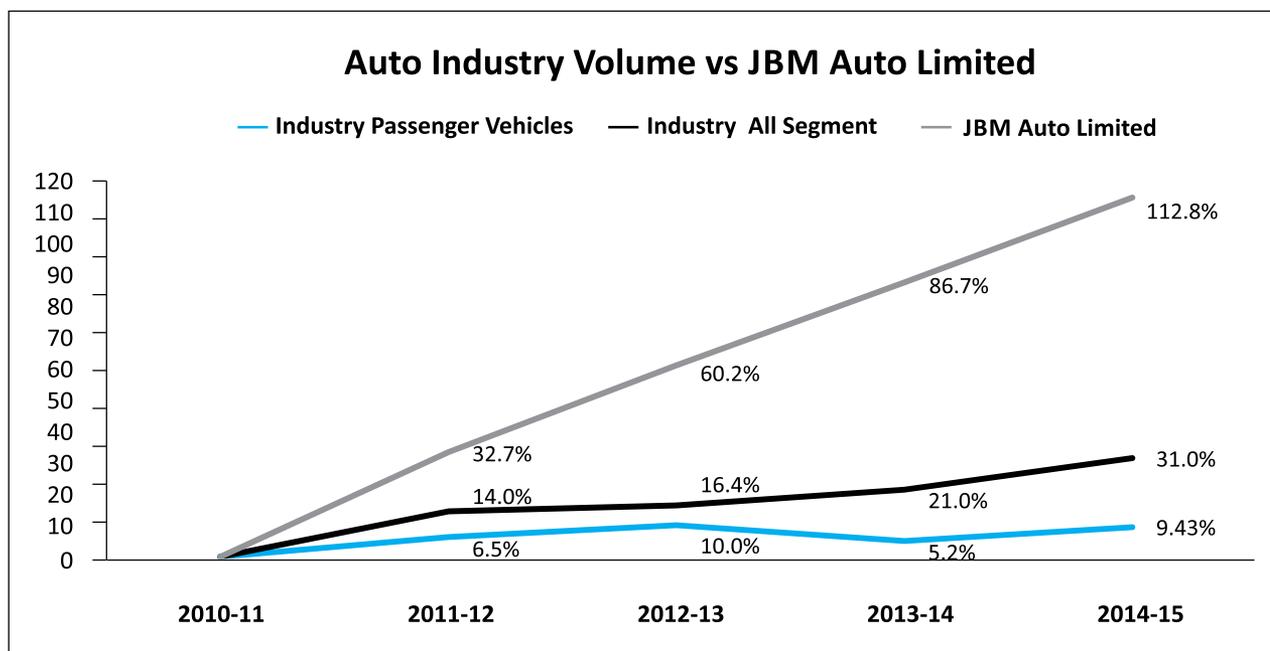
D. FINANCIAL/OPERATIONAL PERFORMANCE & ANALYSIS (CONSOLIDATED)

I. The highlights of your company's performance in the current fiscal year are hereunder:

- i) Total Revenue increased to ₹ 1561.04 crore in the FY 2014-2015 from ₹ 1369.48 crore in previous year, an increase of 13.99%.
- ii) Consolidated Profit After Tax increased to ₹ 76.41 crore in the FY 2014-2015 from ₹ 50.21 crore in previous year, an increase of 52.18%
- iii) Net Worth of the Company as on 31stMarch,2015 is ₹ 300.63 crore as compared to ₹ 237.26 crore in previous year, an increase of 26.71%.
- iv) Earning Per Share has increased to ₹ 18.25 per share as compared to ₹ 12.19 per share in the previous year, an increase of 49.71%.
- v) The Book Value Per Share has increased to ₹ 63.94 as compared to ₹ 45.90 per share in the previous year, an increase of 39.30%.

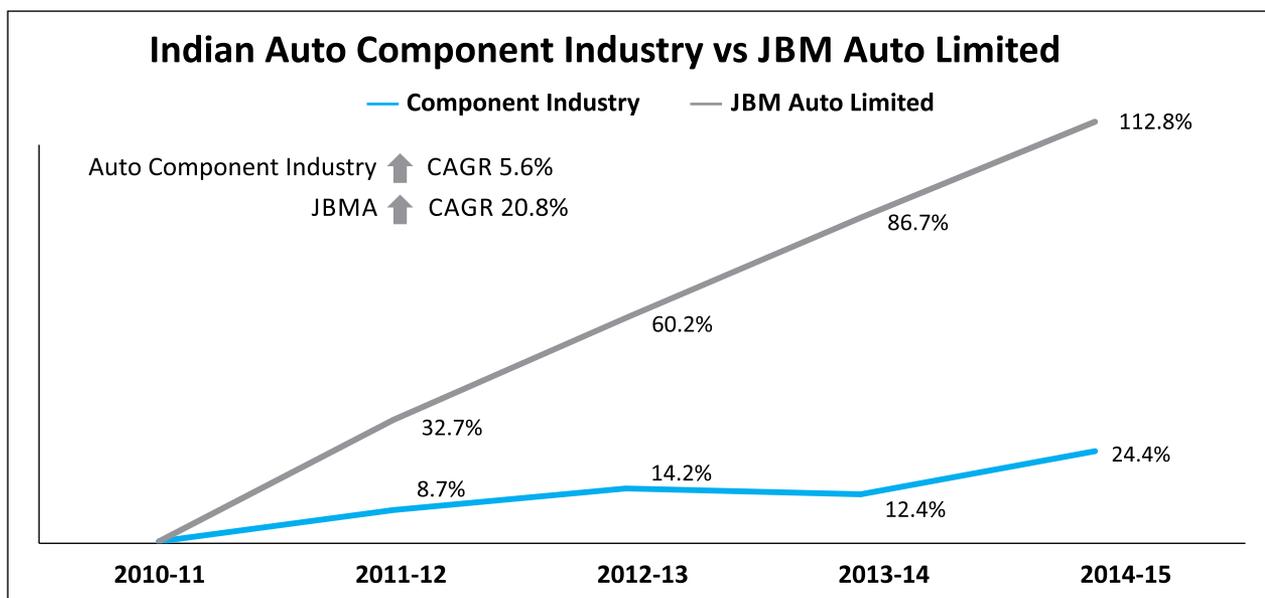
Your Company is on a fast track of growth and is continuously achieving new heights. It has outshone the Industry growth and is continuously making efforts for improvement.

Auto Industry vs JBM Auto Limited



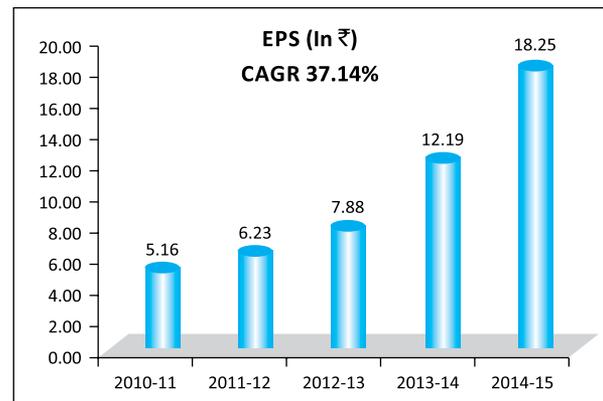
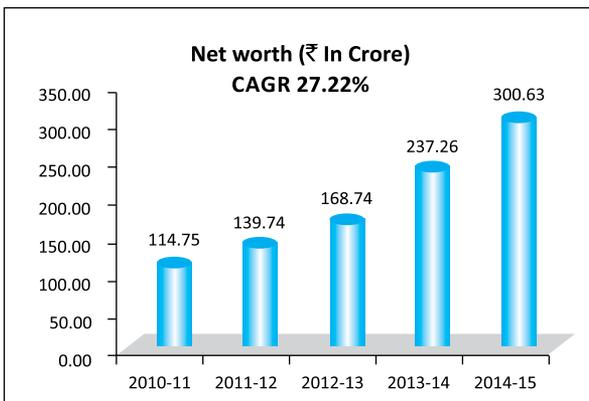
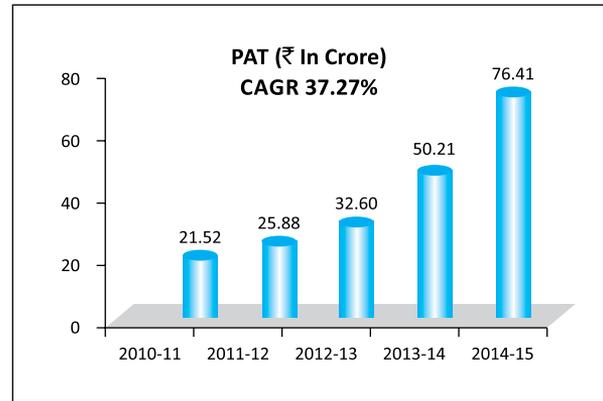
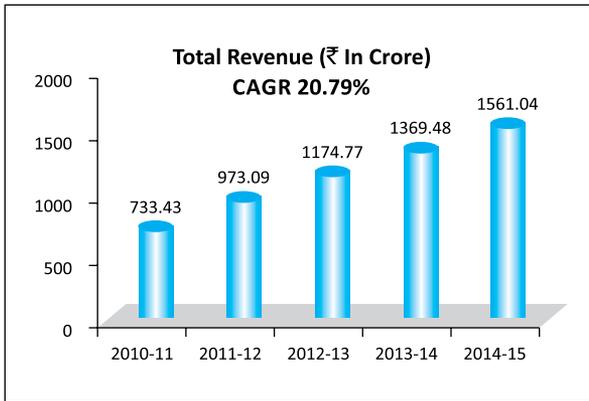
(Industry Source: ACMA)

1. Passenger car production in 2014-15 is almost at same level as against 2010-11 (Nos. of Vehicle in 2014-15: 24.17 Lacs, 2010-11: 24.53 Lacs). CAGR of the segment is negative.
2. Total vehicle Industry has reported a growth of 30.6% as against 2010-11 (Nos. of Vehicle in 2014-15: 233.64 Lacs, 10-11: 178.92 Lacs). This is mainly due to growth in 2W/3W. CAGR of Total Industry is 6.9%.
3. JBM Auto Limited has reported a significant growth in previous 5 years inspite of unfavourable industrial growth in related Business segment (4W/CVs). JBMA has registered a growth of 112.8% in last 5 years and CAGR of JBMA is 20.8% over the period of last 5 years.



1. Indian Auto Component Industry in 14-15 has reported a growth of 24.4% as against 10-11 (Revenue in 14-15: ₹ 2.34 Lac Crore, 10-11: ₹ 1.88 Lac Crore). CAGR of Auto Component Industry is 5.6% over the period of last 5 years.
2. JBM Auto Limited has reported significantly better growth in the previous 5 years as compared to Auto Component Industry (Revenue in 14-15: ₹ 1561.04 Crore, 10-11: ₹ 733.43 Crore). CAGR of JBM Auto Limited is 20.8% over the period of last 5 years.

- Consolidated Performance of your Company for the past 5 years



II. Segment wise performance

The segment wise performance of the Company during 2014-2015 is as follows:

Consolidated

(₹ in Crore)

Particulars	Component Division		Tool Room Division		Bus Division	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Total Revenue	1461.36	1243.15	99.68	126.33	–	–
Profit before interest & tax	129.30	94.94	22.86	20.88	(1.29)	–

E. WORKING CAPITAL MANAGEMENT

The Company follows prudent working capital management practices for managing its day-to-day requirements of working capital funds. The Company focuses on timely collection of receivables mostly through electronic mode and optimum inventory levels considering the JIT supply to customers which helps in reducing the working capital requirement. The payment mechanism is linked with customer collection and to bridge the working capital gap funds are borrowed at competitive rates for shorter tenor to avoid fixed liability of interest. The company enjoys credit facilities from various banks including factoring /invoice discounting, working capital demand loans etc.

F. RISKS & CONCERNS

The fostering of a healthy national automotive industry requires stable government policies both at the macro and micro economic levels, which promote the development of automotive production and sales. The Company is exposed to external and internal risks associated with the business. The operations are mainly dependent on the growth of the Indian Automotive industry. General economic conditions impact the automotive industry and in turn the operations of the Company as well.

The Company has in place the Risk Management Policy which prescribes the methodology for risk mitigation of regular operational risk associated with the Company. Various risks are identified, categorized based on their severity & probability/ likelihood of their occurrence. These operational risks are managed through an Enterprise Risk Management System with periodic review and control mechanism. Continuous efforts are made towards mitigation of risk arising due to external factors or unforeseen circumstances by

way of having adequate insurance coverages and continuously reassessing risk & taking steps to mitigate them.

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

- Increase in raw materials cost especially of steel;
- Increase in petroleum prices reduces the purchasing power of the customer which results in decrease in sales of automobiles;
- Increase in interest rate by banks;
- Slowdown in the economy;
- Currency depreciation;
- Credit and default risks;

RISK MITIGATION MEASURES

- Implement cost reduction through budgetary control of operating expenses;
- Retain and motivate talent by focused employee development programs;
- Process improvements projects in both manufacturing and administrative areas to sustain growth for future so as to increase business competence;
- Diversification into new product lines so as to ensure the sustainable growth for the future;
- The Company has an appropriate policy for transactions in foreign exchange. Appropriate hedging strategy is followed without exposures to undue risks. Most of the foreign currency exposures are hedged;
- Emphasis on Research & Development

G. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Given the nature of business and size of operations, your Company’s Internal Control System has been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable Accounting Standards and Policies.
- Compliance with applicable statutes, policies and management policies and procedures.
- Effective use of resources and safeguarding of assets.

The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures. Your Company, through its own Internal Auditor, carried out periodic audits at all locations and functions based on the plan approved by the Audit Committee and brought out any deviation to Internal Control procedures. The observations arising out of the audit are periodically reviewed and compliance ensured.

To have robust internal financial controls the Company has in place Standard Operating Procedures for all business process. To further strengthen the Internal control in routine transactions the Company has reviewed its segregation of duties in ERP and is in the process of creating standard Roles for all modules and the assigning of authorization in ERP shall be based on such standard roles

The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee. The status of implementation of the recommendations is reviewed by the Audit Committee on a regular basis and concerns, if any, are reported to the Board.

H. HUMAN RESOURCE

The Company’s HR process ensures the availability of a competent and motivated team of employees. The Company continuously endeavours 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 and trained workforce is the key reason for growth of the company. To enhance the productivity, company has developed the 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 behaviour 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 programs 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 through training

programs like operational leadership, decision making, problem solving, result orientation, strategic planning etc. by renowned soft skill trainers.

The Company observes special weeks with themes of Safety, Quality, 5-S and Kaizen. Apart from these formal weeks, we have various celebrations such 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.

We have celebrated ISQ week which is based on our three Non Negotiable Values – Integrity, Safety & Quality. To encourage the spirit of ISQ and create awareness various activities like poster, slogan, creative art, rangoli competitions including quiz contest were organized and winners were appreciated with rewards.

We recognize our performers through various reward system like Rising Star Award for the newly joined employees and Star Performance Award for Operators. Squadron Award has also been introduced to recognize the CFT efforts and team work.

As a part of the regular HR activity, we have organized Blood Donation Camps with the support of Red Cross Society.

Financial Year 2014-15 was declared as a year of ‘Tayaari Udaan Ki’ to take off for our Vision 2020. ISQ is an integral DNA of Tayaari Udaan Ki.

To harness the leadership skills of the employees, the Company has further extended the “DRIVE” Leadership Development Program. This step shall help the company in putting the employees on fast track learning and who shall eventually be the prospective department heads or occupy senior position in the company and also act as an inspiration for others who look forward to promising career.

The Company had 716 permanent employees as on 31st March, 2015. The industrial relations remained peaceful and cordial throughout the year.

I. RESEARCH AND DEVELOPMENT

1) Bus division

The Company has set up a state of art Research and Development centre at Kosi.

The R&D Centre is a recognized In House R&D Unit by the Ministry of Science and Technology, Department of Scientific and Industrial Research, Technology Bhavan, New Mehrauli Road, New Delhi – 110016

The R&D Centre is focusing on enhancing product portfolio of buses, development of various variants viz CNG, diesel, for premium and standard applications. During the year R&D Centre has successfully integrated aggregates like independent front suspension, inverted portal axle and has also worked on localization with proven international performance parameters thereby ensuring safety, comfort and ease to the passengers.

The R&D Team is engaged in development of its variants like premium and standard by using in house modelling, engineering, simulation and prototyping facilities. Several other processes of product development are part of this initiative to deliver robust design in short duration, component development and system validation with competent suppliers.

The R&D Team is focussing on modularity, development of parts, Quality, Cost, Delivery, Development (QCDD), creating adequate competency for delivery of quality products and creating multiplicity of products.

Our R&D has also given a lot of emphasis on improving the robustness of product design. Comprehensive reliability program has been executed to identify and improve product performance and durability parameters. Accelerated testing and validation has been carried out in various road-load duty cycles and test tracks to identify the product irritants and concerns by resolving them with efficiency.

The key areas where R&D centre will be focusing on developing the products as per forthcoming regulations, enhancing product performance specially NVH (noise & vibration) reduction, fuel efficiency and achieving cost efficiency in the product.

R&D team is actively engaged in adapting world class aggregates with latest technology like IFS/IPA and multiplexing in our bus. Real time data has been captured and simulated for improving passenger ride and comfort.

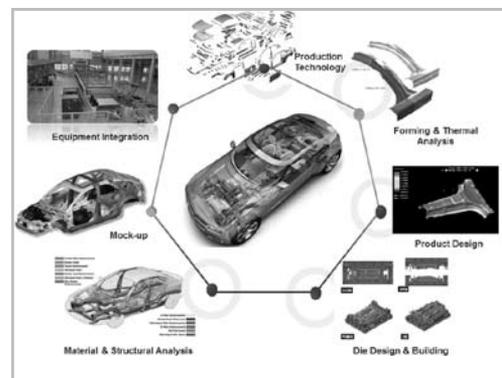


II) Component & Tooling division

The Company carries out In house research and development to continuously improve upon its products, increasing efficiency, cost reduction and has been consistently focusing on frugal engineering processes to upgrade, modernize and increase the product portfolio.

The key focus areas have been efficiency enhancement through design change and light weighting, thus continuously evolving and improving the systems and processes.

The Company is also using concurrent engineering and simultaneous engineering by involving the Tier I, Tier II suppliers in design, development and engineering stage which helps to reduce the development time, gives cost advantage, time reduction and also gives a robust design to the customer. Your company uses simultaneous engineering whereby the supplier is also involved in process engineering and manufacturing feasibility which cuts down on time and cost.



The Company uses alternate material for the moving /chassis/body parts which require fatigue strength. The selection of high tensile steel and micro alloy steel meets the required tensile requirement and imparts strength, while the weight of the material is quite low. This step provides cost advantage and makes the products of JBMA globally competitive. The genesis of using the alternate material is our focus on innovation.

J. BUS OUTLOOK

The company launched India's first True Low Floor Bus – 'CITYLIFE' at the Auto Expo 2014 showcasing the state-of-the-art technology consisting of many unique features like monocoque structure, Independent Front Suspension (IFS), Inverted Portal Axles (IPA) and Disc Brakes with ABS, ITES/PIS on all wheels among many more which gives a completely low floor bus with superior ride and handling with enhanced safety.

Developed in India, the CNG base model of 'CITYLIFE' having undergone the product validation process has secured the homologation certificate as well.

The production of this model has commenced from the first half of financial year 2015-16 alongwith the development of application specific variants like Tarmac and School Buses.

Further, the Bus division has also developed the prototype of the base model of Premium and Standard Diesel for the 'CITYLIFE'.

The Company is betting high on 'CITYLIFE' and expects to generate good presence in Tier I and Tier II cities for its multiple products for different applications. The Company has initiated development of the state of art after sales services for its customer. Your Company is pursuing plans for various products among other variants with new technologies as per market requirement.

K CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company at the Board Meeting held on February 6, 2015 approved a Policy on CSR and the Policy was hosted on the website of the Company.

As part of CSR initiatives, your Company during the financial year 2014-15 has amongst other activities, undertaken projects in areas of Vocational Skills Training program as an approved CSR activity in accordance with Schedule VII of the Companies Act, 2013.

The Company has established Skill Development Center (SDC) at Faridabad as an approved Vocational Training Program (VTP) under Ministry of Skill Development, Government of India to offer Production, Manufacturing, Fabrication and Sector based MES training courses. This center is registered with Directorate General of Industrial Training (Haryana), Chandigarh. In addition the SDC is also registered with Government of Arunachal Pradesh and Government of Chhattisgarh. Other new Skill Development Centers are also being established at Sanand (Gujarat) and Chennai (Tamilnadu).

We adopt DUAL SYSTEM with 'earn while you learn' approach in our skill development training courses i.e basic training in training center & on job training in plants. We provide training to school leavers & drop-outs in the field of tool & die making, machine tool operation, welding, and press operation.

During the year under review, a diploma course has been started in Mechanical Engineering on 'learn & earn' concept for 10th pass candidates with a training duration of 4-Year (2 Year SDC + 2 Year University enrolment). We are also training industry personnel & engineering students on finishing school concept through short term training courses.

Sponsored candidates through Ministry of DoNER, GOI, Government of MP- MAPCET & CRISP and Government of Chhattisgarh are regularly coming to our SDC for employment oriented skill development training courses. So far we have trained more than 1000 candidates in last 2 years, and in the FY 2015-16, we plan to train 1000 candidates in our SDCs.

The report on CSR activities during the year is attached as Annexure-IV to the Directors' Report.

L. ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company is committed to provide high quality products without adversely affecting the natural resources, the environment, health and safety of all the stakeholders. The Company is committed to:

- a) Establish, measure, monitor, assess and continually improve health, safety and environmental performance through compliance management and control of hazardous waste.
- b) Comply all environmental, occupational health, safety (OH&S) and other statutory/ regulatory requirements.
- c) Regularly upgrade knowledge & skill of employees through professional development & training
- d) Effective management of operational activities to minimize the adverse impact of operations on the environment, health and safety.
- e) Implementing effective policies for environment conservation.
- f) Established an environmental health and safety management team to continually monitors, sets and reviews the environment, health and safety objectives and targets.
- g) Reduce waste and implement effective recycling of waste at manufacturing operations. Going forward, the Company will continue to align it's business development to support inclusive growth, social equity and concern for the environment, thereby creating value for all the stakeholders.

M. OPPORTUNITIES FOR INDIAN AUTO COMPONENT INDUSTRY

i) Government Initiatives

The Government of India encourages foreign investment in the automobile sector and allows 100% FDI under the automatic route. Excise duty on small cars, scooters, motorcycles and commercial vehicles was reduced in February 2015 to 8% from 12% to boost the 'Make in India' initiative of the Indian government.

ii) Global Components Sourcing Hub

Major global OEMs have made India a component sourcing hub for their global operations. Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries.

India is also emerging as a sourcing hub for engine components, with OEMs increasingly setting up engine manufacturing units in the country.

iii) Improving Product-Development Capabilities

Increased investments in R&D operations and laboratories are being setup to conduct activities such as analysis, simulation and engineering animations. The growth of global OEM sourcing from India and the increased indigenization of global OEMs is turning the country into a preferred designing and manufacturing base.

iv) Inorganic Route to Expansion

Domestic players are acquiring global companies to gain access to latest technology, expand their client base and diversify revenue streams.

v) Investment

The country is witnessing a favorable investment environment in all the sectors including automobile after the formation of new government under the leadership of Hon'ble Prime Minister Sh. Narendra Bhai Modi.

vi) Market Size

The Indian auto component industry is one of India's sunrise industries with tremendous growth prospects. From a low-key supplier providing components to the domestic market alone, the industry has emerged as one of the key auto components centers in Asia and is today seen as a significant player in the global automotive supply chain.

vii) End of Life Policy : The Govt. is envisaging the implementation of an End of Life policy for automotive vehicles and components which is in line with safety and preservation of environment. The policy will ensure retirement of vehicles after a stipulated usage thereby creating demand for new and more efficient vehicles.

viii) Implementation of Bus Code : The recent implementation and updation of the Bus Code in 2014, the Govt. has very clearly down played the role of the unorganized sector in the bus manufacturing business thereby giving uniform structure to the bus segment and also ensuring the quality and safety of the products. The Govt. has also defined a premium bus category for city applications.

ix) **Free Trade Agreements** : The Govt. is promoting Free Trade Agreements for auto industries which will bring more export opportunities for the domestic auto component players.

x) **Road Ahead**

The rapidly globalizing world is opening new avenues for the transportation industry, generating the need for more efficient, safe and reliable modes of transportation, which is subsequently adding to the auto component industry's growing opportunities. According to a report by the Confederation of Indian Industry (CII), the Indian Auto Component Industry is set to become the third largest in the world by 2025.

N. THREATS / CHALLENGES' TO INDIAN AUTO COMPONENT INDUSTRY

- i) Global competition from other low cost countries like China, Taiwan, Thailand etc.
- ii) Expansion of the European Union inclusion of Hungary, Czech Republic Poland etc which are major exporting countries to western Europe.
- iii) Rupee depreciation
- iv) Developments of new technologies like fuel cell, hydrogen powered vehicles, which may affect the auto component industry.
- v) High cost of capital
- vi) Optimum capacity utilization
- vii) Building R&D competence & ecosystem
- viii) Availability of skilled labour

O. BUSINESS OUTLOOK

The prospects of the auto component industry are closely linked to the economic growth. The Company has been continuously working on improving its operating efficiency, quality, diversifying its product range and adding optimal capacity as per the requirements of the customers. The Company will safeguard its culture of continuous improvements, teamwork, discipline and stakeholder sensitivity.

It is expected that the new and stable Central Government will bring economic stabilization, growth in economy and boost investment climate and market sentiment. Hence, the revenue in the coming years is expected to be better than the previous years.

With the Government's "Make in India" initiative boosting manufacturing and moderate growth in GDP (estimated to be around 8% during the current fiscal) spurring Industry, commodity prices under control and growth in industrial activity visible being indicators of a positive outlook – the Indian auto sector is set for a better ride this fiscal.

Car makers, both domestic and foreign have lined up investments of almost \$ 10 billion or nearly Rupees 60000 crores over the next few years for creating more capacities and also entering into newer segments. The expansion plans renew the long term Indian markets, prospects besides exploiting its potential as an exports market. The above proposed investments in new products and research and development reinforces the brand India globally by the "Make in India" initiative. With the above investments, the auto components industry is also expected to get major boost.

The Company has foreseen the scenario of incoming proposed domestic and foreign investments in Gujarat. In the last quarter of FY 14-15, company has set up a unit at Sanand, Gujarat through its subsidiary JBM Auto Systems Private Limited primarily for supplying components to Ford. Company already has a unit in Sanand and is increasing its presence in the region.

The Company has a complete business model using latest technology and machinery and takes continuous measures for cost optimization.

Even as the current market situation poses challenges, we believe that there is significant room for growth. The focus going forward, will be to capitalize on the opportunity leveraging the scalability that the Company has achieved through its geared operations. Therefore, the outlook for 2015-16 is optimistic.

DISCLAIMER:

The information and opinion expressed in this section of the Annual Report consists of 'outlook' which the management believes are true to the best of its information at the time of preparation. The Company shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2015.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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 operations. We, JBM Auto Limited ("JBMA") 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. It is primarily concerned with transparency, accountability, fairness, professionalism, social responsiveness, complete disclosure of material facts and independence of the Board. JBM Auto Limited endeavors its best to constantly comply with these aspects in the letter and spirit, in addition to the statutory compliances as required under Clause 49 of the Listing Agreements with the Stock Exchanges.

Your Company has complied with the requirements of Corporate Governance as laid down under Clause 49 of the Listing Agreement with the Stock Exchanges.

2. GOVERNANCE STRUCTURE

JBMA's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Board of Directors - The JBMA Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company, ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its members and other stakeholders.

Committee of Directors - With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee. Each of these Committees has been mandated to operate within a given framework.

3. BOARD OF DIRECTORS

A. Composition of the Board as on 31st March, 2015

Category of Directors	Nos.
Non-Executive & Independent Directors	3
Other Non-Executive Directors	2
Executive Director	1
Total	6

As on 31st March, 2015 the Board of Directors of the Company consists of 6 (Six) Directors (one Executive and five Non-Executive Directors). The Board comprises three Promoter Directors (including one Director considered as Promoter Director being Executive Director) and three 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 meets the requirements, as stipulated under Clause 49 of the Listing Agreement, relating to the composition of Independent and non-independent Directors including the Woman Director on the Board of the Company.

B. Directors Appointed

Mr. Sandip Sanyal (DIN : 07186909) was appointed by the Board of Directors as Additional Director in the category of Whole-Time Director (designated as "Executive Director") of the Company in their meeting held on 18th May, 2015. The proposal for appointment of Mr. Sandip Sanyal as Whole-time Director will be placed before the shareholders in the ensuing 19th Annual General Meeting.

C. Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which *inter- alia* explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices at the time of appointment.

Each Director of the Company has complete access to any information relating to the Company. Independent Directors have the freedom at all times to interact with the Company's management. They are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the information with respect to the automobile industry. Further, they meet without the presence of the Company's Management Personnel to discuss matters pertaining to the Company's affairs and put forth their combined views to the Chairman.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

D. Other Relevant Details of Directors (Directorship as at 31st March, 2015 unless otherwise stated)

S. No.	Name of directors	Category	No. of other Directorship(s)		No. of Committee(s)*	
			Public	Private	Member	Chairman
1	Mr. Surendra Kumar Arya	Non-Executive Chairman	9	10	3	1
2	Mr. H. R. Saini (Retired on 7 th June, 2015)	Executive	1	1	1	–
3	Mr. Nishant Arya	Non-Executive	8	7	1	–
4	Mr. Ashok Kumar Agarwal	Independent	–	1	2	1
5	Mr. Mahesh Kumar Aggarwal	Independent	1	3	1	–
6	Mrs. Vimal Vasisht (appointed w.e.f 21 st July, 2014)	Independent	–	–	–	–
7	Mr. Sandip Sanyal (appointed w.e.f 18 th May, 2015)	Additional Director	Nil	Nil	–	–

* Excludes Committee Membership of Private Limited Companies, Foreign Companies, Companies incorporated under the provisions of Section 8 of the Companies Act, 2013. Committee means Audit Committee and Stakeholders Relationship Committee including membership held in said committees of the Company.

E. Board Meetings held during the Year

The Board met five times during the year on 30th May, 2014, 14th August, 2014, 9th October, 2014, 13th November, 2014 and 6th February, 2015. The Board meets at least once in a quarter with a time gap of not more than four months between any two meetings.

The attendance record of the Directors at the Board Meeting as well as the last Annual General Meeting (AGM) is as under:

S. No	Name of Directors	No. of Meetings attended (Total Meetings held:5)	Whether attended last AGM
1.	Mr. Surendra Kumar Arya	5	Yes
2.	Mr. H. R. Saini (Retired on 7 th June, 2015)	5	Yes
3.	Mr. Nishant Arya	5	Yes
4.	Mr. Ashok Kumar Agarwal	5	Yes
5.	Mr. Mahesh Kumar Aggarwal	5	Yes
6.	Mrs. Vimal Vasisht (appointed w.e.f 21 st July, 2014)	4	Yes
7.	Mr. Sandip Sanyal (appointed w.e.f 18 th May, 2015)	NA	NA

F. Shareholding of Directors

Name	No of Equity Shares held
Mr. Surendra Kumar Arya	118140
Mr. Nishant Arya	339400
Mr. H. R. Saini (Retired on 7 th June, 2015)	6372
Mr. Ashok Kumar Agarwal	Nil
Mr. Mahesh Kumar Aggarwal	Nil
Mrs. Vimal Vasisht (appointed w.e.f 21 st July, 2014)	Nil
Mr. Sandip Sanyal (appointed w.e.f 18 th May, 2015)	Nil
Total	463912

G. Review by Board of Directors

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/ half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, progress of major projects and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in Clause 49 of the Listing Agreement to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

4. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

A. Audit Committee

The Committee consists of the following Members:

- i) Mr. Ashok Kumar Agarwal, Chairman
- ii) Mr. Mahesh Kumar Aggarwal, Member
- iii) Mr. Surendra Kumar 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 all the members, out of which two Directors are Independent Directors.

The Chairman of the Committee was 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, 2013. 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 2014-15, four committee meetings were held on 30th May 2014, 14th August 2014, 13th November, 2014, and 6th February 2015. Details of attendance are as under:

S. No.	Name of Director	Composition of the Audit Committee	No. of meetings attended
1.	Mr. Ashok Kumar Agarwal	Independent	4
2.	Mr. Mahesh Kumar Aggarwal	Independent	4
3.	Mr. Surendra Kumar Arya	Non-Executive	4

B. Nomination and Remuneration Committee

The Committee consists of the following Members:

- i) Mr. Mahesh Kumar Aggarwal, Chairman
- ii) Mr. Ashok Kumar Agarwal, Member
- iii) Mr. Surendra Kumar Arya, Member

Remuneration payable to the Executive Director and Key Managerial Personnel 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 Independent 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 2014-15, no 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 2014-15 are as under: -

(₹ in Lacs)

Remuneration paid to Executive Director		Sitting Fee paid to Directors			
Particulars	Amt. (₹ In lacs)	Name of Director	Board Meeting	Committee Meeting	Total
Salary and other Perquisites/ Allowances	28.58	Mr. Surendra Kumar Arya	0.25	0.20	0.45
		Mr. Ashok Kumar Agarwal	0.25	0.20	0.45
Contribution to Provident and other Funds	1.94	Mr. Mahesh Kumar Aggarwal	0.25	0.20	0.45
		Mr. Nishant Arya	0.25	-	0.25
		Mrs. Vimal Vasisht	0.20	-	0.20
Total	30.52		1.20	0.60	1.80

C. Stakeholders Relationship Committee

The Stakeholders Relationship 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. Surendra Kumar Arya, Chairman
- ii) Mr. Ashok Kumar Agarwal, Member
- iii) Mr. H. R. Saini, Member

Mr. Vivek Gupta, Chief Financial Officer & Company Secretary of the Company is the 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 the committee.

The Company has obtained the following Certificates from the 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.
- Share Reconciliation Report 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, M/s MCS Share Transfer Agent Limited, appropriately and there were no pending complaints at the end of the financial year 2014-15.

All the queries and complaints received during the financial year ended 31st March, 2015, 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 4 numbers of Shareholder's Complaints were received by the company and the same were resolved within time. No Shareholder Complaint is pending as on 31.03.2015.

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.

D. Corporate Social Responsibility (CSR) Committee

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- i. To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

ii. To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the Corporate Social Responsibility Committee as at 31st March, 2015 are as under:

- i) Mr. Surendra Kumar Arya - Chairman
- ii) Mr. Nishant Arya - Member
- iii) Mr. Mahesh Kumar Aggarwal - Member

During the year, one meeting of CSR Committee was held on 6th February, 2015.

E. Risk Management Committee

The composition of the Risk Management Committee as at 31st March, 2015 are as under:

- i) Mr. Ashok Kumar Agarwal (Independent Director) - Chairman
- ii) Mr. Surendra Kumar Arya (Chairman of the Company) - Member
- iii) Mr. Vivek Gupta (CFO & Company Secretary) - Member

F. Independent Directors' Meeting

The Board of the Company has an optimum number of Independent Directors, as required under Clause 49 of the Listing Agreement. All the Independent Directors are persons of integrity and possess relevant expertise and experience in the Industry and are not related to Promoters, or Directors in the Company, its holding, subsidiary or associate Company.

Independent Directors fulfill all the conditions for being Independent to the Company, as stipulated under Clause 49 of the Listing Agreement and the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, from time to time.

The Company has issued formal letters of appointment to the Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment is disclosed on the website of the Company www.jbm-group.com.

- a) During the year under review, the Independent Directors held their separate meeting on 6th February, 2015 inter alia, to review the performance of Non-Independent Directors and the Board as a whole;
- b) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- c) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

5. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee, inter alia, deals with the manner of selection of Board of Directors and Whole-time Director and their remuneration.

I. Criteria of selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance, technology and general management.
- b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - i. Qualification, expertise and experience of the Directors in their respective fields;
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

II. Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, Introduced by the Company.

III. Whole-time Director - Criteria for selection /appointment

For the purpose of selection of the Whole-time Director, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

IV. Remuneration for the Whole-time Director

- i. At the time of appointment or re-appointment, the Whole-time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the Whole-time Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the members of the Company in general meeting.
- iii. The remuneration of the Whole-time Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following:
 - a. the relationship of remuneration and performance benchmarks is clear;
 - b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. responsibility required to be shouldered by the Whole-time Director, the industry benchmarks and the current trends;
 - d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

V. Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and SMPs) the N&R Committee shall ensure/ consider the following:

- i. the relationship of remuneration and performance benchmark is clear;
- ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals' performance vis-à-vis KRAs/ KPIs, industry benchmark and current compensation trends in the market.

6. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually.

The performance of individual Directors including the Chairman of the Board, were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation

of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

7. TERMS OF APPOINTMENT & REMUNERATION –WHOLE-TIME DIRECTOR

Details of remuneration paid to the Directors are given in Form MGT – 9.

8. MATERIAL SUBSIDIARY COMPANIES

Your Company has one material non-listed Indian subsidiary namely M/s JBM Auto System Private Limited whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year and has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has been formulated and same were uploaded on the website on the Company i.e. “www.jbm-group.com”.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings. Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are tabled at the subsequent Board Meetings.

9. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms-length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company’s website i.e. “www.jbm-group.com”.

10. DISCLOSURES

a. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

b. Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013.

c. Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory /regulatory compliances. The Company’s business processes are on SAP platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.

d. The Company has complied with mandatory requirements and has adopted non mandatory requirements as prescribed under clause 49 of the Listing Agreement

e. During the year under review, your Company has approved and issued the following:

- (i) Sub-division of the face value of equity share from ₹ 10/- each to ₹ 5/- each.
- (ii) Issue of Bonus Shares in the ratio 1:1, i.e. One new equity share of ₹ 5/- each for existing one equity share of ₹ 5/- each held on Record date i.e. 9th October, 2014.

All the legal compliances under Companies Act, 2013 and listing Agreement in this regard had been completed.

11. CEO / CFO Certification

The CEO and the CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and the statements represent a true and fair view of the Company’s affairs. The said certificate is annexed and forms part of the Annual Report.

12. CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the members of the Board and all employees. The Code has been posted on the Company’s website www.jbm-group.com.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with

stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Whistle Blower Policy (WBP) to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No person has been denied access to the audit committee.

If anyone suspects any inappropriate activity such as loss to company's property, corruption, fraud or violation of Company's Code of Conduct, they can inform their suspicions or concerns by promptly informing us at the following address:

E-mail: wbp.jbma@jbm.co.in or **Letter :** The Vigilance Officer
JBM Auto Limited
601, Hemkunt Chambers, 89
Nehru Place, New Delhi – 110019

14. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

The Board of Directors and all the designated employees have confirmed compliance with the Code.

15. COMMUNICATION WITH THE MEMBERS / SHAREHOLDERS

Quarterly report sent to each household of shareholders	The quarterly results of the Company are announced within 45 days of completion of each quarter. The said information is also sent to the concerned Stock Exchanges immediately after approved in Board meeting via e-mail, fax and courier.
Newspaper wherein results normally published	All quarterly results are generally published in "Financial Express, Business Standard" (English Language) English Editions; and in "Jansatta", New Delhi (Hindi Language) Hindi Edition
Any website, where displayed	The results are displayed on the Company's website at www.jbm-group.com
Whether it also displays official News releases	No
Whether the website displays the Presentation made to the institutional investors and to the analysis	No

16. GENERAL INFORMATION TO SHAREHOLDERS

a. Financial calendar (tentative and subject to change)

Financial Year : 1st April, 2014 to 31st March, 2015

b. Financial reporting for the:

1st Quarter : July/ August, 2014
2nd Quarter : October / November, 2014
3rd Quarter : January/ February, 2015
Annual Result : April / May, 2015

c. Date of Book closure for Dividend purpose:

14th September, 2015 to 22nd September, 2015 (both days inclusive)

d. E-voting commencement date & time:

E-voting shall start on 19th September, 2015 at 9:00 a.m.

e. E-voting end date & time:

E-voting shall end on 21st September, 2015 at 5:00 p.m.

No member shall be allowed to make electronic vote beyond this period.

f. Cut-off date for e-voting:

Members holding shares in physical form or demat form as on 15th September, 2015 shall be eligible for e-voting for the 19th Annual General Meeting.

c. Investor Services

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. Vivek Gupta
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: vgupta@jbm.co.in

MCS Share Transfer Agent 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: mcodel@vsnl.com

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain Demat Account/s, for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company.

Members who hold shares in physical form should address their queries to the RTA/Company. Members are requested to ensure that correspondence for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewals / split / consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID/ Ledger Folio number in their correspondence with the Company and also to provide their e-mail addresses and telephone numbers/Fax numbers to facilitate prompt response from the Company.

d. Exclusive E-Mail ID for Members & Investors

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 jbminvestor@jbm.co.in

e. Market Information

(I) LISTING ON STOCK EXCHANGES

Presently shares of your Company are listed at:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Tel No. 022 - 22721233-34 Fax 022-22722061/41/39/37 Security Code: 532605	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
ISIN NO. for NSDL & CDSL : INE 927D 01028	

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 2015-16.

(II) STOCK MARKET DATA

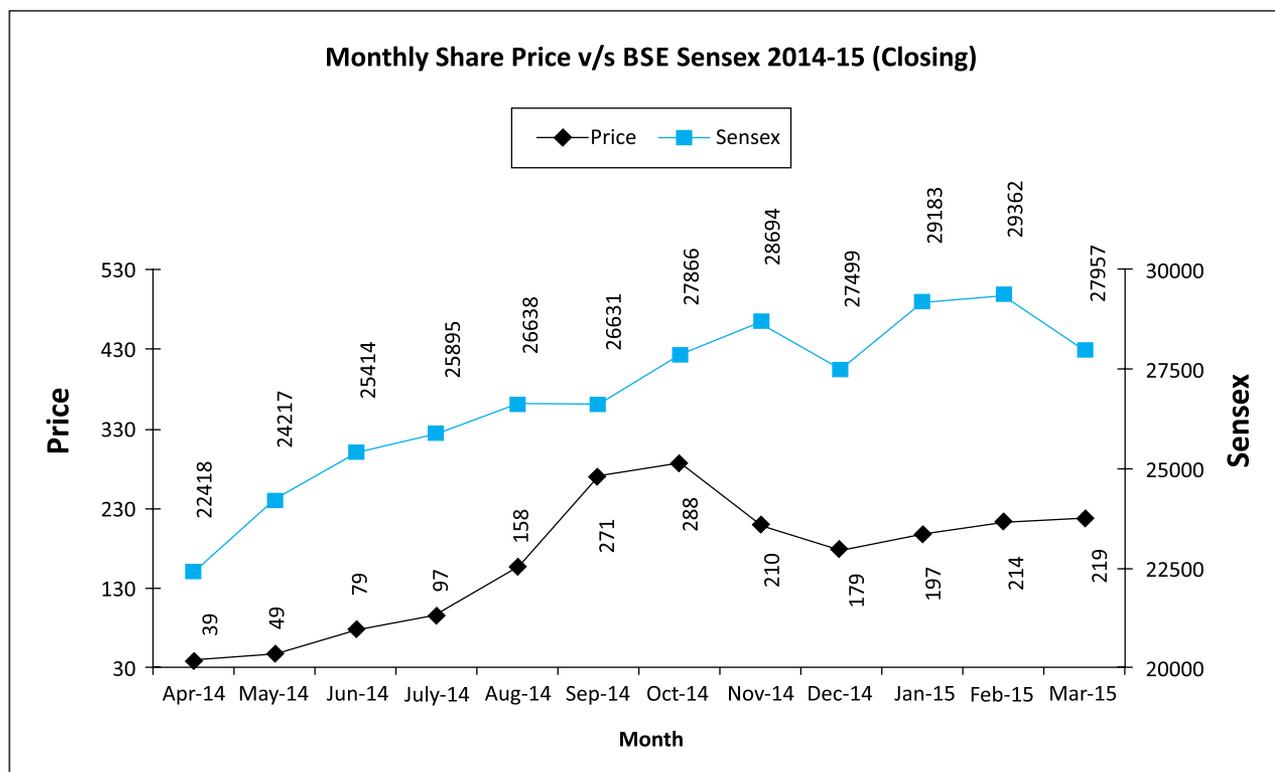
(i) Share Price Movement: The monthly High / Low Prices and Volume during the financial year 2014-15 are as follows:

Month	BSE LIMITED ("BSE")			National Stock Exchange ("NSE")		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
April, 2014	176	133	199372	171	135	441564
May, 2014	199	143	86862	198	140	335197
June, 2014	347	205	267917	351	202	379455
July, 2014	409	313	68051	414	309	210320
August, 2014	631	375	156280	632	374	298745
September, 2014	1130	643	277514	1130	650	399304
October, 2014**	1119	243	301307	1124	237	517603
November, 2014**	310	197	605419	312	196	1622776
December, 2014**	221	142	532235	218	142	1482760
January, 2015**	221	174	673529	220	153	2518976
February, 2015**	238	193	522127	238	193	2061842
March, 2015**	260	205	498160	260	205	1808896

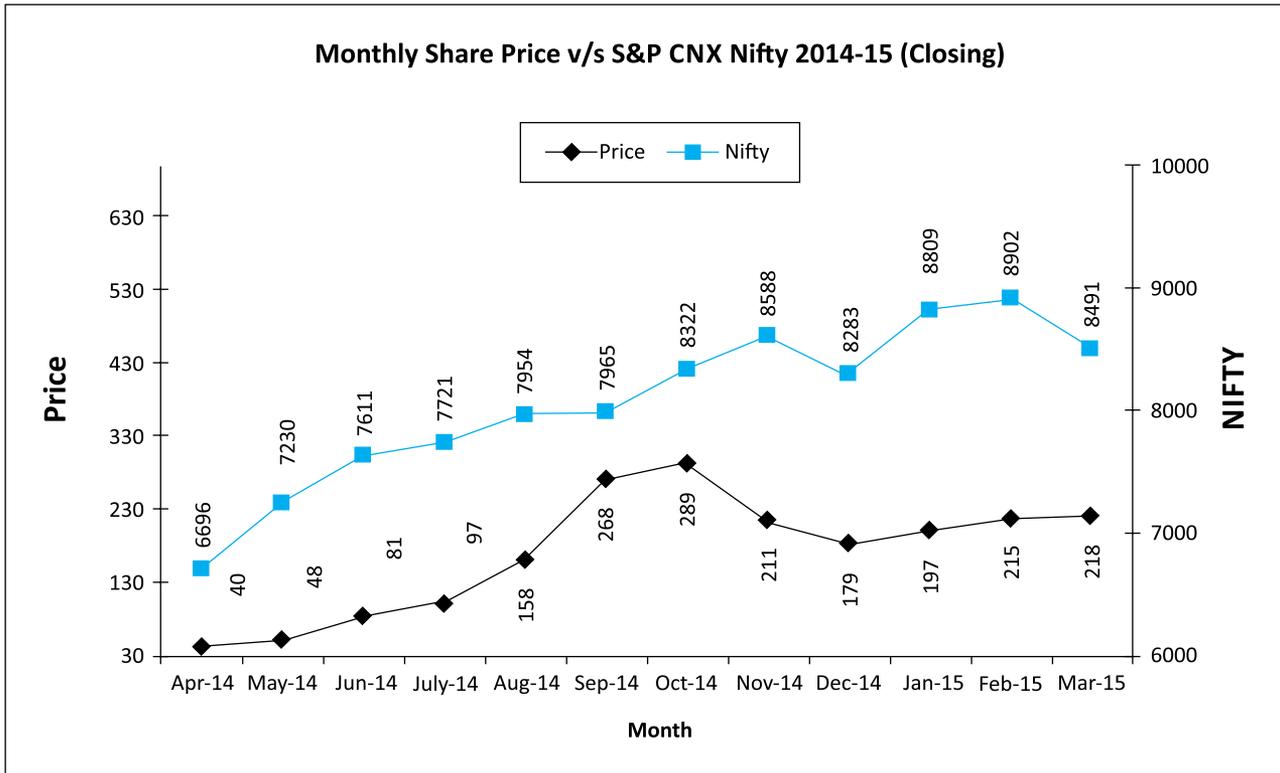
Note :

** During the year, the Company on 09.10.2014 had sub-divided the face value of equity shares from ₹ 10/- each to ₹ 5/- each and issued bonus equity shares in the ratio of 1:1 i.e. one new equity shares of ₹ 5/- each for existing one equity shares of ₹ 5/- each.

(ii) JBMA Share Price on BSE vis-à-vis BSE Sensex April, 2014–March, 2015*



(iii) JBMA Share Price on NIFTY vis-à-vis NSE NIFTY April, 2014 – March, 2015*



Note:-

* The Company on 9.10.2014 had sub-divided the face value of the equity shares from ₹ 10/- each to ₹ 5/- each and issued the Bonus shares of equity shares having face value of ₹ 5/- each in the ratio on 1:1. Therefore, the effect for such change have been taken w.e.f. 1st April, 2014 for depicting the comparable share price movement purpose only.

17. SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

i. Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company’s website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

iii. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iv. Subdivision of shares

During the year under review, the Company had subdivided the face value of its Equity Shares from ₹ 10/- each to ₹ 5/- each. The old shares having face value of ₹ 10/- each are no longer tradable on the Stock Exchanges. Members holding share certificates of the face value of ₹ 10/- each are requested to send the certificates to the Registrar & Share Transfer Agent of the Company for exchange with shares of the face value of ₹ 5/- each.

v. Bonus issue of Equity Shares

During the year under review, your Company had issued Bonus shares in the ratio of 1:1 i.e. one new equity share of ₹ 5/- each for every existing one equity share of ₹ 5/- each.

vi. Dividend

a. Dividend payment date

The Dividend, if declared, will be paid within 30 days from the date of the Annual General Meeting

b. Payment of dividend through National Electronic Clearing Service (NECS)

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue dividend warrants to the Members.

c. Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company will, on 11th October, 2015 transfer to the said fund, the dividends for the years ended March 31, 2008 which have remained unclaimed / unpaid.

The dates by which the dividend amounts will be transferred to IEPF are as under:

S. No.	Financial year	Date of AGM in which Dividend declared	Proposed date of transfer to IEPF
1	2007-08	6 th September, 2008	11 th October, 2015
2	2008-09	No Dividend declared	-
3	2009-10	20 th September, 2010	25 th October, 2017
4.	2010-11	15 th September, 2011	20 th October, 2018
5.	2011-12	26 th September, 2012	31 st October, 2019
6.	2012-13	9 th September, 2013	14 th October, 2020
7.	2013-14	24 th September, 2014	29 th October, 2021

vii. Pending Investors' Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

viii. Reconciliation of Share Capital

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and The National Stock Exchange of India Limited and is also placed before the Board of Directors.

ix. Distribution of Shareholding as on 31st March, 2015

No. of equity shares held	Shareholders		Equity Shares	
	Nos.	Percentage	Nos.	Percentage
1-500	9962	87.78	987695	2.42
501-1000	603	5.31	464136	1.14
1001-2000	382	3.37	567933	1.39
2001-3000	104	0.92	262545	0.64
3001-4000	71	0.63	259820	0.64
4001-5000	36	0.32	165509	0.41
5001-10000	86	0.76	617348	1.51
10001-50000	69	0.60	1500961	3.68
50001-100000	15	0.13	1144872	2.81
100001 and above	19	0.18	34824545	85.36
Total	11347	100.00	40795364	100.00

x. Statement showing Public Shareholding of more than 1% of the Paid-up Capital as on 31st March, 2015

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares
1	Zeal Impex and Traders Pvt. Ltd.	4018968	9.85
2	Amity Infotech Ltd	4000000	9.81
3	Anil Kumar Goel	739931	1.81
TOTAL		8758899	21.47

xi. Dematerialization of Shares and liquidity as on 31st March, 2015

Category	No. of shareholders	Percentage	Shares Held	Percentage(%)
Physical	1717	15.14	289191	0.71
NSDL	6329	55.77	9175605	22.49
CDSL	3301	29.09	31330568	76.80
Total	11347	100.00	40795364	100.00

99.29% of the shareholding of the Company is in dematerialised form as on 31.03.2015 and there is sufficient liquidity in the stock.

xii. Shareholding pattern (%)

Category code	Category of Shareholder	Number of Shareholders	Percentage (%)
(A)	Shareholding of Promoter and Promoter Group		
1	Indian	16	61.976
2	Foreign	-	-
	Sub Total (A)	16	61.976
(B)	Public shareholding		
1	Institutions		
(a)	Mutual Funds/ UTI	1	0.003
(b)	Financial Institutions / Banks	2	0.003
(c)	Central Government/ State Government(s)	0	-
(d)	Insurance Companies	1	0.011
(e)	Foreign Institutional Investors	2	0.011
	Sub-Total (B)(1)	6	0.027
2	Non-institutions		
(a)	Bodies Corporate	378	22.278
(b)	Individual shareholders holding nominal share capital up to ₹ 1 lakh	10748	8.132
(c)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	34	7.044
(d)	NRI/OCBs	165	0.543
	Sub-Total (B)(2)	11325	37.997
	Total Public Shareholding (B)(1)+(B)(2)	11331	38.023
	Grand Total (A+B)	11347	100.000

xiii. **Valuation of Shares:** The closing price of the Company's share as on 31st March, 2015 on the Stock Exchange is given below.

S. No.	Name of the Stock Exchanges	Share price (Amt. in ₹)
1.	BSE Limited ("BSE")	218.70
2.	National Stock Exchange of India Ltd. ("NSE")	218.00

xiv. **Market Capitalization:** Based on the closing quotation of ₹ 218.70 as at 31st March, 2015 at BSE, market capitalization of the Company works out to be ₹ 89219 Lacs.

xv. **Outstanding ADR/GDR/Warrants or any convertible instruments**

As on 31st March, 2015, the Company has no outstanding GDR/ADR/Warrants/or any other convertible instruments

xvi. **Particulars of past three Annual General Meetings**

AGM for the financial year	Date & Time of AGM	Venue
2013- 2014	24 th September, 2014 at 11:00 A.M	Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, A. P. S. Colony, Delhi Cantt., New Delhi - 110 010
2012 – 2013	9 th September, 2013 at 12:30 P.M	M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054
2011 – 2012	26 th September, 2012 at 5.00 P.M	M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054

xvii. **19th Annual General Meeting of the Company:**

Date / Day	: 22 nd September, 2015 (Tuesday)
Time	: 11:00 A. M.
Venue	: Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, A. P. S. Colony, Delhi Cantt., Delhi - 110 010
Date of Book Closure	: Monday, 14 th September, 2015 to Tuesday, 22 nd September, 2015 (both days inclusive).

xviii. **Whether any Special Resolutions passed in the previous 3 AGMs: Yes**

AGM Year	Details of Special Resolution
2013-2014	i) Re-appointment of Mr. H. R. Saini as Executive Director for a period of 1 year w.e.f 7 th June, 2014. ii) Alteration of Capital Clause of the Memorandum of Association of the Company iii) Approval for Issue of Securities
2012-2013	Pursuant to section 81(1A) of the Companies Act, 1956, approval for issue of Shares on Private Placement basis not exceeding ₹ 30,00,00,000/- (Rupees Thirty crore only).
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 Crore (Excluding stamp duty).

xix. **Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern**

During the year under review, Postal Ballot was conducted as per the prescribed procedure under Companies Act, 2013 & Listing Agreement. Following special resolutions have been passed through the exercise of postal ballot dated 12th January, 2015.

1. Consent of the Company under Section 180(1)(c) of the Companies Act, 2013 to the Board of Directors to borrow money upto ₹ 500 Crore or the aggregate of the paid up Capital and free reserves of the Company, whichever is higher.

Voting pattern:

Promoter/Public	No. of Shares held (1)	No. of votes polled (2)	% of Votes polled on outstanding Shares (3)= [(2)/(1)]* 100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on Votes polled (6)= [(4)/(2)]* 100	% of Votes against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	25283424	25283424	100%	25283424	–	100.00%	–
Public - Institutional holders	–	–	–	–	–	–	–
Public – Others	15511940	8040126	51.83%	8039217	909	99.99%	0.011%
Total	40795364	33323550	81.68%	33322641	909	99.9973%	0.0027%

2. Consent of the Company under Section 180(1)(a) of the Companies Act, 2013 to the Board of Directors to create charge / mortgage on the movable and immovable property of the Company, both present and future, in respect of borrowings.

Voting pattern:

Promoter/Public	No. of Shares held (1)	No. of votes polled (2)	% of Votes polled on outstanding Shares (3)= [(2)/(1)]* 100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on Votes polled (6)= [(4)/(2)]* 100	% of Votes against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	25283424	25283424	100%	25283424	–	100.00%	–
Public - Institutional holders	–	–	–	–	–	–	–
Public – Others	15511940	8039926	51.83%	8037098	2828	99.96%	0.04%
Total	40795364	33323350	81.68%	33320522	2828	99.9915%	0.0085%

3. Consent of the Company under Section 186(3) of the Companies Act, 2013 to the Board of Directors to give loan or guarantee, provide security and to acquire security of other body Corporate.

Voting pattern:

Promoter/Public	No. of Shares held (1)	No. of votes polled (2)	% of Votes polled on outstanding Shares (3)= [(2)/(1)]* 100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on Votes polled (6)= [(4)/(2)]* 100	% of Votes against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	25283424	25283424	100.00%	25283424	–	100.00%	–
Public - Institutional holders	–	–	–	–	–	–	–
Public – Others	15511940	8040106	51.83%	8035995	4111	99.95%	0.05%
Total	40795364	33323530	81.68%	33319419	4111	99.9877%	0.0123%

4. Consent of the Company under Section 42, 62 and other applicable provision, if any, of the Companies Act, 2013 to the Board of Directors to raise funds by way of issue of equity shares and / or other securities not exceeding ₹ 500 Crore.

Voting pattern:

Promoter/Public	No. of Shares held (1)	No. of votes polled (2)	% of Votes polled on outstanding Shares (3)= [(2)/(1)]* 100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on Votes polled (6)= [(4)/(2)]* 100	% of Votes against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	25283424	25283424	100.00%	25283424	–	100.00%	–
Public - Institutional holders	–	–	–	–	–	–	–
Public – Others	15511940	8040964	51.84%	8038130	2834	99.96%	0.04%
Total	40795364	33324388	81.69%	33321554	2834	99.9915%	0.0085%

Mr. Dhananjay Shukla (FCS 5886) of M/s Dhananjay Shukla & Associates, Company Secretary in Practice, New Delhi was appointed scrutinizer of the postal ballot to conduct the postal ballot process in a fair and transparent manner.

18. PLANT LOCATION

- Plant I - Plot No. 133, Sector-24, Faridabad-121005, Haryana Ph: +91-129-4090200, Fax: +91-129-2234230.
- Plant II - Plot No. 5, Sector-31, Kasna Industrial Area, Greater Noida-201306, Uttar Pradesh, 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, Ph: +91-2717-645180
- Plant V - Plot No. 118, Sector – 59, HSIDC, Industrial Estate, Ballabhgarh, 121004, Faridabad.
- Plant VI - A-4, Industrial Estate, Kosi Kotwan, Dist. Mathura, U.P.
- Plant VII - Plot No. 157-E Sector-3, Pithampur Industrial Area, 454775, District- Dhar, Indore (M.P).
- Plant VIII - Plot No. SP-891, Pathredi Industrial Area, Bhiwadi, 301707, Distt Alwar., Rajasthan.

19. SKILL DEVELOPMENT CENTRE (SDC)

Plot No. 16, Sector-20B, Faridabad-121007, Haryana

20. WEB SITE:

The following updates and information can be accessed through the company's website i.e. www.jbm-group.com

- Quarterly/Half Yearly/ Annual Financial Results
- Shareholding Pattern
- Corporate disclosures made to stock exchanges
- Unpaid Dividends
- Various Policies, etc.

Pursuant to SEBI Circular, the Company has created an email ID exclusively for redressal of investor's grievances. The investors may post their grievances to the specific email ID i.e. jbminvestor@jbm.co.in.

21. GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014, permits circulation of annual report through electronic means to those shareholders whose e-mail IDs are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories. To support this green initiative of the Government, shareholders are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the RTA, in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail IDs to the Company / DPs, from time to time.

22. 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.

Compliance with Code of Business Conduct and Ethics

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2015.

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and a copy of the same have been disclosed on the website of the Company www.jbm-group.com.

For JBM Auto Limited

Place: Gurgaon (Haryana)
Date: May 18, 2015

Sd/-
Hans Raj Saini
(Executive Director)

CEO & CFO Certification

We the undersigned, in our respective capacities as Executive Director and Chief Financial Officer of JBM Auto Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2015 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Senior Management Personnel's (SMPs) have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Yours faithfully

Sd/-
(H. R. Saini)
Executive Director

Sd/-
(Vivek Gupta)
Chief Financial Officer

Place: Gurgaon (Haryana)
Date: May 18, 2015

Certificate on Corporate Governance

To,
The Members
JBM Auto Limited
601, Hemkunt Chamber,
89, Nehru Place,
New Delhi - 110019

We, have examined the compliance of conditions of Corporate Governance by JBM Auto Limited (hereinafter referred to as “the Company”), for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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

In our opinion and to best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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.

Sd/-
(Sunita Mathur)
Practicing Company Secretary
C.P. No. 741

Place: New Delhi
Date: August 12, 2015

Independent Auditor's Report

TO THE MEMBERS OF JBM AUTO LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of JBM AUTO LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 and error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – Refer Note 22 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place of Signature: Gurgaon (Haryana)
Date : 18th May 2015

For Mehra Goel & Co.
Chartered Accountants
(FRN: 000517N)

R. K. Mehra
(Partner)
M. No - 06102

Annexure to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The fixed assets covering significant value have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. On the basis of the information and explanations given by the management, no material discrepancies have been noticed on such verification
- 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, 2015, 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 is reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has generally maintained 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 and other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion, and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. In our opinion and according to information and explanation given to us, the Company has not accepted any deposits as per the provision of the Act.
- vi. 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 Companies Act 2013 have been maintained. However, we have not, nor we are required, carried out any detailed examination of such accounts and records.
- vii. a. According to records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period more than six months from the date of becoming payable.
- b. According to the information and explanations given to us, there were no dues in respect of Income Tax, Duty of Excise, Duty of Customs, Cess, Sales Tax, Service Tax, Value Added Tax and Wealth Tax which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of the Dues	Period to which the amount pertains	Amount (₹ in lacs)	Forum where dispute is pending
Income Tax Act,1961	Income Tax	Assessment Year 2008-09, 2010-11 & 2011-12	35.06	ITAT
Income Tax Act,1961	Income Tax	Assessment Year 2012-13	210.82	CIT (Appeal)
The Central Excise Act, 1944	Excise Duty	Financial Year 1999-2000	30.72	CCE Delhi -IV
The Central Excise Act, 1944	Excise Duty	Financial Year 2000-01, 2006-07,2007-08 & 2008-09	296.62	CESTAT, NEW DELHI
The Central Excise Act, 1944	Excise Duty	Financial Year 2009-10	4.54	CESTAT, KOLKATTA
The Central Excise Act, 1944	Excise Duty	Financial Year 2010-11	110.40	CCE–Ahmedabad-II
Service tax Act,1994	Service tax & penalty	Financial Year 2001-02	18.40	CCE Delhi -IV

- c. There is no amount which required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Companies Act, 2013 and the rules made thereunder.

- viii. The Company does not have accumulated losses at the end of the current financial year and company has not incurred cash losses during the financial year.
- ix. The Company has not issued any debentures and has not borrowed any fund from financial institutions. The company has not defaulted in repayment of dues to the bank.
- x. The company has not given any guarantee for loan taken by others from banks or financial institution.
- xi. The term loan have been applied for the purpose for which they were obtained.
- xii. 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.

Place of Signature: Gurgaon (Haryana)
Date : 18th May 2015

For Mehra Goel & Co.
Chartered Accountants
(FRN: 000517N)

R. K. Mehra
(Partner)
M. No - 06102

Balance Sheet as at 31st March, 2015

(₹ 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		3039.77	2019.88
(b) Reserves and Surplus		16150.82	15113.22
		19190.59	17133.10
Non-Current Liabilities	3		
(a) Long term borrowings		9784.48	4911.11
(b) Deferred Tax Liability (Net)		2173.31	1969.61
(c) Other Long term Liabilities		174.53	295.90
		12132.32	7176.62
Current Liabilities	4		
(a) Short-term borrowings		13063.00	11374.14
(b) Trade payables		10352.94	11354.66
(c) Other current liabilities		6056.33	10701.04
(d) Short-term provisions		1462.47	552.93
		30934.75	33982.77
TOTAL		62257.66	58292.49
II. ASSETS			
Non-current assets			
(a) Fixed Assets (Net)	5	29310.30	25143.24
(i) Tangible Assets		23876.68	19072.77
(ii) Intangible Assets		4799.14	641.82
(iii) Capital Work in Progress		634.48	5428.65
(b) Non-current investments	6	7132.78	7132.78
(c) Long term loans and advances	7	211.21	574.60
(d) Other non-current assets	8	107.74	431.07
		36762.03	33281.69
Current assets	9		
(a) Inventories		8901.82	7394.58
(b) Trade receivables		12383.67	14389.93
(c) Cash and Bank Balances		402.23	266.46
(d) Other current assets		3807.90	2959.84
		25495.62	25010.81
TOTAL		62257.66	58292.49
Significant Accounting Policies	1		
Notes 1 to 41 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
DIN : 00004626

Nishant Arya
Director
DIN : 00004954

M. K. Aggarwal
Director
DIN : 00004982

Ashok Kumar Agarwal
Director
DIN : 00003988

Place : Gurgaon (Haryana)
Dated : 18th May, 2015

Vimal Vasisht
Director
DIN : 06928805

H. R. Saini
Executive Director
DIN : 00004665

Vivek Gupta
Chief Financial Officer
& Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2015

(₹ 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	68346.41	64427.07
Less : Excise duty/Service tax		8335.65	7846.44
Net Revenue from Operations		60010.76	56580.63
II. Other Income	11	839.32	656.69
III. Total Revenue (I+II)		60850.08	57237.32
IV. EXPENSES			
Cost of materials consumed		42205.17	41529.66
Changes in inventories of finished goods & work in progress	12	(285.48)	(436.28)
Employee benefits expense	13	5848.43	4368.57
Finance costs	14	2122.39	2153.90
Depreciation and amortization expense	5	1591.48	1435.98
Other expenses	15	5652.09	4795.78
TOTAL EXPENSES		57134.08	53847.61
V. Profit before exceptional and extraordinary items and tax (III-IV)		3716.00	3389.72
VI. Exceptional items	33	201.51	–
VII. Profit before tax (V+VI)		3917.51	3389.72
VIII. Tax Expense			
(1) Current year		752.43	637.29
(2) MAT Adjusted		(428.04)	(256.25)
(3) Deferred tax		232.83	577.51
(4) Earlier years		–	0.01
		557.22	958.56
IX. Profit after tax for the year (VII-VIII)		3360.30	2431.15
X Earnings per equity share:	16		
(1) Basic		8.04	5.87
(2) Diluted		8.04	5.87
Significant Accounting Policies	1		
Notes 1 to 41 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
DIN : 00004626

Nishant Arya
Director
DIN : 00004954

M. K. Aggarwal
Director
DIN : 00004982

Ashok Kumar Agarwal
Director
DIN : 00003988

Place : Gurgaon (Haryana)
Dated : 18th May, 2015

Vimal Vasisht
Director
DIN : 06928805

H. R. Saini
Executive Director
DIN : 00004665

Vivek Gupta
Chief Financial Officer
& Company Secretary

Cash Flow Statement for the year 2014-15

(₹ in Lacs)

	March, 2015	March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	3917.51	3389.72
Adjustment for :		
Depreciation	1591.48	1435.98
Finance Cost	2064.92	2031.01
Unrealised Exchange loss/(Gain) (Net)	30.41	(47.10)
Interest income	(19.13)	(12.98)
Loss/(Profit) on sale of assets (Net)	(4.06)	8.50
Bad Debts/Provision for Doubtful Debts	3.98	68.62
Dividend Income	(367.80)	(367.80)
Operating Profit before Working Capital Changes	7217.30	6505.95
Adjustment for :		
Trade and other receivables	2212.30	(3469.15)
Inventories	(1505.38)	(1757.76)
Trade and other liabilities	(5291.62)	8558.80
Cash Generated From Operations	2632.59	9837.84
Direct taxes paid (Net)	(771.33)	(717.77)
Net Cash From Operating Activities	1861.26	9120.07
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets/CWIP	(6601.93)	(9188.21)
Proceeds from sale of fixed assets	19.00	57.31
Interest received	19.13	12.98
Dividend received	367.80	367.80
Net Cash used in Investing Activities	(6196.00)	(8750.12)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Preference Share Capital	–	3,000.00
Repayment of long term loans	(2321.43)	(2946.25)
Proceeds from long term loans	7758.30	1265.92
Increase/(Decrease) in Short Term Loans	1649.26	699.27
Interest paid	(2264.74)	(2032.12)
Dividend/Dividend Tax Paid	(350.90)	(243.98)
Net cash flow from financing activities	4470.50	(257.16)
Net Increase in Cash and Bank balance	135.77	112.78
Cash and cash equivalents (Opening Balance)	266.46	153.68
Cash and cash equivalents (Closing Balance)*	402.23	266.46

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 includes loans and advances.
- The previous year figures have been regrouped/ rearranged wherever considered necessary.
- *Includes toward unclaimed dividend of ₹ 6.47 Lacs (Previous Year ₹ 5.58 Lacs).
- Figures in bracket represents cash outflow.

Notes 1 to 41 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
 DIN : 00004626

Nishant Arya
 Director
 DIN : 00004954

M. K. Aggarwal
 Director
 DIN : 00004982

Ashok Kumar Agarwal
 Director
 DIN : 00003988

Place : Gurgaon (Haryana)
 Dated : 18th May, 2015

Vimal Vasisht
 Director
 DIN : 06928805

H. R. Saini
 Executive Director
 DIN : 00004665

Vivek Gupta
 Chief Financial Officer
 & Company Secretary

Notes Forming Part of Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956, to the extent applicable.

b) 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.

c) 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.

d) GOVERNMENT GRANTS

Grants and subsidies from the government are recognized when there is reasonable assurance that the company will comply with the conditions attached to them, and the grants/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on the systematic basis in the statement of profit and loss over the periods necessary to match them with related costs which they are intended to compensate. Where the grants relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the company receives non-monetary grants, the assets are accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of the shareholders' funds.

e) EXTRA-ORDINARY ITEMS

Extraordinary items are those income or expense that arises 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/ cervat, 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 as follows:-

- a) Computer software – 3 years
- b) Technical know-how – 5 years
- c) License fees, design & prototype related to Bus division – 7 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 to the extent of Depreciable amount on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used, based on technical advice which considered the nature of assets, the usage of asset, expected physical wear & tear etc.

Assets	Years
Plant & Machinery & Electric Installation	20
Pallets, Tools & Dies	8
Leasehold land for less than 90 years	Over the remaining period of leasehold from the date of commissioning of plant

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) RESEARCH AND DEVELOPMENT COSTS

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- i) The technical feasibility of completing the intangible asset so that it will be available for use or sale
- ii) Its intention to complete the asset
- iii) How the asset will generate future economic benefits
- iv) The availability of adequate resources to complete the development and to use or sell the asset
- v) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use.

t) 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.

u) 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.

Notes Forming Part of Financial Statements

v) 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.

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.

w) 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.

x) 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.

(₹ in Lacs)

	March, 2015	March, 2014
Note 2 : SHAREHOLDERS' FUND		
(a) SHARE CAPITAL		
A. Authorised		
8,00,00,000 (P.Y. 1,50,00,000) Equity Shares of ₹ 5/- each (P.Y ₹ 10 /- each)	4000.00	1500.00
1,00,00,000 (P.Y. 1,00,00,000) Preference Shares of ₹ 10/- each	1000.00	1000.00
	5000.00	2500.00
B. Issued, Subscribed and Paid Up		
4,07,95,364 (P.Y. 1,01,98,841) Equity Shares of ₹ 5/- each (P.Y ₹ 10/- each), fully paid up	2039.77	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 allotment i.e. 26th December, 2009]	500.00	500.00
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 allotment i.e. 14th February 2014]	500.00	500.00
	3039.77	2019.88
i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.		
Number of equity shares outstanding at the beginning of the year	10198841	10198841
Add: Increase in number of shares due to split/sub-division of equity shares.	10198841	–
Add: Number of Bonus shares issued during the year	20397682	–
Number of equity shares outstanding at the end of the year	40795364	10198841
Number of Preference Shares outstanding at the beginning of the year	10000000	5000000
Add: Number of Preference Shares issued during the year	–	5000000
Number of Preference Shares outstanding at the end of the year	10000000	10000000

ii) Terms/rights attached to equity shares and preference share

- a) The company has one class of equity shares having par value of ₹ 5/- (P.Y ₹ 10/-) per share. Each shareholder is entitled 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.

Notes Forming Part of Financial Statements

b) 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 does not have voting rights. Such preference shares are redeemable after six years from the date of allotment i.e. 26th December, 2009. During the F.Y. 2013-14, the Company has 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 does not have voting rights. These preference shares are redeemable after six years from the date of allotment i.e. 14th February, 2014. 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.

iii) Shareholding Pattern (Refer Note no. 19)

iv) **Aggregate number of shares issued as bonus share during 5 year immediately preceding March, 2015**

	As at 31st March 2015	As at 31st March 2014
No. of equity share issued as bonus share	20397682	–
		(₹ in Lacs)
	March, 2015	March, 2014
(b) RESERVES AND SURPLUS		
A. Securities Premium Account		
As per last Balance Sheet	6005.67	3505.67
Add : Premium on issue of Preference Shares	–	2500.00
Less: Amount utilised on issue of Bonus shares	(1019.88)	–
	4985.79	6005.67
B. General Reserve		
As per last Balance Sheet	669.00	425.00
Add : Transferred from Surplus balance	150.00	244.00
Less : Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	(56.55)	–
	762.45	669.00
C. Surplus		
As per last Balance Sheet	8438.55	6560.83
Add:- Profit after tax for the Year	3360.30	2431.15
Less:- Appropriations		
Proposed Dividend & Dividend Tax		
- Preference Shares	80.00	44.93
- Equity Shares*	1019.88	305.97
Dividend Tax**		
- Preference Shares	–	(6.80)
- Equity Shares	146.38	(34.67)
Transfer to General Reserve	150.00	244.00
Closing Balance	10402.58	8438.55
TOTAL (A+B+C)	16150.82	15113.22

* The board of director has recommended a final dividend of ₹ 2.5 per share having face value of ₹ 5 each (Previous year ₹ 3 per share having face value of ₹ 10 each) which is subject to the approval of the shareholders in the ensuing Annual General meeting.

** The company had during the year 2014-15 received dividend from subsidiary company JBM Auto System Private Limited amounting to ₹ 367.80 lacs on which corporate dividend tax was paid by the subsidiary company under the provision of section 115(O) of Income Tax Act 1961. Accordingly, dividend tax on proposed dividend has been provided after such dividend received from subsidiary company.

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
Note 3 : NON CURRENT LIABILITIES		
(a) LONG TERM BORROWINGS		
A. SECURED		
Term Loan from banks		
In Foreign Currency*	878.28	1517.24
In Rupee**	11492.82	4964.60
Vehicle Loans From Banks***	12.11	25.37
	12383.22	6507.21
Less: Current Maturities of long term borrowings	2598.74	2101.10
	9784.48	4406.11
B. UNSECURED		
Inter Corporate Deposit		
From others	–	505.00
	–	505.00
	9784.48	4911.11

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

** Term Loan of ₹ 540.00 Lacs is secured by first Pari Passu charge on the entire movable fixed assets including plant & machinery situated at Sanand, Gujrat 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 ₹ 1944.52 lacs is secured by first Pari Passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, Gujrat subleased by Tata Motors Limited & on the movable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the Company. Term loan of ₹ 1850.00 lacs is secured by first Pari Passu charge (shared by DBS) on the movable and immovable fixed assets of Indore, Greater Noida & Faridabad and Second Pari Passu charge of the on all the current assets of the company both present and future situated at faridabad, Indore & Greater Noida.

Term loan of ₹ 2500 lacs is secured by first Pari Passu charge on the entire movable and immovable assets of Indore unit located at plot no 157 E sec-3, Pitampura Industrial area, Dhar - 454775, Indore, Madhya Pradesh, both present and future and also the entire movable and immovable assets situated at Greater Noida and Faridabad, both present and future. Second Pari Passu charge on the entire current assets of the company both present and future situated at Faridabad, Indore and Greater Noida Units.

Term loan of ₹ 4658.30 lacs is secured by first Pari Passu charge on both movable and immovable fixed assets of the borrowers at Indore, Greater Noida and Faridabad plant (both present & future), Second Pari Passu charge on the current assets of the borrowers at Indore, Greater Noida and Faridabad Plants (both present & future).

*** Secured by hypothecation of specific vehicles.

Term of Repayment of Loan	₹ In Lacs	No. of Quarterly/ Monthly Installments	Balance Installments	Rate of Interest
Foreign Currency Loan	878.28	16 Quarterly	5	3 Months USD LIBOR Linked rate
Rupee Loan	1944.52	20 Quarterly	8	Base Rate Linked Rate
Rupee Loan	540.00	20 Quarterly	6	Base Rate Linked Rate
Rupee Loan	6508.30	16 Quarterly	16	Base Rate Linked Rate
Rupee Loan	2500.00	48 Monthly	48	Base Rate Linked Rate

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

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
(b) DEFERRED TAX LIABILITY (NET)		
Timing Differences on account of		
1) Deferred Tax liability		
- Difference between book depreciation & depreciation Under Income Tax Act 1961.	2284.80	1632.01
- Closing balance of Excise Duty	-	412.23
2) Deferred Tax Assets		
- Provision for Doubtful debts	(14.47)	(19.34)
- Claim under Sec 43 (B) of Income tax Act	(67.90)	(55.28)
- Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	(29.12)	-
3) Net Deferred Tax liability (1-2)	2173.31	1969.61
(c) OTHER LONG TERM LIABILITIES		
Payable for capital goods	174.53	295.90
	174.53	295.90

Note 4 : CURRENT LIABILITIES

(a) SHORT TERM BORROWINGS		
A. SECURED		
Loans from Banks		
- Cash Credit*	976.79	1297.89
- Working Capital Demand Loans*	7500.00	7600.00
- Buyers credit / External Commercial Borrowing*	848.74	780.94
	9325.52	9678.83
B. UNSECURED		
Loans from Banks		
- Working Capital Loan From Bank**	3737.48	1695.31
	13063.00	11374.14

* 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 Indore, Madhya Pradesh unit) and by way of second charge on entire movable assets of the company (excluding movable assets of Sanand, Gujarat unit) both present and future. Facility utilised of ₹ 430.00 Lacs is secured by exclusive first charge on the entire current assets of Sanand, Gujrat unit of the Company and second charge on movable fixed assets including plant and machinery at Sanand, Gujrat 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.

** It represents bills discounted by bankers

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
(b) TRADE PAYABLES*	10352.94	11354.66
	10352.94	11354.66

* 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	2598.74	2101.10
Interest accrued but not due on borrowings	96.95	27.58
Interest accrued and due on borrowings	21.07	31.50
Unpaid/Unclaimed Dividend	6.47	5.58
	2723.23	2165.76
Other payables		
Payable for Capital Goods	413.13	1293.28
Statutory Dues Payable	150.83	332.46
Employee related Liabilities	254.79	421.77
Advance from customers	2003.93	5904.31
Others	510.43	583.46
	3333.10	8535.28
	6056.33	10701.04
(d) SHORT TERM PROVISIONS		
Provision for employee benefits	162.53	129.45
Provision for Income tax (Net of Advance tax)	53.67	72.58
Provision for Proposed Dividend		
- Preference Shares	80.00	44.93
- Equity Shares	1019.88	305.97
Provision for Dividend Tax on Proposed Dividend	146.38	-
	1462.47	552.93

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 5 : FIXED ASSETS

Description	Gross Block				Depreciation		Net Block					
	As at 01.04.2014	Additions during the year	Other Adjustments*	Sales/ Disposal during the year	Total as at 31.03.2015	As at 01.04.2014	For the year	Other Adjustments**	Written Back/ Adjustment on sales/ disposal	Total as at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets												
Land (Freehold)	254.93	-	-	-	254.93	-	-	-	-	-	254.93	254.93
Land (Lease Hold)	2758.93	-	-	-	2758.93	104.95	44.96	-	-	149.91	2609.02	2653.98
Building	5039.66	1172.87	69.13	-	6281.67	494.66	166.32	16.61	-	677.59	5604.08	4545.00
Plant & Machinery	17950.76	4763.75	(0.67)	29.01	22684.84	6762.57	1038.00	(6.35)	23.86	7770.36	14914.48	11188.19
Furniture & Fixtures	159.40	52.86	(7.08)	11.22	193.96	79.94	31.93	(5.94)	7.79	98.14	95.82	79.46
Office Equipments	410.49	169.42	(5.91)	12.84	561.15	213.84	66.10	52.51	6.54	325.91	235.24	196.65
Vehicles	270.35	61.07	(0.95)	21.38	309.09	115.80	42.06	(0.53)	11.35	145.98	163.11	154.55
Total Tangible	26844.53	6219.97	54.51	74.46	33044.56	7771.76	1389.37	56.30	49.54	9167.88	23876.68	19072.77
Intangible Assets												
Computer Software	355.78	49.53	-	-	405.31	298.74	34.44	-	-	333.18	72.13	57.04
Technical Know-how	591.80	267.98	91.88	-	951.67	7.03	180.60	-	-	187.62	764.04	584.77
Prototype	-	2572.61	-	-	2572.61	-	10.39	-	-	10.39	2562.22	-
Licence fees	-	1406.81	-	-	1406.81	-	6.06	-	-	6.06	1400.76	-
Total Intangible	947.58	4296.93	91.88	-	5336.40	305.77	231.49	-	-	537.26	4799.14	641.82
Total	27792.11	10516.91	146.40	74.46	38380.96	8077.53	1620.86	56.30	49.54	9705.14	28675.82	19714.59
Previous year	20266.40	7617.59	-	91.87	27792.11	6662.31	1435.98	5.30	26.07	8077.53	19714.58	13604.09
Capital Work in Progress											634.48	5428.65

NOTES :-

* Other Adjustments includes ₹ (129.05) Lacs (P.Y. ₹ Nil) on account of Exchange Fluctuation and ₹ (29.38) Lacs (P.Y. Nil) on account of Depreciation capitalised and ₹ 304.83 Lacs (P.Y Nil) on account of Borrowing cost.

** Other Adjustment includes ₹ (29.38) Lacs (P.Y ₹ 5.30 lacs) depreciation capitalised and Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013 amounting to ₹ 85.68 lacs.

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 is yet to be registered in the name of the company.

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
NOTE 6: NON CURRENT INVESTMENTS		
TRADE- UNQUOTED (fully paid up) at Cost		
Investment in Equity Instruments		
Subsidiaries		
11,219,994 (P.Y. 11,219,994) Equity Share of ₹ 10/- each fully paid up of JBM Ogihara Automotive India Limited	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 Private Limited	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 Private Limited	3044.96	3044.96
2,00,000 (P.Y. 2,00,000) Equity Shares of ₹ 10/ each fully paid up of INDO Toolings Private Limited	20.00	20.00
	7132.78	7132.78
Aggregate value of unquoted investment	7132.78	7132.78
NOTE 7: LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Capital advances	33.39	413.82
Security Deposit	177.83	160.78
	211.21	574.60
NOTE 8: OTHER NON CURRENT ASSETS		
Hedging Gain Recoverable	107.74	256.29
Others (Refer Note:31)	–	174.78
	107.74	431.07
NOTE 9: CURRENT ASSETS		
(a) INVENTORIES		
Raw material	4674.84	4131.97
Raw Material in transit	401.04	–
Work in process	3154.67	2828.88
WIP in transit	20.45	–
Finished Goods	75.06	115.37
Stores, spares & consumables	485.33	241.37
Scrap	90.44	76.99
	8901.82	7394.58

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
(b) TRADE RECEIVABLES		
(Unsecured, considered good)		
Debts overdue for more than six months		
- Considered good	348.33	811.39
- Considered doubtful	42.58	56.90
	390.91	868.30
Less: Amount Received (Refer Note : 33)	–	231.02
Less: Provision for doubtful debts	42.58	56.90
	348.33	580.38
Other debts, considered good	12035.34	13809.55
	12383.67	14389.93
(c) CASH AND BANK BALANCE		
A Cash and Cash Equivalents		
Cash in hand	15.93	10.96
Balances with Banks		
- In Current account	333.85	207.48
- In Unpaid Dividend account	6.47	5.58
Deposits for less than 3 Months Maturity*	44.14	38.81
B Other Bank balances		
In Fixed Deposit account (3-12 Months Maturity)*	1.84	3.63
	402.23	266.46
* Under Bank's lien and includes Interest Accrued ₹ 3.54 lacs (P.Y. ₹ 3.35 lacs) 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)	439.32	875.40
Advance to suppliers		
- Considered good	742.10	359.15
MAT Credit	684.29	256.25
Balance of Modvat/ Cenvat	1529.97	1307.00
Sales Tax/VAT Recoverable	269.80	102.31
Hedging Gain Recoverable	142.41	59.73
	3807.90	2959.84
NOTE 10: REVENUE FROM OPERATIONS		
Sale of Products	62869.21	59790.41
Sale of Services	849.04	343.82
Other operating Revenue	4628.16	4292.84
Gross Revenue from Operations	68346.41	64427.07

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
NOTE 11: OTHER INCOME		
Dividend from Subsidiary	367.80	367.80
Interest (TDS ₹ 0.40 lacs (P.Y. ₹ 0.34 lacs))	19.13	12.98
Profit on Sale of Fixed Assets (Net)	4.06	–
Royalty (TDS ₹ 11.90 lacs /- (P.Y. ₹ 12.09 lacs))	119.00	120.95
Subsidy (Refer note no : 34)	313.96	–
Exchange Fluctuation (Net)	–	151.53
Miscellaneous Income	15.37	3.43
	839.32	656.69

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

Opening stocks		
Work in process	2828.88	2373.15
Finished goods	115.37	134.82
	2944.25	2507.97
Less : Closing stocks		
Work in process	3154.67	2828.88
Finished Goods	75.06	115.37
	3229.73	2944.25
(Increase)/ Decrease in stocks	(285.48)	(436.28)

NOTE 13: EMPLOYEE BENEFITS EXPENSE

Salaries & wages	6159.11	4445.21
Contribution to ESI, PF and other funds	236.41	188.66
Staff welfare	276.12	196.30
	6671.63	4830.17
Less : Transferred to Project Commissioned/Under Commissioning	823.20	461.60
	5848.43	4368.57

NOTE 14: FINANCE COSTS

Interest to Banks- term loans	961.73	725.14
Interest- others	1361.95	1306.89
Other Financial Charges	29.58	38.22
Applicable Net (Gain)/Loss on foreign currency transactions and translation	30.93	93.48
	2384.19	2163.73
Less : Transferred to Project Commissioned/Under Commissioning	261.80	9.83
	2122.39	2153.90

Notes Forming Part of Financial Statements

(₹ in Lacs)

	March, 2015	March, 2014
NOTE 15: OTHER EXPENSES		
Stores consumed	718.21	549.80
Manufacturing expenses	642.43	556.12
Power & fuel	1080.05	903.69
Packing Material	313.61	448.17
Machinery repairs and maintenance	386.22	341.17
Rent (including land lease rent)	95.98	57.63
Rates & taxes	80.52	44.80
Insurance	21.26	23.77
Repair & Maintenance		
- Building	35.24	42.67
- Others	162.54	105.56
Bad Debts written off	17.82	38.55
Loss on sale of assets/assets written off (Net)	–	8.50
Provision for Bad & Doubtful Debts	(13.84)	30.07
Freight & Forwarding charges	931.74	753.77
Exchange Fluctuation (Net)	106.91	–
Royalty	382.77	309.54
Other Administrative Expenses*	878.66	849.97
	5840.11	5063.78
Less : Transferred to Project Commissioned/Under Commissioning	188.02	268.01
	5652.09	4795.78

* Includes ₹ (0.11) lacs (P.Y. ₹ 3.32 lacs) on account of Excise Duty Provision on change in stock.

NOTE: 16 EARNING PER SHARE

Particulars	Year ended March 31,2015	Year ended March 31,2014
a) Profit after tax as per Statement of Profit & Loss (₹ In Lacs)	3360.30	2431.15
b) Preference dividend and dividend tax (₹ In Lacs)	80.00	38.13
c) Net profit available for equity share holders (₹ In Lacs)	3280.30	2393.02
Total Equity Shares (No's)	40795364	40795364
Basic/Diluted Earnings per Share (₹ 5/-)	8.04	5.87

NOTE: 17 In terms of resolution passed by the shareholders of the Company at 18th Annual General Meeting held on 24th September, 2014, the company has split/sub-divided the face value of its equity share of ₹ 10/- each to ₹ 5/- each with effect from 9th October, 2014 i.e. the Record Date. Further, post-split of shares 2,03,97,682 bonus equity shares of ₹ 5/- each have been allotted on the same record date, in the ratio of 1 equity share of ₹ 5/- each fully paid-up for 1 equity share of ₹ 5/- each held. Consequently the earning per share has been re-stated for both the periods presented based on the number of equity shares post-split and bonus issue i.e. 4,07,95,364 equity shares, in accordance with Accounting Standard (AS-20) on "Earning per share".

Notes Forming Part of Financial Statements

NOTE: 18 CONTINGENT LIABILITIES

(₹ in Lacs)

Sr. No.	Particulars	March, 2015	March, 2014
i)	Letter of Credit outstanding	1293.03	876.94
ii)	Guarantees issued by the Bank on behalf of the Company	418.57	857.05
iii)	Claims against the Company not acknowledged as debt	871.17	350.29

NOTE: 19 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE CAPITAL AS ON THE BALANCE SHEET DATE

Name of Shareholders	31.03.2015		31.03.2014	
	No. of Shares held of ₹ 5 each	% held in Shareholding	No. of Shares held of ₹ 10 each	% held in Shareholding
I) Name of Shareholders				
SMC CREDITS LIMITED	7570260	18.56	1892565	18.56
A to Z SECURITIES LIMITED	4190160	10.27	1047540	10.27
ZEAL IMPEX & TRADERS PRIVATE LIMITED	4018968	9.85	1004742	9.85
AMITY INFOTECH PRIVATE LIMITED	4000000	9.81	1000000	9.81
SHUKLAMBER EXPORTS LIMITED	3424824	8.40	856206	8.40
JBM BUILDERS PRIVATE LIMITED	3030832	7.43	757708	7.43
NAP INVESTMENT & LEASING PRIVATE LIMITED	2274616	5.58	568654	5.58
ANS HOLDING PRIVATE LIMITED	2058996	5.05	514749	5.05
II) Preference Shares of ₹ 10 each fully paid				
NEEL METAL PRODUCTS LIMITED	10000000	100.00	10000000	100.00

NOTE: 20 AUDITOR'S REMUNERATION

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

(₹. In Lacs)

	2014-15	2013-14
A Audit fee	13.00	12.00
B Tax audit fees	6.00	5.00
C Taxation matter	2.10	2.08
D Others	8.00	7.00

NOTE: 21 SEGMENT INFORMATION

i) Primary Segment Reporting

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

- Sheet Metal Components, Assemblies & Sub-assemblies** - Segment manufactures components etc.
- Tool, Dies & Moulds** - Segment manufactures Dies for Sheet Metal Segment or sells Dies.
- Bus Division** - Segment includes activities related to Development, Design, Manufacture, Assembly and Sale of Bus as well as Parts, Accessories and Maintenance contracts of the same.

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.

Notes Forming Part of Financial Statements

ii) Segment Revenues, Results and other information

(₹ In Lacs)

	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Bus Division		Total of Reportable Segments	
	2015	2014	2015	2014	2015	2014	2015	2014
External Sales	50970.24	44753.54	8973.15	11765.35	–	–	59943.40	56518.89
Inter Segment Sales	29.57	16.40	–	–	–	–	29.57	16.40
Segment Revenues	50999.81	44802.69	8973.15	11884.01	–	–	59972.97	56686.70
Segment Results	3156.82	3152.58	2371.41	1973.79	(128.60)	–	5399.66	5126.37
Segment Assets	37563.32	35847.75	4779.10	7890.01	9729.96	–	52072.38	43737.76
Segment Liabilities	9248.40	9351.37	2675.94	10134.45	1202.96	–	13127.30	19485.82
Capital Expenditure	3162.39	9159.05	38.92	686.66	2796.88	–	5998.19	9845.71
Depreciation/ Amortisation	1435.58	1236.85	123.10	187.93	24.22	–	1582.90	1424.78

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
	2015	2014	2015	2014	2015	2014	2015	2014
Total Reportable Segments	59972.97	56686.70	5399.66	5126.37	52072.38	43737.76	13127.30	19485.82
Inter segment sales/ Adjustments	(29.57)	(16.40)	–	–	–	–	–	–
Other Income	353.78	–	–	–	–	–	–	–
Corporate /unallocated (Net)	754.42	567.02	(1482.14)	(1736.65)	10185.27	14554.73	27766.45	19703.96
Taxes/ Deferred Tax	–	–	(557.22)	(958.56)	–	–	2173.31	1969.61
As per Financial statements	61051.60	57237.32	3360.30	2431.15	62257.66	58292.49	43067.07	41159.39

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: 22 The Company uses forward exchange contracts and other derivative contracts to hedge against its foreign currency exposures relating to the underlying transactions 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 31.03.2015

Nos. of Contracts		Equivalent USD (USD in Lacs)		INR Equivalents (₹ In Lacs)	
2015	2014	2015	2014	2015	2014
1	2	13.97	28.70	878.28	1732.09

Notes Forming Part of Financial Statements

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

(Figures in Lacs)

Liabilities	As at March 31, 2015	As at March 31, 2014
In Euros (€)	7.24	0.11
(Equivalent approximate in INR)	491.49	9.04
In US Dollar (\$)	11.78	17.45
(Equivalent approximate in INR)	739.85	1052.28
In JPY (¥)	833.33	1137.15
(Equivalent approximate in INR)	436.33	672.96
In SEK (kr)	0.17	0.15
(Equivalent approximate in INR)	1.26	1.51
Assets		
In Euros (€)	5.49	7.1
(Equivalent approximate in INR)	368.96	556.03
In USD (\$)	1.62	8.55
(Equivalent approximate in INR)	100.96	516.01

NOTE: 23 Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹ 674.14 Lacs (Previous year ₹ 2045.92 Lacs).

NOTE: 24 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 Lacs) in the Statement of Profit and Loss:-

	2015	2014
Employer's Contribution to Provident Fund*	190.44	166.78

ii. State Plans

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

	2015	2014
Employer's contribution to Employee State Insurance*	10.10	21.01
Employer's contribution to Welfare Fund*	0.79	0.87

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

iii. Defined Benefit Plans

a) Contribution to Gratuity Fund – Employee's Gratuity Fund.

b) Leave Encashment/ Compensated Absence

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:

i) Actuarial Assumptions	2015		2014	
	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
Discount Rate (per annum)	7.90%	7.90%	9.10%	9.10%
Rate of increase in compensation levels	5%	5%	5%	5%
Rate of return on plan assets	N.A.	9%	N.A.	8.75%
Expected Average remaining working lives of employees (years)	22.96	22.96	23.05	23.05

Notes Forming Part of Financial Statements

					(₹ in Lacs)
ii)	Change in the obligation during the year ended 31st March, 2015	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Present value obligation as at 31 st March, 2014	91.68	225.03	81.91	189.83
	Interest cost	6.35	16.42	6.62	16.55
	Past Service cost	–	–	–	–
	Current service cost	57.10	48.58	39.32	36.51
	Curtailement cost	–	–	–	–
	Settlement cost	–	–	–	–
	Benefit paid	(22.67)	(34.27)	(18.27)	(15.96)
	Actuarial (gain)/loss on Obligations	(5.77)	24.37	(17.90)	(1.90)
	Present value obligation as at 31 st March, 2015*	126.68	280.14	91.68	225.03
iii)	Change in fair value plan Assets				
	Fair value of Plan Assets as at 31 st March, 2014	–	236.30	–	226.81
	Expected return on Plan Assets	–	20.67	–	19.40
	Contributions	–	11.95	–	1.09
	Withdrawals	(22.67)	(25.26)	(18.27)	(11.17)
	Actuarial gain/(loss) on Obligations	–	(0.38)	–	0.17
	Fair value of Plan Assets as at 31 st March, 2015	–	243.28	–	236.30
iv)	Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Present value obligation as at 31 st March, 2015*	126.68	280.14	91.68	225.03
	Fair value of Plan Assets as at 31 st March, 2015	–	243.28	–	236.30
	Funded Status	–	–	–	11.27
	Present value of unfunded obligation as at 31 st March, 2015	–	–	–	–
	Unfunded Actuarial (gains)/Losses	–	–	–	–
	Unfunded Net Asset/(Liability) recognized in Balance Sheet*	(126.68)	(36.86)	(91.68)	–
v)	Expenses recognized in Statement of Profit and Loss	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Current service cost	57.10	48.58	39.32	36.51
	Past Service cost	–	–	–	–
	Interest cost	6.34	16.42	6.62	16.55
	Expected return on Plan Assets	–	(20.67)	–	(19.40)
	Curtailement cost	–	–	–	–
	Settlement cost	–	–	–	–
	Net Actuarial (gain)/loss recognized during the year	(5.77)	24.76	(17.90)	(2.06)
	Total Expense recognized in Statement of Profit and Loss #	57.68	69.09	28.04	31.58

* This pertains to Long term Liability worked in respect of deferred leave only. Expected short term liability of ₹ 35.85 Lacs (P.Y. ₹ 37.78 Lacs).

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 Financial Statements

NOTE: 25 STATEMENTS OF TRANSACTIONS WITH RELATED PARTIES

Subsidiaries	Joint Ventures	Key Management personnel and their relatives
JBM Ogihara Automotive India Limited	JBM MA Automotive Private Limited	Mr. H.R. Saini, Executive Director
JBM Auto System Private Limited	INDO Toolings Private Limited	

(₹ In Lacs)

	2014-15				2013-14			
	Subsidiaries	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Joint Ventures	Key Management personnel and their relatives	Total
Purchase of capital goods								
INDO Toolings Private Limited	–	24.31	–	24.31	–	231.72	–	231.72
Total	–	24.31	–	24.31	–	231.72	–	231.72
Sale of Goods & Job work								
JBM Ogihara Automotive India Limited	11.94	–	–	11.94	–	–	–	–
JBM Auto System Private Limited	486.97	–	–	486.97	935.98	–	–	935.98
JBM MA Automotive Private Limited	–	112.89	–	112.89	–	159.50	–	159.50
INDO Toolings Private Limited	–	4.44	–	4.44	–	11.97	–	11.97
Total	498.91	117.33	–	616.24	935.98	171.47	–	1107.45
Purchase of the goods								
JBM MA Automotive Private Limited	–	33.74	–	33.74	–	69.70	–	69.70
INDO Toolings Private Limited	–	456.29	–	456.29	–	1008.66	–	1008.66
Total	–	490.03	–	490.03	–	1078.36	–	1078.36
Other Expenses								
JBM Ogihara Automotive India Limited	–	–	–	–	0.07	–	–	0.07
JBM Auto System Private Limited	0.01	–	–	0.01	–	–	–	–
JBM MA Automotive Private Limited	–	0.50	–	0.50	–	7.98	–	7.98
INDO Toolings Private Limited	–	6.62	–	6.62	–	–	–	–
Total	0.01	7.12	–	7.13	0.07	7.98	–	8.05
Other Exp Recovered								
JBM MA Automotive Private Limited	–	4.03	–	4.03	–	–	–	–
INDO Toolings Private Limited	–	1.43	–	1.43	–	–	–	–
JBM Auto System Private Limited	24.54	–	–	24.54	–	–	–	–
Total	24.54	5.46	–	30.00	–	–	–	–
Other Income								
JBM Ogihara Automotive India Limited	119.00	–	–	119.00	122.62	–	–	122.62
JBM Auto System Private Limited	367.80	–	–	367.80	367.80	–	–	367.80
Total	486.80	–	–	486.80	490.42	–	–	490.42
Managerial Remuneration								
Mr. H. R. Saini	–	–	30.52	30.52	–	–	30.26	30.26
Total	–	–	30.52	30.52	–	–	30.26	30.26
Amount Recoverable								
JBM Auto System Private Limited	156.11	–	–	156.11	249.26	–	–	249.26
JBM MA Automotive Private Limited	–	900.56	–	900.56	–	1005.52	–	1005.52

Notes Forming Part of Financial Statements

(₹ In Lacs)

	2014-15				2013-14			
	Subsidiaries	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Joint Ventures	Key Management personnel and their relatives	Total
INDO Toolings Private Limited	–	67.96	–	67.96	–	109.70	–	109.70
JBM Ogihara Automotive India Limited	97.91	–	–	97.91	–	–	–	–
Total	254.02	968.52	–	1222.54	249.26	1115.22	–	1364.48
Amount Payable								
JBM MA Automotive Private Limited	–	–	–	–	–	9.97	–	9.97
JBM Ogihara Automotive India Limited	–	–	–	–	1.94	–	–	1.94
Total	–	–	–	–	1.94	9.97	–	11.91

NOTE: 26 STATEMENTS 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:

S. No.	Name of Company	% Ownership Interest	Country of Incorporation
1.	JBM MA Automotive Private Limited	50.00	India
2.	Indo Toolings Private Limited	50.00	India

(₹ In Lacs)

	Year Ended March 31, 2015	Year Ended March 31, 2014
Details of Assets		
Fixed Assets – Net Block		
- Tangible	7546.42	8134.61
- Intangible	13.56	13.58
- Capital Work in Progress	432.03	298.45
Non Current Investments	300.00	300.00
Deferred Tax Asset	29.98	4.29
Long term loans and advances	431.06	168.40
Inventories	1827.44	2066.86
Trade receivables	2583.87	3616.47
Cash and Cash equivalents	333.61	143.42
Other Current Assets	613.31	893.29
Details of Liabilities		
Long Term Borrowings	625	156.90
Other long term Liabilities	2747.50	1999.34
Long term provisions	52.59	31.66
Deferred Tax Liability	365.90	128.03
Short Term Borrowings	2475.27	2448.20
Trade Payables	2252.13	2650.76
Other Current Liabilities	933.63	4159.42
Short Term Provisions	83.32	41.47
Detail of Income		
Revenue from operations (Net)	16268.70	14771.71
Other Income	9.08	6.04
Detail of Expenses		
Cost of Material Consumed	10874.57	10507.83

Notes Forming Part of Financial Statements

(₹ In Lacs)

	Year Ended March 31, 2015	Year Ended March 31, 2014
Changes in inventories of Finished Goods and Work in progress	402.85	(66.64)
Employees Benefits Expense	1396.41	1177.74
Finance Cost	395.50	521.68
Depreciation and Amortization Expense	652.36	745.02
Other Expenses	1907.79	1617.54
Tax Expense	212.18	99.96
Details of Contingent Liabilities		
Capital commitments	90.49	161.35

Note: 27 The expenditure incurred by in house R&D Centre on scientific research is as under:

(₹ in lacs)

Particular	2014-15
Revenue Expenditure	319.36
Capital expenditure	271.85
Total	591.21

NOTE: 28 Corporate Social Responsibility Expenses:

a) Gross amount required to be spent by the company during the year 2014-15 is ₹ 45.19 lacs

b) Amount spent during the year on :

(₹ in lacs)

	In cash*	Yet to be paid in cash	Total
Construction/acquisition of any assets	8.77	–	8.77
Purpose other than above	36.51	–	36.51
	45.28	–	45.28

*Represents actual outflow during the year

c) Related party Transaction in relation to Corporate Social Responsibility : NIL

d) Provision movement during the year 2014-15: NIL

NOTE: 29 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 as stipulated in the agreement shall increase periodically.

NOTE: 30 In accordance with the provisions of Schedule II to the Companies Act 2013, the Company has revised the useful life of its fixed assets based on technical assessment from April 1, 2014 as further amended on August 29, 2014. In case of fixed assets where the useful life is NIL as determined above, the company has adjusted the net residual value as at April 1, 2014 aggregating to ₹ 56.55 lacs (net of deferred tax of ₹ 29.12 lacs) to retained earnings. Further depreciation for the period up to 31-03-2015 is lower and the profit before tax is higher to the extent of ₹ 102.12 lacs.

Effective April 1, 2014, the Company has revised the useful life of Intangible assets to 3 to 7 years as against existing 3 years. Consequently amortization for the year is lower and profit before tax is higher by ₹ 143.49 lacs.

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

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 judgment 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: 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 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.

During the year the Hon'ble Supreme court of India decided the SLP in favour of the company and a further sum of ₹ 609.44 lacs (in addition to ₹ 231.02 lacs) was given to company. Pursuant to above decision, the company has received total of ₹ 840.46 lacs which comprises ₹ 355.14 lacs disputed receivable & ₹ 485.32 lacs interest thereon.

In view of the same the interest so received is recognized as exceptional items amounting to ₹ 201.51 lacs after adjusting litigation expenses of ₹ 283.81 lacs.

NOTE: 34 In order to promote investment in the state of Rajasthan and to generate further employment opportunities through such investment, the state has notified "The Rajasthan investment promotion scheme 2010" under which an enterprise commencing commercial production/operation is granted a subsidy from the date on which the enterprise makes sales up to a period of 7 years by an investment subsidy of 30% of the sales tax payable which have become due. The same has been in accordance with AS-12 "Accounting for Government Grants" notified under Companies (Accounting Standard) Rules, 2006 credited to statement of Profit and Loss under the head "other income". For the purpose of Calculation of taxable income as per Income Tax Act, such Investment Subsidy has been considered as capital receipt.

NOTE: 35 On 5th November, 2014, a fire occurred in the administration block of the SPV unit (Ballabgarh, Haryana) of the Company. All the records, documents, computer system etc. were burnt. The aforesaid results have been compiled & audited on the basis of information available with the Company at its other locations / corporate office, which in the opinion of auditors is reasonable and reliable. The Company has filed the insurance claim against the loss, which is pending for settlement. No provision has been made for the same. Any variation from insurance claim filed will be accounted for as and when it is realized

NOTE: 36 The Company has entered into a new segment of manufacturing Buses from KOSI plant. The commercial production commenced from 21.03.2015. The total expenditure capitalized under Bus project is given below:

(₹ in lacs)

Nature of Expense	Capitalized from opening CWIP	Capitalized from Current Year expenses	Total Expense Capitalized
Manpower cost	559.24	668.77	1228.02
Finance cost	65.63	242.24	307.87
Other expense	460.51	197.25	657.76
Total	1085.38	1108.26	2193.65

NOTE: 37 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: 38 The Company has decided to exercise the option provided in notification GSR No.914 (E) dated 29-12-2011 issued by ministry of company's affairs regarding the treatment of exchange differences.

NOTE: 39 Trade and Other Receivables and Payables are subject to confirmation.

NOTE: 40 Additional information pursuant to the general instructions for preparation of Statement of Profit and Loss of Schedule III of the Companies Act, 2013 are as under :

i) OPENING, CLOSING STOCK AND SALES

(₹ in Lacs)

Products	Opening Stock	Closing Stock	Sales	Closing WIP
<u>Finished Goods</u>				
Components, Assemblies and Sub-assemblies	115.37 (134.82)	75.06 (115.37)	53782.24* (46906.54)	1703.08 (1212.67)
Tools, Dies and Moulds	-	-	9934.82** (13220.45)	1425.00 (1616.21)
Others	-	-	4629.35 (4300.08)	26.59 (-)

* Includes Components produced on Job Work for ₹ 309.98 Lacs (P.Y. ₹ 108.54 Lacs)

** Includes Tools produced on Job Work for ₹ 212.01 Lacs (P.Y. ₹ 235.28 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)

Particulars	2015	2014
1. Component	25874.38	18036.53
2. Metal Sheet	11461.65	18009.04
3. Die Material	4869.14	5484.09
TOTAL	42205.17	41529.66

iii. CIF VALUE OF IMPORTS

(₹ in Lacs)

Particulars	2015	2014
1. Raw Material	1716.74	3328.17
2. Stores & Spares	78.77	1.82
3. Capital Goods	666.00	1240.93

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

(₹ in Lacs)

Particulars	2015		2014	
	Value	% age	Value	% age
a) Raw Material & Components				
– Imported	2125.75	5.04	9929.75	23.91
– Indigenous	40079.42	94.96	31599.90	76.09
Total	42205.17	100.00	41529.66	100.00
b) Stores & Spares				
– Imported	152.42	21.73	45.90	8.53
– Indigenous	548.93	78.27	492.34	91.47
Total	701.35	100.00	538.24	100.00

v) EXPENDITURE INCURRED IN FOREIGN CURRENCY

(₹ in Lacs)

Particulars	2015	2014
1. Travelling	15.50	56.79
2. Repair & Maintenance (Plant & Machinery)	–	7.34
3. Interest on ECB's	10.88	31.51
4. Interest on Term Loan	90.54	137.45
6. Job Work Charges	13.30	6.74
7. Freight, Warehouse & Other Charges	5.22	–
8. Professional & technical Fees	775.48	437.76

vi) EARNINGS IN FOREIGN CURRENCY

(₹ in Lacs)

Particulars	2015	2014
1. FOB value of Exports	818.13	1188.13

NOTE: 41 Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

R. K. Mehra

Partner
M.No. 6102

S. K. Arya

Chairman
DIN : 00004626

Nishant Arya

Director
DIN : 00004954

M. K. Aggarwal

Director
DIN : 00004982

Ashok Kumar Agarwal

Director
DIN : 00003988

Vimal Vasisht

Director
DIN : 06928805

H. R. Saini

Executive Director
DIN : 00004665

Vivek Gupta

Chief Financial Officer
& Company Secretary

Place : Gurgaon (Haryana)

Dated : 18th May, 2015

Independent Auditor's Report

TO THE MEMBERS OF JBM AUTO LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **JBM AUTO LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

During the year, One of the Subsidiary Company has recognized net revenue of ₹ 245.80 lacs on tooling development based on technical acceptance / conditional acceptance by the customer. This is inconsistent with the past practice of the said Company, where revenue was recognized upon invoicing the customer. Had the revenue been recognized in accordance with the past practice, the revenues and profit for the period before tax would have been lower by ₹ 245.79 lacs. The gross sales value of such tools is ₹ 761.21 lacs for which invoices are yet to be raised. The related excise duty of ₹ 94.08 lacs has not been provided for / paid in the current year.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis of Qualified Opinion paragraph above*, the aforesaid consolidated 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, of the consolidated state of affairs of the Group and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements / financial information of two jointly controlled entities, whose financial statements / financial information reflect total assets of ₹ 28222.58 lacs as at 31st March, 2015, total revenues of ₹ 32555.56 lacs and net cash flows amounting to ₹ 380.39 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of ₹ 50403.38 Lacs as at 31st March, 2015, total revenues of ₹ 72159.18 Lacs and net cash flows amounting to ₹ 79.96 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements / financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and jointly controlled companies incorporated in India, none of the directors of the Group companies, and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and jointly controlled entities— Refer Note 22 to the consolidated financial statements.
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 26 to the consolidated financial statements in respect of such items as it relates to the Group, and jointly controlled entities.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

**For Mehra Goel & Co.
Chartered Accountants
(FRN: 000517N)**

**R. K. Mehra
(Partner)
M. No - 06102**

Place of Signature: Gurgaon (Haryana)

Date : 18th May 2015

Annexure to Consolidated Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i.
 - a. The Group has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets of the group have been physically verified during the year at reasonable intervals having regard to the size and nature of the business and the discrepancies on such verification were not material.
- ii.
 - a. The inventories of the group have been physically verified during the year by the management. In case of the Holding company, the verification has been conducted in a phased manner. In our opinion, the frequency of verification is reasonable.
 - b. The procedure of physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the companies and nature of their business
 - c. The group has generally maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stock and book records, which were not material have been properly dealt with in the financial statement
- iii. The group has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion, and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the group and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls
- v. In our opinion, the Group Entities have not accepted any deposits as per the provision of the Act.
- vi. We have broadly reviewed the costs records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained in respect of a division to which it is applicable. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete
- vii.
 - a. *Except for the excise duty payable on the tooling revenue recognised as described in the Basis for Qualified Opinion paragraph of our report of even date*, the Group have generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period more than six months from the date of becoming payable.
 - b. There were no dues in respect of Income Tax, Duty of Excise, Duty of Customs, Cess, Sales Tax, Service Tax, Value Added Tax and Wealth Tax which have not been deposited on account of any dispute except as detailed given below:

Name of the Statute	Nature of the Dues	Period to which the amount pertains	Amount (₹ in lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Assessment Year 2008-09, 2010-11 & 2011-12	35.06	ITAT
Income Tax Act, 1961	Income Tax	Assessment Year 2012-13	210.82	CIT (Appeal)
Income Tax Act, 1961	Income Tax	Assessment Year 2012-13	0.12	CIT (Appeal)
The Central Excise Act, 1944	Excise Duty	Financial Year 1999-2000	30.72	CCE Delhi -IV
The Central Excise Act, 1944	Excise Duty	Financial Year 2000-01, 2006-07, 2007-08 & 2008-09	296.62	CESTAT, NEW DELHI
The Central Excise Act, 1944	Excise Duty	Financial Year 2009-10	4.54	CESTAT, KOLKATTA
The Central Excise Act, 1944	Excise Duty	Financial Year 2010-11	110.40	CCE-Ahmedabad-II
The Central Excise Act, 1944	Excise Duty	Financial year 2008-14	276.51	CESTAT
Service tax Act, 1994	Service tax & penalty	Financial Year 2001-02	18.40	CCE Delhi -IV

- c. There is no amount which required to be transferred to investor education and Protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Companies Act, 2013 and rules made thereunder.
- viii. As per the consolidated financial statements, the group does not have accumulated losses at the end of the current financial year and the group has not incurred cash losses during the financial year.
- ix. The Group has not defaulted in repayment of dues to financial institutions, banks or debentures holders.
- x. The group has not given any guarantee during the year.
- xi. The term loans have been applied for the purpose for which they were obtained.
- xii. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the group has been noticed or reported during the year.

**For Mehra Goel & Co.
Chartered Accountants
(FRN: 000517N)**

**R. K. Mehra
(Partner)
M. No - 06102**

Place of Signature: Gurgaon (Haryana)
Date : 18th May 2015

Management / Board Response on the above Qualified Opinion

As per our accounting policy on revenue recognition, revenue from tooling development contracts, which are generally "time bound fixed price contracts" are recognized upon successful completion and delivery of tools to the buyers/customers. In the particular case tools have been satisfactorily accepted by the buyer/customer through PSW mechanism for tools to run in our plant only and parts supply have already taken place from the said tools. Therefore, the revenue has been recognized as per Accounting Standard - 9.

As Excise Duty liability arises on dispatch, therefore the same is not required to be provided for.

Consolidated Balance Sheet as at 31st March, 2015

(₹ 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		3039.77	2019.88
(b) Reserves and Surplus		28023.10	22705.80
		31062.87	24725.68
Minority Interest		6618.17	5125.66
Non-Current Liabilities	3		
(a) Long term borrowings		18603.24	8051.51
(b) Deferred Tax Liability		4177.62	2733.18
(c) Other Long term liabilities		3505.59	2877.59
(d) Long term provisions		70.71	64.15
		26357.16	13726.43
Current Liabilities	4		
(a) Short-term borrowings		25535.45	18307.11
(b) Trade payables		22144.46	22428.48
(c) Other current liabilities		12128.51	20478.05
(d) Short-term provisions		1620.41	754.13
		61428.83	61967.78
TOTAL		125467.03	105545.55
II. ASSETS			
Non-current assets	5		
(a) Fixed Assets		70343.78	54800.40
(i) Tangible Assets		64330.69	46246.55
(ii) Intangible Assets		4816.40	660.41
(iii) Capital Work in Progress		1196.69	7893.44
(b) Non-current investments	6	1600.00	1300.00
(c) Deferred tax assets	3(b)	29.98	4.29
(d) Long term loans and advances	7	1069.30	2769.70
(e) Other non-current assets	8	517.59	448.69
		73560.65	59323.08
Goodwill		87.24	87.24
Current assets	9		
(a) Inventories		17835.15	15844.53
(b) Trade receivables		23026.79	24075.24
(c) Cash and Bank Balances		1128.21	739.26
(d) Other current assets		9828.98	5476.17
		51819.13	46135.21
TOTAL		125467.03	105545.55
Significant Accounting Policies	1		
Notes 1 to 46 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

DIN : 00004626

Nishant Arya

Director

DIN : 00004954

M. K. Aggarwal

Director

DIN : 00004982

Ashok Kumar Agarwal

Director

DIN : 00003988

Vimal Vasisht

Director

DIN : 06928805

H. R. Saini

Executive Director

DIN : 00004665

Vivek Gupta

Chief Financial Officer

& Company Secretary

Place : Gurgaon (Haryana)

Dated : 18th May, 2015

Statement of Consolidated Profit and Loss for the year ended 31st March, 2015

(₹ 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	174703.79	154041.28
Less : Excise duty / Service tax		19008.97	17652.17
Net Revenue from Operations		155694.82	136389.11
II. Other Income	11	409.08	558.86
III. Total Revenue (I+II)		156103.90	136947.97
IV. EXPENSES			
Cost of Materials consumed		110234.02	99846.71
Changes in inventories of finished goods and work in progress	12	287.77	(1098.48)
Employee benefits expense	13	13929.56	11298.19
Finance Costs	14	3491.65	3598.27
Depreciation and amortization expense	5	3975.80	4015.74
Other expenses	15	12150.17	10885.95
TOTAL EXPENSES		144068.98	128546.39
V. Profit before exceptional and extraordinary items and tax (III-IV)		12034.92	8401.57
VI. Exceptional items	33	201.51	—
VII. Profit before tax (V+VI)		12236.44	8401.57
VIII. Less: Tax Expense			
- Current year		2247.13	2250.64
- MAT Adjusted		(722.74)	(335.19)
- Deferred tax		1447.86	754.08
- Earlier years		0.32	33.00
		2,972.57	2,702.53
IX. Profit after tax (before adjustment for Minority Interest) (VII - VIII)		9263.86	5699.04
X. Share of (Profit)/ Loss transferred to Minority Interest		(1622.51)	(678.54)
XI. Profit after tax (after adjustment for Minority Interest) (IX-X)		7641.35	5020.50
XII. Earnings per equity share:	20		
(1) Basic		18.25	12.19
(2) Diluted		18.25	12.19
Significant Accounting Policies	1		
Notes 1 to 46 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
DIN : 00004626

Nishant Arya
Director
DIN : 00004954

M. K. Aggarwal
Director
DIN : 00004982

Ashok Kumar Agarwal
Director
DIN : 00003988

Place : Gurgaon (Haryana)
Dated : 18th May, 2015

Vimal Vasisht
Director
DIN : 06928805

H. R. Saini
Executive Director
DIN : 00004665

Vivek Gupta
Chief Financial Officer
& Company Secretary

Consolidated Cash Flow Statement for the year 2014-15

(₹ in Lacs)

	March, 2015		March, 2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		12236.44		8401.57
Adjustment for :				
Depreciation	3975.80		4015.74	
Unrealised Exchange loss/(Gain) (Net)	(9.19)		(24.64)	
Finance Cost	3428.33		3470.66	
Interest income	(21.99)		(21.14)	
Previous year adjustment in profits of Subsidiary and joint ventures			0.01	
(Profit)/Loss on sale of assets (Net)	(11.43)		0.26	
Bad Debts/Provision for Doubtful Debts	3.98	7365.50	68.62	7509.51
Operating Profit before Working Capital Changes		19601.94		15911.08
Adjustment for :				
Trade and other receivables	(1190.90)		(4930.29)	
Inventories	(1988.75)		(2730.35)	
Trade and other liabilities	(7712.24)	(10891.90)	14020.30	6359.66
Cash Generated From Operations		8710.04		22270.74
Direct taxes paid (Net)	(2073.71)	(2073.71)	(2005.58)	(2005.58)
Net Cash From Operating Activities		6636.33		20265.16
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(19917.35)		(13392.83)	
Proceeds from sale of fixed assets	57.21		85.13	
Subsidy received from Government of Maharashtra	116.42		222.86	
Interest received	21.99		21.14	
Investment made during the year.	(300.00)		—	
Net Cash used in Investing Activities		(20021.73)		(13063.70)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Preference Share Capital	—		3,000.00	
Repayment of Long Term Loans	(5089.57)		(8666.15)	
Proceeds from Long term loans	15908.74		1926.90	
Increase/(Decrease) in Short Term loans	7228.33		486.69	
Interest paid	(3623.06)		(3527.63)	
Dividend Paid	(650.09)		(243.98)	
Net cash flow from financing activities		13774.35		(7024.16)
Net Increase in Cash and Bank balance		388.95		177.30
Cash and cash equivalents (Opening Balance)		739.26		561.96
Cash and cash equivalents (Closing Balance) *		1128.21		739.26

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.
- *Includes towards unclaimed dividend of ₹ 6.47 lacs (Previous year ₹ 5.58 lacs)
- Figures in bracket represents cash outflow

Notes 1 to 46 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
DIN : 00004626

Nishant Arya
Director
DIN : 00004954

M. K. Aggarwal
Director
DIN : 00004982

Ashok Kumar Agarwal
Director
DIN : 00003988

Place : Gurgaon (Haryana)
Dated : 18th May, 2015

Vimal Vasisht
Director
DIN : 06928805

H. R. Saini
Executive Director
DIN : 00004665

Vivek Gupta
Chief Financial Officer
& Company Secretary

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, 2015.
- 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

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (‘Indian GAAP’) and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956, to the extent applicable.

2. 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.

3. 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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.

4. GOVERNMENT GRANTS

Grants and subsidies from the government are recognized when there is reasonable assurance that the company will comply with the conditions attached to them, and the grants/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on the systematic basis in the statement of profit and loss over the periods necessary to match them with related costs which they are intended to compensate. Where the grants relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the company receives non-monetary grants, the assets are accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of the shareholders' funds.

5. EXTRA-ORDINARY ITEMS

Extraordinary items are those income or expense that arises 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.

6. 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.

7. 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.

8. 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.

9. 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 as follows:-

a) Computer software	– 3 years
b) Technical know-how	– 5 years
c) License fees, design & prototype related to Bus division	– 7 years

10. 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.

11. DEPRECIATION

Depreciation on fixed assets is provided to the extent of Depreciable amount on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used, based on technical advice which considered the nature of assets, the usage of asset, expected physical wear & tear etc.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Assets	Years
Plant & Machinery & Electric Installation	20
Pallets, Tools & Dies	8
Leasehold land for less than 90 years	Over the remaining period of leasehold from the date of commissioning of plant

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.

12. 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.

13. 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.

14. 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:-

- Exchange differences relating to long term monetary items attributable to depreciable fixed assets are capitalized; and
- 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.

15. 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.

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.

16. EMPLOYEE'S BENEFITS

- 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.
- 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.
- Company's contribution to state plans namely Employees State Insurance Fund is charged to revenue every year.
- 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.
- Termination benefits are recognized as an expense immediately.
- Gain or Loss arising out of actuarial evaluation is recognized immediately in the Statement of Profit and Loss as income or expense.

17. CLAIMS

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

18. 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.

19. RESEARCH AND DEVELOPMENT COSTS

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- i) The technical feasibility of completing the intangible asset so that it will be available for use or sale
- ii) Its intention to complete the asset
- iii) How the asset will generate future economic benefits
- iv) The availability of adequate resources to complete the development and to use or sell the asset
- v) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use.

20. 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.

21. 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.

22. 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.

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 a probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in notes.

23. 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.

24. 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	March, 2015	March, 2014
Note 2 : SHAREHOLDERS' FUND		
(a) SHARE CAPITAL		
A. Authorised		
8,00,00,000 (P.Y. 1,50,00,000) Equity Shares of ₹ 5/- each (P.Y ₹ 10 /- each)	4000.00	1500.00
1,00,00,000 (P.Y. 1,00,00,000) Preference Shares of ₹ 10/- each	1000.00	1000.00
	5000.00	2500.00
B. Issued, Subscribed and Paid Up		
4,07,95,364 (P.Y. 1,01,98,841) Equity Shares of ₹ 5/- each (P.Y ₹ 10/- each), fully paid up	2039.77	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 allotment i.e. 26th December, 2009]	500.00	500.00
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 allotment i.e. 14th February 2014]	500.00	500.00
	3039.77	2019.88
i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.		
Number of shares outstanding at the beginning of the year	10198841	10198841
Add: Increase in number of shares due to split/sub-division of equity shares	10198841	–
Add: Number of Bonus shares issued during the year	20397682	–
Number of shares outstanding at the end of the year	40795364	10198841
Number of Preference Shares outstanding at the beginning of the year	10000000	5000000
Add: Number of Preference Shares issued during the year	–	5000000
Number of Preference Shares outstanding at the end of the year	10000000	10000000

ii) Terms/rights attached to equity shares and preference share

- The company has one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled 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 does not have voting rights. Such preference shares are redeemable after six years from the date of allotment i.e. 26th December, 2009. During the F.Y. 2013-14, the Company has 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 does not have voting rights. These preference shares are redeemable after six years from the date of allotment i.e. 14th February, 2014. 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.

iii) Shareholding Pattern (Refer Note no. 23)

iv) Aggregate number of shares issued as bonus share during 5 year immediately preceding March, 2015

	As at 31st March 2015	As at 31st March 2014
No. of equity share issued as bonus share	20397682	–

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lacs)	
		March, 2015	March, 2014
(b)	RESERVES AND SURPLUS		
A.	Capital Reserve		
	As per last Balance Sheet	1720.37	1497.51
	Add: Subsidy received from Government	116.42	222.86
		1836.79	1720.37
B.	Securities Premium Account		
	As per last Balance Sheet	6005.67	3505.67
	Add: Premium on issue of Preference shares	-	2500.00
	Less: Premium utilised on Issue of Bonus shares	(1019.88)	-
		4985.79	6005.67
C.	General Reserve		
	As per last Balance Sheet	1186.99	651.96
	Add : Transferred from Surplus balance	662.00	535.03
	Less : Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	(56.72)	-
		1792.27	1186.99
D.	Surplus		
	As per last Balance Sheet	13792.77	10199.24
	Previous year adjustment in profits of Subsidiary and Joint Ventures	-	(0.13)
	Add:- Profit after tax for the Year	7641.35	5020.52
	Less: Proposed Dividend		
	- Preference Shares	80.00	44.93
	- Equity Shares*	1019.88	803.77
	Less: Dividend Tax**		
	- Preference Shares	-	(6.80)
	- Equity Shares	263.97	49.94
	Less: Transferred to General Reserves	662.00	535.03
	Balance carried to Balance Sheet	19408.26	13792.77
		28023.10	22705.80

* The board of director has recommended a final dividend of ₹ 2.5 per share having face value of ₹ 5 each (Previous year ₹ 3 per share having face value of ₹ 10 each) which is subject to the approval of the shareholders in the ensuing Annual General meeting.

** The company had during the year 2014-15 received dividend from subsidiary company JBM Auto System Private Limited amounting to ₹ 367.80 lacs on which corporate dividend tax was paid by the subsidiary company under the provision of section 115(O) of Income Tax Act 1961. Accordingly, dividend tax on proposed dividend has been provided after such dividend received from subsidiary company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	March, 2015	March, 2014
Note 3 : NON CURRENT LIABILITIES		
(a) LONG TERM BORROWINGS		
A. SECURED		
Term Loan from banks		
In Foreign Currency*	2190.78	3579.74
In Rupee**	20745.27	8834.50
Vehicle Loans From Banks****	12.11	25.62
From Others***	750.00	–
	23698.16	12439.85
Less: Current Maturities of long term borrowings	5094.92	4893.34
	18603.24	7546.51
B. UNSECURED		
Inter Corporate Deposit		
-From others	–	505.00
	–	505.00
	18,603.24	8051.51

* ₹ 878.28 Lacs Secured by First Pari Passu charge on the current assets of the Company (Excluding those from Sanand, Gujrat unit) and by Second Pari Passu charge on the Movable and Immovable fixed assets of the Greater Noida, Uttar Pradesh and Faridabad, Haryana unit of the Company. The Subsidiary, JBMAS has external commercial borrowings of ₹ 1312.50 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 ₹ 540.00 Lacs is secured by first Pari Passu charge on the entire movable fixed assets including plant & machinery situated at Sanand, Gujrat 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 ₹ 1944.52 lacs is secured by first Pari Passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, Gujrat subleased by Tata Motors Limited & on the movable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the Company. Term loan of ₹ 1850.00 lacs is secured by first Pari Passu charge (shared by DBS) on the movable and immovable fixed assets of Indore, Greater Noida & Faridabad and Second Pari Passu charge of the on all the current assets of the company both present and future situated at Faridabad, Indore & Greater Noida.

** Term loan of ₹ 2500 lacs is secured by first Pari Passu charge on the entire movable and immovable assets of Indore unit located at plot no 157 E sec-3, pitampura Industrial area, Dhar - 454775, Indore, Madhya Pradesh, both present and future and also the entire movable and immovable assets situated at Greater Noida and Faridabad, both present and future. Second Pari Passu charge on the entire current assets of the company both present and future situated at Faridabad, Indore and Greater Noida Unit.

** Term loan of ₹ 4658.30 lacs is secured by first Pari Passu charge on both movable and immovable fixed assets at the borrowers Indore, Greater Noida and Faridabad plant (both present & future) Second Pari Passu charge on the current assets of the borrowers Indore, Greater Noida and Faridabad Plant (both present & future)

** The Subsidiary, JBMAS has medium term loan of ₹ 6262.44 Lacs, secured by First Pari Passu charge on the movable and immovable fixed assets at Sanand Unit. First Pari Passu charge over movable fixed assets of the company situated at Oragadam Plant

** The Subsidiary, JBMAS has medium term loan of ₹ 1500.00 lacs, secured by First Pari Passu charge on movable assets (except those exclusively charge to term lenders and ford India) of the company's Plant located at Oragadam, MM Nagar & Hosur plant. First Pari Passu charge along with DBS (for its ECB) on the immovable assets of the company's plant located at Oragadam Plant

** The Subsidiary, JBM Ogihara has term loan of ₹ 1490.00 lacs, secured by first Pari Passu charge on the movable fixed assets and equitable mortgage over lease hold rights of land and building situated at plot No. 1, Bidadi Industrial Area, Ramanagar Bengaluru, Karnataka and further secured by second Pari Passu charge on the entire current assets of company, both present and future.

*** The Joint Venturer, JBM MA has outstanding loan of ₹ 750 lacs (50% share) is secured by First Pari Passu charge on movable fixed assets of the company & immovable fixed assets situated at C-1/2 MIDC, Chakan - Talegaon Road, Chakan, Pune 410 501, India and Second Pari Passu charge on the entire current assets of the company.

**** Secured by hypothecation of specific Vehicles.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Term of Repayment of Loan	₹ In Lacs	No. of Quarterly/ Monthly Installments	Balance Installments	Rate of Interest
Foreign Currency Loan	878.28	16 quarterly	5	3Months USD LIBOR Linked rate
Foreign Currency Loan	1312.50	16 quarterly	11	3Months USD LIBOR Linked rate
Rupee Loan	1944.52	20 quarterly	8	Base Rate Linked rate
Rupee Loan	540.00	20 quarterly	6	Base Rate Linked rate
Rupee Loan	6508.29	16 quarterly	16	Base Rate Linked rate
Rupee Loan	2500.00	48 monthly	48	Base Rate Linked rate
Rupee Loan	825.00	23 quarterly	11	Base Rate Linked rate
Rupee Loan	665.00	24 quarterly	8	Base Rate Linked rate
Rupee Loan	7762.44	16 quarterly	16	Base Rate Linked rate
Rupee Loan	750.00	18 quarterly	18	Base Rate Linked rate

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

(₹ in Lacs)

	March, 2015	March, 2014
(b) DEFERRED TAX LIABILITY (Net)		
Timing Differences on account of		
1) Deferred Tax liability		
– Difference between book depreciation & depreciation under Income Tax Act 1961	4477.04	2789.66
– Closing balance of Excise Duty	–	412.23
2) Deferred Tax Assets		
– Provision for Doubtful debts	(14.47)	(19.34)
– Claim under Sec 43 (B) of Income tax Act	(74.80)	(55.28)
– Deferred Tax asset on Unabsorbed losses	(269.37)	(398.36)
– Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	29.24	–
3) Net Deferred Tax liability (1-2)	4147.64	2728.90
(c) OTHER LONG TERM LIABILITIES		
Trade payables	1698.34	2581.69
Payable for capital goods	1807.25	295.90
	3505.59	2877.59
(d) LONG TERM PROVISION		
Provision for Leave encashment	70.71	64.15
	70.71	64.15

Note 4 : CURRENT LIABILITIES

(a) SHORT TERM BORROWINGS		
SECURED		
Loans from Banks		
- Cash Credit*	1663.68	1776.22
-Working Capital Demand Loans*	15036.21	10710.54
- Buyers credit / External Commercial Borrowing*	2805.98	2706.03
- Others**	377.29	–
UNSECURED		
Loans from Banks		
-Working Capital Loan ***	5194.71	3114.32
Inter Corporate Deposit	457.59	–
	25535.45	18307.11

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- * 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 Indore, Madhya Pradesh unit) and by way of second charge on entire movable assets of the company (excluding movable assets of Sanand, Gujarat unit) both present and future. Facility utilised of ₹ 430.00 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.
- * The subsidiary, JBM Auto System Private Limited has outstanding secured short term loan of ₹ 6911.00 Lacs is Secured by first charge on current assets of the company ranking Pari Passu inter se between the company's bankers.
- * The subsidiary, JBM Ogihara Automotive India Limited has outstanding secured short term loan of ₹ 293.41 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, Indo Toolings Private Limited has outstanding secured short term loan of ₹ 143.53 (50% share) Lacs is secured against entire current assets of the Company, existing and future.
- * The Joint venturer, JBM MA Automotive Private Limited has outstanding secured short term loan of ₹ 249.94 (50% share) Lacs is secured by First Pari Passu charge on the entire current assets of the company, both present & future and Second Pari Passu charge on movable fixed assets of the company & immovable fixed assets situated at C-1/2 MIDC, Chakan - Talegaon Road, Chakan, Pune 410 501, India. Out of INR 624.56 lacs, INR 399.57 lacs is secured by First Pari Passu charge on company's receivables and balance is secured by First Pari Passu charge on the entire current assets of the company, both present & future and Second Pari Passu charge on movable fixed assets of the company & immovable fixed assets
- ** At BPLR Linked rate
- *** It represents bills discounted by banker's

(₹ in Lacs)

	March, 2015	March, 2014
(b) TRADE PAYABLES	22144.46	22428.48
	22144.46	22428.48
(c) OTHER CURRENT LIABILITIES		
Current maturities of Long term borrowings	5094.92	4893.34
Current maturities of deferred liabilities	0.74	1.50
Interest accrued but not due on borrowings	182.57	108.11
Interest accrued and due on borrowings	21.07	31.50
Unpaid/Unclaimed Dividend	6.47	5.58
	5305.76	5040.03
Other Payables		
Capital Creditors	1494.87	3531.52
Statutory Dues Payable	1277.21	876.92
Employee related Liabilities	640.87	851.32
Advance from customers	2735.08	8997.53
Others	674.72	1180.73
	6822.76	15438.02
	12128.51	20478.05
(d) SHORT TERM PROVISIONS		
Provision for employee benefits	215.55	186.64
Provision for Proposed Dividend		
- Preference Shares	80.00	44.93
- Equity Shares	1019.88	305.96
Provision for Dividend Tax on Proposed Dividend	179.37	84.60
Provision for income Tax	125.60	132.00
	1620.41	754.12

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 5 : FIXED ASSETS

Description	Gross Block				Depreciation			Net Block				
	As at 01.04.2014	Additions during the year	Other Adjustments*	Sales/ Disposal during the year	Total as at 31.03.2015	As at 01.04.2014	For the year	Other Adjustments **	Written Back/ Adjustment on sales/ disposal	Total as at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets												
Land (Freehold)	254.93	-	-	-	254.93	-	-	-	-	0.00	254.93	254.93
Land (Lease Hold)	6502.32	0.00	-	-	6502.32	357.92	99.72	-	-	457.64	6044.68	6144.40
Building	13437.87	4653.38	69.13	-	18160.39	2018.11	452.06	16.61	-	2486.78	15673.61	11419.76
Plant & Machinery	54057.46	17054.85	(367.30)	54.82	70690.19	26202.90	2998.06	(6.18)	29.06	29165.71	41524.47	27854.56
Furniture & Fixtures	249.55	120.07	(7.08)	11.22	351.31	141.67	41.59	(5.94)	7.79	169.53	181.78	107.88
Office Equipments	728.22	270.71	(5.91)	17.40	975.63	449.00	115.82	52.51	10.85	606.48	369.14	279.22
Vehicles	353.26	160.78	(0.95)	34.04	479.04	167.46	54.04	(0.53)	24.01	196.96	282.08	185.80
Total Tangible	75583.61	22259.79	(312.12)	117.49	97413.80	29337.05	3761.29	56.47	71.71	33083.10	64330.70	46246.55
Intangible Assets												
Computer Software	445.34	60.59	-	-	505.93	369.70	46.85	-	-	416.55	89.38	75.64
Technical Know-How	591.80	267.98	91.88	-	951.67	7.03	180.60	-	-	187.62	764.04	584.77
Prototype	-	2572.61	-	-	2572.61	-	10.39	-	-	10.39	2562.22	-
Licence fees	-	1406.81	-	-	1406.81	-	6.06	-	-	6.06	1400.76	-
Total Intangible	1037.14	4307.99	91.88	-	5437.02	376.73	243.89	-	-	620.62	4816.40	660.41
Total	76620.75	26567.79	(220.23)	117.49	102850.81	29713.78	4005.18	56.47	71.71	33703.72	69147.09	46906.97
Previous Year	66749.15	10004.25	0.00	132.65	76620.75	25740.01	4015.74	5.30	47.26	29713.78	46906.96	41009.14
Capital Work in Progress											1196.69	7893.44

NOTES :-

* Other Adjustments includes ₹ (495.68) Lacs (P.Y. ₹ Nil) on account of Exchange Fluctuation and ₹ (29.38) Lacs (P.Y. ₹ Nil) on account of depreciation capitalised and ₹ 304.83 lacs (P.Y. ₹ Nil) on account of Borrowing cost.

** Other Adjustment includes ₹ (29.38) lacs (P.Y. ₹ 5.30 lacs) depreciation capitalised and Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013 amounting to ₹ 85.85 lacs.

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 which is yet to be registered in the name of the company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	March, 2015	March, 2014
NOTE 6: NON CURRENT INVESTMENTS		
TRADE- UNQUOTED (fully paid up) at Cost		
Investment in Equity Shares		
267,000 (P.Y. 267,000) Equity Shares of ₹ 10/- each fully paid up in Pitampura Auto Cluster Limited	13.35	13.35
10,000,000 (P.Y. 10,000,000) Equity Shares of ₹ 10/- each in Yorozu JBM Automotive Tamilnadu Private Limited	1000.00	1000.00
Investment in Preference Shares		
57,33,000 (P.Y. 5,733,000) 4% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Pitampura Auto Cluster Limited	286.65	286.65
2,40,000 (P.Y. Nil) 1% Optionally Convertible non cumulative redeemable Preference shares in Neel Industries Private Limited	300.00	—
	1600.00	1300.00
Aggregate value of unquoted investment	1600.00	1300.00
NOTE 7: LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Capital advances	475.38	1782.79
Security Deposit	225.82	178.74
Other Loans & Advances	368.10	808.16
	1069.30	2769.70
NOTE 8: OTHER NON CURRENT ASSETS		
(Unsecured, considered good)		
Hedging Gain Recoverable	115.89	256.29
Others (Refer Note:31)	401.70	192.40
	517.59	448.69
NOTE 9: CURRENT ASSETS		
(a) INVENTORIES		
Raw material	10491.20	9337.31
Raw material in Transit	401.04	—
Work in process	4941.94	5330.75
Stores, spares & consumables	1075.05	341.63
Scrap	96.21	89.72
Material in transit	39.35	58.05
Finished Goods	790.36	687.07
	17835.15	15844.53

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	March, 2015	March, 2014
(b) TRADE RECEIVABLES		
(Unsecured)		
Debts outstanding for more than six months		
- Considered good	517.86	1002.82
- Considered doubtful	42.58	56.90
	560.44	1059.72
Less: Amount Received (Refer Note No. : 33)	–	231.02
Less: Provision for doubtful debts	42.58	56.90
	517.86	771.80
Other debts, considered good	22508.93	23303.44
	23026.79	24075.24
(c) CASH AND BANK BALANCE		
A Cash and Cash Equivalents		
Cash in hand	17.76	20.19
Balances with Banks		
- In Current account	1045.92	660.93
- In Unpaid Dividend account	6.47	5.58
Deposits for less than 3 Months Maturity*	44.14	38.81
B Other Bank balances		
In Fixed Deposit account (3-12 Months Maturity)*	13.92	13.76
	1128.21	739.26
* Under Bank's lien and includes Interest Accrued ₹ 3.54 lacs (P.Y. ₹ 3.35 lacs) there on		
(d) OTHER CURRENT ASSETS		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received (Refer Note No. : 31)	2552.21	1325.19
Advance to suppliers		
- Considered good	2522.42	1023.03
Security deposits	196.19	174.43
MAT Credit Available	684.29	256.25
Advance income tax	197.19	82.62
Balance of Modvat/ Cenvat	3258.56	2452.62
Sales Tax/VAT Recoverable	275.71	102.31
Hedging Gain recoverable	142.41	59.73
	9828.98	5476.17
NOTE 10: REVENUE FROM OPERATIONS		
Sale of Products	155502.57	139342.94
Sale of Services	1786.56	606.17
Other Operating Revenue	17414.66	14092.17
Gross Revenue from Operations	174703.79	154041.28

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	March, 2015	March, 2014
NOTE 11: OTHER INCOME		
Interest (TDS ₹ 0.39 lacs (P.Y ₹ 0.64 lacs/-))	21.99	21.15
Subsidy (Refer Note: 37)	313.96	–
Profit on Sale of Fixed Assets (Net)	11.43	8.39
Miscellaneous Income	61.70	529.33
	409.08	558.86

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

Opening stocks*		
Work in process	5327.70	3800.52
Finished goods	687.07	1115.77
	6014.77	4916.29
Less : Closing stocks		
Work in process	4936.64	5327.70
Finished Goods	790.36	687.07
	5727.00	6014.77
(Increase)/ Decrease in stocks	287.77	(1098.49)

* Includes ₹ Nil (P.Y ₹ 10.28 lacs/-) on account of difference of Unaudited and Audited Financial statements of Previous year of Joint Ventures

NOTE 13: EMPLOYEE BENEFITS EXPENSE

Salaries & wages	12869.31	10174.10
Contribution to ESI, PF and other funds	540.27	420.74
Staff welfare	1343.18	1164.96
	14752.76	11759.79
Less : Transferred to Project Commissioned/Under Commissioning	823.20	461.60
	13929.56	11298.19

NOTE 14: FINANCE COSTS

Interest to Banks- term loans	2263.81	1823.44
Interest- others	1423.28	1648.23
Other Financial Charges	35.43	42.95
Applicable Net (Gain)/Loss on foreign currency transactions and translation	30.93	93.48
	3753.45	3608.10
Less : Transferred to Project Commissioned/Under Commissioning	261.80	9.83
	3491.65	3598.27

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	March, 2015	March, 2014
NOTE 15: OTHER EXPENSES		
Stores consumed	1688.08	1603.72
Manufacturing expenses	1452.43	1272.24
Power & fuel	2573.66	2185.73
Packing Material	465.01	686.70
Machinery repairs and maintenance	977.01	1167.09
Rent (including land lease rent)	395.53	150.70
Rates & taxes	174.69	114.91
Insurance	41.30	43.44
Repair & maintenance		
– Building	88.22	192.09
– Others	785.23	583.38
Bad Debts written off	17.82	38.55
Loss on sale of assets/written off (Net)	–	8.65
Provision for Bad & Doubtful Debts	(13.84)	30.07
Freight & Forwarding charges	1196.34	920.51
Exchange fluctuation (Net)	89.94	35.31
Miscellaneous expenses *	2406.77	2120.87
	12338.19	11153.96
Less : Transferred to Project Commissioned/Under Commissioning	188.02	268.01
	12150.17	10885.95

* Includes ₹ 19.05 lacs/- (P.Y. ₹ 18.61 lacs/-) on account of Excise Duty Provision on change in stock.

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. Such different accounting policies have been adopted in respect of the following:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	Name of Joint venture/ Subsidiaries	Accounting Policies		Amount of Inventory included in Consolidation (₹ in lacs)
		JBM Auto Ltd.	Subsidiaries/ Joint Venture	
a) Inventory				
	JBM MA AUTOMOTIVE PRIVATE LIMITED	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	2379.92
	JBM AUTO SYSTEM PRIVATE LIMITED	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	7938.90
Particulars	Name of Joint venture/ Subsidiaries	Accounting Policies		Amount of Depreciation included in Consolidation (₹ in lacs)
		Fixed Assets	Useful Life	
b) Depreciation	JBM AUTO LIMITED	– Plant & Machinery & Electric Installation – Pallets, Tools & Die – All Other Fixed Assets	20 Year 8 Year As per Schedule II	1591.48
	JBM MA AUTOMOTIVE PRIVATE LIMITED	– All Fixed Assets	As per Schedule II	647.72
	JBM AUTO SYSTEM PRIVATE LIMITED	– Furniture & Fixture – Motor Cars – Office Equipment – All Other Fixed Assets	3 Year 3 Year 3 Year As per schedule II	1346.40
	JBM OGIHARA AUTOMOTIVE INDIA LIMITED	– All Fixed Assets	As per Schedule II	410.30
	INDO TOOLINGS PRIVATE LIMITED	– All Fixed Assets	As per Schedule II	4.64

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:

(₹ In Lacs)

Particulars	2015	2014
Assets		
Fixed Assets	7992.01	8446.64
Non- Current Investments	300.00	300.00
Long term loans & advances	431.06	168.40
Current Assets	5358.23	6720.04
Deferred Tax Asset	29.98	4.29
Liabilities		
Non-Current Liabilities and Provisions	3372.50	2315.93
Short term Borrowings	2475.13	2448.20
Current Liabilities and Provisions	3634.98	6851.65
Income	16277.78	14777.75
Expenses	15841.66	14603.13

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 20 EARNING PER SHARE

Particulars		Year ended March 31, 2015	Year ended March 31, 2014
a)	Profit after tax as per Statement of Profit & Loss (₹ In Lacs)	7641.35	5020.52
b)	Preference dividend and dividend tax thereon (₹ In Lacs)	197.59	47.63
c)	Net profit available for equity share holders (₹ In Lacs)	7443.76	4972.89
	Total Equity Shares (No's)	40795364	40795364
	Basic/Diluted Earnings per Share (₹ 5/-)	18.25	12.19

NOTE: 21 In terms of resolution passed by the shareholders of the Company at 18th Annual General Meeting held on 24th September, 2014, the company has split/sub-divided the face value of its equity share of ₹ 10/- each to ₹ 5/- each with effect from 9th October, 2014 i.e. the Record Date. Further, post-split of shares 2,03,97,682 bonus equity shares of ₹ 5/- each have been allotted on the same record date, in the ratio of 1 equity share of ₹ 5/- each fully paid-up for 1 equity share of ₹ 5/- each held. Consequently the earning per share has been re-stated for both the periods presented based on the number of equity shares post-split and bonus issue i.e. 4,07,95,364 equity shares, in accordance with Accounting Standard (AS-20) on "Earning per share".

NOTE: 22 CONTINGENT LIABILITIES

		(₹ In Lacs)	
		March, 2015	March, 2014
i)	Letter of Credit outstanding	1318.10	3250.44
ii)	Guarantees issued by the Bank on behalf of the Company	418.57	857.05
iii)	Claims against the Company not acknowledged as debt	1176.48	629.13

NOTE: 23 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE CAPITAL AS ON THE BALANCE SHEET DATE

		31.03.2015		31.03.2014	
		No. of Shares held of ₹ 5 each	% held in Shareholding	No. of Shares held of ₹ 10 each	% held in Shareholding
i)	Name of Shareholders				
	SMC CREDITS LIMITED	7570260	18.56	1892565	18.56
	A to Z SECURITIES LIMITED	4190160	10.27	1047540	10.27
	ZEAL IMPEX & TRADERS PRIVATE LIMITED	4018968	9.85	1004742	9.85
	AMITY INFOTECH PRIVATE LIMITED	4000000	9.81	1000000	9.81
	SHUKLAMBER EXPORTS LIMITED	3424824	8.40	856206	8.40
	JBM BUILDERS PRIVATE LIMITED	3030832	7.43	757708	7.43
	NAP INVESTMENT & LEASING PRIVATE LIMITED	2274616	5.58	568654	5.58
	ANS HOLDING PRIVATE LIMITED	2058996	5.05	514749	5.05
ii)	Preference Shares of ₹ 10 each fully paid				
	NEEL METAL PRODUCTS LIMITED	10000000	100.00	10000000	100.00

NOTE: 24 AUDITOR'S REMUNERATION

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

		(₹ In Lacs)	
		2014-15	2013-14
A	Audit fee	36.22	33.90
B	Tax audit fees	7.28	6.00
C	Taxation matter	3.10	2.73
D	Others	14.99	11.51

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.

(c) **Bus Division:** Segment includes activities related to Development, Design, Manufacture, Assembly and Sale of Bus as well as Parts, Accessories and Maintenance contracts of the same.

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		Bus Division		Total of Reportable Segments	
	2015	2014	2015	2014	2015	2014	2015	2014
External Sales	145779.72	123815.86	9847.74	12511.52	–	–	155627.46	136327.38
Inter Segment Sales	29.57	16.40	–	–	–	–	29.57	16.40
Other Income	400.20	525.28	8.88	16.73	–	–	409.08	542.01
Segment Revenues	146209.49	124357.54	9856.62	12528.25	–	–	156066.11	136885.79
Segment Results	12929.98	9494.25	2286.44	2088.37	(128.60)	–	15087.81	11582.62
Segment Assets	99838.29	81767.08	5683.53	9219.44	9729.96	–	115251.78	90986.52
Segment Liabilities	31696.89	32265.20	2993.53	10919.08	1202.97	–	35893.39	43184.28
Capital Expenditure	23708.65	13227.18	62.26	695.80	2796.88	–	26567.79	13922.98
Depreciation/ Amortisation	3823.84	3811.15	127.74	193.39	24.22	–	3975.80	4004.54

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
	2015	2014	2015	2014	2015	2014	2015	2014
Total Reportable Segments	156066.11	136885.79	15087.81	11582.62	115251.78	90986.52	35893.39	43184.28
Inter segment sales/ Adjustments	(29.57)	(16.40)	–	–	–	–	–	–
Corporate unallocated/ Others (Net)	67.36	78.59	(2851.37)	(3181.05)	10185.27	14554.73	47714.98	29776.74
Taxes/ Deferred Tax	–	–	(2972.57)	(2702.53)	29.98	4.29	4177.62	2733.18
As per Financial statements	156103.90	136947.97	9263.86	5699.04	125467.03	105545.55	87785.99	75694.21

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 CONSOLIDATED FINANCIAL STATEMENTS

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 31.03.2015

Nos. of Contracts		Equivalent USD (USD in Lacs)		INR Equivalents (₹ In Lacs)	
2015	2014	2015	2014	2015	2014
2	3	40.80	70.88	2190.78	3794.59

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

(Figures in Lacs)

Liabilities	As at March 31, 2015	As at March 31, 2014
In Euros (€)	7.72	1.12
(Equivalent approximate in INR)	523.66	92.47
In US Dollar (\$)	57.85	53.42
(Equivalent approximate in INR)	3610.37	3212.78
In SEK (kr)	0.17	0.15
(Equivalent approximate in INR)	1.26	1.51
In JPY (¥)	839.73	1158.69
(Equivalent approximate in INR)	439.66	684.27
Assets		
In Euros (€)	5.49	7.10
(Equivalent approximate in INR)	368.96	556.03
In US Dollar (\$)	1.62	8.55
(Equivalent approximate in INR)	100.96	516.01

NOTE: 27 Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹ 2317.89/- Lacs (P.Y. ₹ 4101.68/- Lacs).

NOTE: 28 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 Lacs) in the Statement of Profit and Loss:

	2015	2014
Employer's Contribution to Provident Fund*	453.15	361.45

ii) State Plans

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

	2015	2014
Employer's contribution to Employee State Insurance*	69.71	27.42
Employer's contribution to Welfare Fund*	1.01	0.98

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

iii) Defined Benefit Plans

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

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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

i) Actuarial Assumptions	2015		2014	
	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Discount Rate (per annum)	7% to 9%	7% to 9%	9% to 9.10%	9% to 9.10%
Rate of increase in compensation levels	5% to 8%	5% to 8%	5% to 8%	5% to 8%
Rate of return on plan assets	N.A.	8% to 9%	N.A.	8% to 9%
Expected Average remaining working lives of employees (years)	10 to 25	10 to 25	10 to 25	10 to 25
				(₹ in Lacs)
ii) Change in the obligation during the year ended 31 st March, 2015	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Present value obligation as at 31st March, 2014	119.32	395.91	100.39	313.70
Interest cost	8.22	30.38	7.97	26.55
Past Service cost	–	–	–	–
Current service cost	71.91	89.54	56.05	66.11
Curtailement cost	–	–	–	–
Settlement cost	–	–	–	–
Benefit paid	(32.04)	(66.06)	(25.72)	(22.88)
Actuarial (gain)/loss on Obligations	(15.42)	23.71	(19.37)	12.43
Present value obligation as at 31 st March, 2015*	151.99	473.47	119.32	395.91
iii) Change in fair value plan Assets				
Fair value of Plan Assets as at 31 st March, 2014	–	342.35	–	317.30
Expected return on Plan Assets	–	30.60	–	28.20
Contributions	–	45.07	–	13.61
Withdrawals	(30.15)	(56.08)	(25.37)	(16.96)
Actuarial gain/(loss) on Obligations	–	(2.46)	–	0.20
Fair value of Plan Assets as at 31 st March, 2015	–	359.48	–	342.35
iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Present value obligation as at 31 st March, 2015	151.99	473.47	119.32	395.91
Fair value of Plan Assets as at 31 st March, 2015	–	359.48	–	342.35
Funded Status	–	–	–	–
Present value of unfunded obligation as at 31 st March, 2015.	–	245.48	–	288.79
Unfunded Actuarial (gains)/Losses	–	–	–	–
Unfunded Net Asset/(Liability) recognized in Balance Sheet*	–	(114.00)	–	53.56

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

v)	Expenses recognized in Profit and Loss Account	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Current service cost	71.91	89.54	56.05	66.11
	Past Service cost	–	–	–	–
	Interest cost	8.22	30.38	7.97	26.55
	Expected return on Plan Assets	–	(30.60)	–	(28.20)
	Curtailement cost	–	–	–	–
	Settlement cost	–	–	–	–
	Net Actuarial (gain)/loss recognized during the year	(15.42)	26.18	(19.37)	12.23
	Total Expense recognized in Profit and Loss Account#	64.71	115.50	44.65	76.69

* This pertains to Long term Liability worked in respect of deferred leave only. Expected short term liability of ₹ 35.85 lacs/- (P.Y. ₹ 37.76 lacs/-).

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.

NOTE: 29 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Joint Venture/Associates	Key Management personnel and their relatives
Ogihara (Thailand) Co. Ltd.	Mr. H. R. Saini, Executive Director
MA SRL (Formerly Known as MA SPA)	Mr. Pramod Manglik, CEO Cum Director
	Mr. Rajesh Sahay, CEO
	Mr. S. C. Suneja
	Mr Ashutosh sharma
	Mr. Prakash S
	Mr P Siva kumar

(₹ In Lacs)

	2014-15			2013-14		
	Joint Venture	Key Management personnel and their relatives	Total	Joint Venture	Key Management personnel and their relatives	Total
Purchase of the goods						
MA SRL	12.12	–	12.12	31.03	–	31.03
Total	12.12	–	12.12	31.03	–	31.03
Others Expenses						
Ogihara (Thailand) Co. Ltd.	79.34	–	79.34	87.89	–	87.89
Total	79.34	–	79.34	87.89	–	87.89
Others Expenses Recovered						
MA SRL	0.20	–	0.20	–	–	–
Total	0.20	–	0.20	–	–	–
Other Income						
MA SRL	0.44	–	0.44	–	–	–
Total	0.44	–	0.44	–	–	–

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

	2014-15			2013-14		
	Joint Venture	Key Management personnel and their relatives	Total	Joint Venture	Key Management personnel and their relatives	Total
Managerial Remuneration						
Mr. H. R. Saini	–	30.52	30.52	–	30.26	30.26
Mr. Pramod Manglik	–	–	–	–	71.50	71.50
Mr. Rajesh Sahay	–	51.50	51.50	–	45.50	45.50
Mr. S. C. Suneja	–	31.80	31.80	–	31.80	31.80
Mr Ashutosh sharma	–	62.35	62.35	–	–	–
Mr. Prakash S	–	12.42	12.42	–	–	–
Mr P Siva kumar	–	9.49	9.49	–	–	–
Total		198.08	198.08	–	179.06	179.06
Amount Recoverable						
MA SRL	31.72	–	31.72	–	–	–
Ogihara (Thailand) Co. Ltd.	311.73	–	311.73	–	–	–
Total	343.45	–	343.45	–	–	–
Amount Payable						
Ogihara (Thailand) Co. Ltd.	71.54	–	71.54	73.72	–	73.72
Mr. S. C. Suneja	–	1.18	1.18	–	–	–
Total	71.54	1.18	72.72	73.72	–	73.72

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 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.

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 Kolkata High Court had held that the Singur Act was unconstitutional and had therefore struck down the Act. The State Government has challenged the said judgment of the Kolkata 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 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.

During the year the Hon'ble Supreme court of India decided the SLP in favour of the company and a further sum of ₹ 609.44 lacs (in addition to ₹ 231.02 lacs) was given to company. Pursuant to above decision the company has received total of ₹ 840.46 lacs which comprises ₹ 355.14 lacs disputed receivable & ₹ 485.32 lacs interest thereon.

In view of the same the interest so received recognized as exceptional items of ₹ 201.51 lacs after adjusting litigation expenses of ₹ 283.81 lacs.

NOTE: 34 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 On 5th November, 2014, a fire occurred in the administration block of the SPV unit (Ballabgarh, Haryana) of the Company. All the records, documents, computer system etc. were burnt. The aforesaid results have been compiled & audited on the basis of

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

information available with the Company at its other locations / corporate office, which in the opinion of Auditors is reasonable and reliable. The Company has filed the insurance claim against the loss, which is pending for settlement. No provision has been made for the same. Any variation from insurance claim filed will be accounted for as and when it is realized.

NOTE: 36 In accordance with the provisions of Schedule II to the Companies Act 2013, the Company has revised the useful life of its fixed assets based on technical assessment from April 1, 2014 as further amended on August 29, 2014. In case of fixed assets where the useful life is NIL as determined above, the company has adjusted the net residual value as at April 1, 2014 aggregating to ₹ 56.78 Lacs (net of deferred tax of ₹ 29.24 lacs) to retained earnings. However in case of one of the joint Venture and one of the subsidiary, residual value of fixed assets where useful life is NIL, net carrying value amounting to ₹ 21.13 lacs has been charged to Statement of Profit & loss. Further depreciation for the period up to 31-03-2015 is lower and the profit before tax is higher to the extent of ₹ 784.99 Lacs.

Effective April 1, 2014, the Company has revised the useful life of Intangible assets to 3 to 7 years as against existing 3 years. Consequently amortization for the year is lower and profit before tax is higher by ₹ 143.49 lacs.

NOTE: 37 In order to promote investment in the state of Rajasthan and to generate further employment opportunities through such investment, the state has notified "The Rajasthan investment promotion scheme 2010" under which an enterprise commencing commercial production/operation is granted a subsidy from the date on which the enterprise makes sales up to a period of 7 years by an investment subsidy of 30% of the sales tax payable which have become due. The same has been in accordance with AS-12 "Accounting for Government Grants" notified under Companies (Accounting Standard) Rules, 2006 been credited to statement of profit and loss under the head "other income". For the purpose of Calculation of taxable income as per Income Tax Act, such Investment Subsidy has been considered as capital receipt.

Note: 38 The expenditure incurred by in house R&D Centre on scientific research is as under:

(₹ in lacs)

Particular	2014-15
Revenue Expenditure	319.36
Capital expenditure	271.85
Total	591.21

NOTE: 39 Corporate Social Responsibility Expenses:

a) Gross amount required to be spent by the company during the year 2014-15 is ₹ 45.19 lacs

b) Amount spent during the year on :

(₹ in lacs)

	In cash*	Yet to be paid in cash	Total
Construction/Acquisition of any assets	8.77	–	8.77
Purpose other than above	36.51	–	36.51
	45.28	–	45.28

*Represents actual outflow during the year

c) Related party Transaction in relation to Corporate Social Responsibility : NIL

d) Provision movement during the year 2014-15: NIL

NOTE: 40 The Company has entered into a new segment of manufacturing Buses from KOSI plant. The commercial production commenced from 21/3/2015. The total expenditure capitalized in Bus project is given below:

(₹ in lacs)

Nature of Expense	Capitalized from opening CWIP	Capitalized from Current Year expenses	Total Expense Capitalized
Manpower cost	559.24	668.77	1228.02
Finance cost	65.63	242.24	307.87
Other expense	460.51	197.25	657.76
Total	1085.38	1108.26	2193.65

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 41 Additional Information, as required under schedule III to the companies Act 2013, of enterprises consolidated as subsidiary / Joint Venture

(₹ in lacs)

S. No.	Name of Enterprises	Net Assets i.e. Total assets minus Total Liabilities		Share in Profit & Loss	
		As % of consolidated net asset	Amount	As % of consolidated net asset	Amount
1	Parent				
	JBM Auto Limited	50.93	19190.59	43.98	3360.30
2	Subsidiaries				
	JBM Auto System Private Limited	49.17	18527.68	70.03	5351.25
	JBM Ogihara Automotive India Limited	7.19	2710.35	6.01	459.27
3	Minority Interest				
	JBM Auto System Private Limited	12.90	4860.58	(18.29)	(1397.47)
	JBM Ogihara Automotive India Limited	3.78	1425.09	(2.95)	(225.04)
	INDO Toolings Private Limited	0.88	332.50	–	–
4	Joint venture				
	JBM MA Automotive Private Limited	10.95	4127.73	6.59	503.18
	INDO Toolings Private Limited	1.19	448.21	(0.88)	(67.07)
	Total	136.99	51622.74	104.49	7984.41
5	Less : Adjustment arising out of consolidation	(36.99)	(13941.69)	(4.49)	343.06
6	Total	100.00	37681.04	100.00	7641.35

NOTE: 42 One of the Subsidiary company had received an order dated 08 September 2014 in the quarter ended 30 September 2014 issued under the Rajasthan Stamp Act, 1988 by the collector stamps, Alwar for levy of stamp duty amounting to ₹ 249.94 lacs including Interest and penalty towards registration of the land at Pathredi, Rajasthan. A rectification petition dated 10 November 2014 has been filed by the company contesting the order issued for rates levied, Denial of concession for new industrial units, and erroneous levy of duty considering the name change of the company as transfer of property.

NOTE: 43 One of the subsidiary has recognized net revenue of ₹ 1255.56 lacs on tooling development based on technical acceptance / conditional acceptance by the customer out of the above the company is yet to raise an invoice for tooling income of ₹ 245.80 lacs is pending as at 31st March 2015.

NOTE: 44 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: 45 Trade and Other Receivables and Payables are subject to confirmation.

NOTE: 46 Previous year figures have been regrouped and/ or rearranged wherever considered necessary

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

R. K. Mehra

Partner
M.No. 6102

S. K. Arya

Chairman
DIN : 00004626

Nishant Arya

Director
DIN : 00004954

M. K. Aggarwal

Director
DIN : 00004982

Ashok Kumar Agarwal

Director
DIN : 00003988

Vimal Vasisht

Director
DIN : 06928805

H. R. Saini

Executive Director
DIN : 00004665

Vivek Gupta

Chief Financial Officer
& Company Secretary

Place : Gurgaon (Haryana)
Dated : 18th May, 2015

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

Part "A": Subsidiaries

(All amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Name of Subsidiary	JBM AUTO SYSTEM PRIVATE LIMITED	JBM OGIHARA AUTOMOTIVE INDIA LIMITED
1	Reporting period	31.03.2015	31.03.2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
3	Share capital	2489.00	2200.00
4	Reserves & surplus	16038.68	510.35
5	Total assets	50403.38	7065.53
6	Total Liabilities	31875.70	4355.18
7	Investments	1300.00	—
8	Turnover	72114.77	8527.05
9	Profit before taxation	7326.23	687.46
10	Provision for taxation	1974.98	228.20
11	Profit after taxation	5351.25	459.27
12	Proposed Dividend	497.80	165.00
13	% of shareholding	73.89	51.00

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year. - NA

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Part "B": Joint Ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(All amounts in ₹ Lakhs, unless otherwise stated)

Name of Joint Ventures	JBM MA AUTOMOTIVE PRIVATE LIMITED	INDO TOOLINGS PRIVATE LIMITED
1. Latest audited Balance Sheet Date	31.03.2015	31.03.2015
2. Shares of Joint Ventures held by the company on the year end		
a) No of share	30449600	200000
b) Amount of Investment in Joint Venture	3044.96	20.00
c) Extend of Holding%	50.00	50.00
3. Description of how there is significant influence	50%	50%
4. Reason why the joint venture is not consolidated	NA	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	4127.73	448.21
6. Profit/Loss for the year	1006.37	(134.14)
i. Considered in Consolidation	503.18	(67.07)
ii. Not Considered in Consolidation	503.19	(67.07)

1. Names of joint ventures which are yet to commence operations. - NA

2. Names of joint ventures which have been liquidated or sold during the year. - NA

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

R. K. Mehra

Partner
M.No. 6102

S. K. Arya

Chairman
DIN : 00004626

Nishant Arya

Director
DIN : 00004954

M. K. Aggarwal

Director
DIN : 00004982

Ashok Kumar Agarwal

Director
DIN : 00003988

Vimal Vasisht

Director
DIN : 06928805

H. R. Saini

Executive Director
DIN : 00004665

Vivek Gupta

Chief Financial Officer
& Company Secretary

Place : Gurgaon (Haryana)

Dated : 18th May, 2015

JBM Auto Limited

CIN : L74899DL1996PLC083073

Registered Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi - 110 019
Ph. 011-26427104 -06, Fax: 011-26427100
E-mail: corp@jbm.co.in
www.jbm-group.com

Corporate Office:

Plot No. 9, Institutional Area
Sector - 44, Gurgaon - 122003, Haryana
Ph.: +91 124 4674500-550
Fax: +91 124 4674599

WORKS

Plot No. 133, Sector-24, Faridabad - 121005, Haryana
Ph: +91-129-4090200, Fax: +91-129-2234230

Plot No. 5, Sector-31, Kasna Industrial Area,
Greater Noida - 201306, Uttar Pradesh,
Ph.: +91-120-4522500, 2341417, 2341429
Fax:- +91-120-2341423

71-72, MIDC, Satpur Nashik - 422007, Maharashtra
Ph: +91-253-2360548, Fax: +91-253-2360558

Plot No. B-2, Survey No.1, Tata Motors Vendor Park,
Sanand - 382170, Ahmedabad, Gujarat,
Ph: +91-2717-645180

Plot No. 118, Sector - 59, HSIDC, Industrial Estate,
Ballabgarh - 121004, Faridabad

A-4, Industrial Estate, Kosi Kotwan, Distt. Mathura, U.P.

Plot No. 157-E Sector-3, Pithampur Industrial Area,
Dhar - 454775, Indore (M.P)

Plot No. SP-891, Pathredi Industrial Area,
Bhiwadi - 301707, Distt. Alwar, Rajasthan

SKILL DEVELOPMENT CENTRE (SDC)

Plot No. 16, Sector - 20B, Faridabad - 121007, Haryana

