



25<sup>th</sup>  
Anniversary

COMMITTED TO  
EXCELLENCE

Technology | Innovation | People

**Jay Bharat Maruti Limited**  
Annual Report 2011-12

## Forward-looking statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

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# JAY BHARAT MARUTI LIMITED'S (JBML) PURSUIT OF EXCELLENCE IS DRIVEN BY A TREMENDOUS SURGE OF ENERGY, PROPELLING THE ORGANISATION TOWARDS NEW ORBITS OF GROWTH.

JBML is strengthening its position by innovation, adoption of new technologies and nurturing of talent. The embedded spirit of one for all and all for one makes it an employee-friendly organisation. As JBML celebrates its 25th year of existence, it pledges to maintain and fortify its position in the sphere of auto components, with a focused strategy of flexibility and quick adaptability in line with evolving realities.



## CHAIRMAN'S MESSAGE



### Dear Shareholders,

The year 2011-12 has been a memorable one for Jay Bharat Maruti Limited (JBML), since the Company entered 25th year of its operations. From a modest beginning in 1987, JBML has grown into a multi-product, multi location organisation with a turnover of more than ₹ 1,000 crores.

**We are driven by our commitment and a passion for innovative thinking, embracing new technologies, nurturing talent and helping our customers to get where they want to be, quickly and cost-efficiently.**

Like any individual turning 25, we feel young, energetic and motivated to reach new heights. We are keen on breaking barriers, pushing against the 'no one can do' attitude, enthused and energised by the opportunities around us. We are driven by our commitment and a passion for innovative thinking, embracing new technologies, nurturing talent and helping our customers to get where they want to be, quickly and cost-efficiently.

In the years gone by, our focal point was to leverage our strengths of in-house engineering and manufacturing prowess. Over the years, our business priorities have evolved. Our policies and strategies may have changed, however what has remained constant are our values and principles of serving the customer at the right time, right place with the right products and at right price.

We took various IT and HR initiatives to enhance the monitoring and evaluation of day to day organisational activities. Our prime focus has always been on training and nurturing our employees, identify safety measures and took initiatives to enhance customer and vendor services. The outcome has been extremely positive and encouraging.

At JBML, we are committed to leverage this optimism to reach new heights of excellence. Our performance was adversely impacted owing to the disruption of activity at the Manesar plant of Maruti Suzuki India Limited (MSIL), our joint venture partner. This affected the operations of JBML for two consecutive quarters of



2011-12. However, this is a temporary challenge as our business model continues to be robust and resilient to intermittent shocks.

The global economy witnessed sluggish growth after facing a series of setbacks in 2011-12. It was a volatile year, marked by uprisings in the Middle East and North Africa (MENA), Tsunami in Japan and the reigning sovereign crisis in the Euro zone. Against this somber backdrop of the global economy, the Indian economy too had to undergo a tough phase due to adverse factors such as high interest rates, high inflation, infrastructure constraints, liquidity crunch, rupee depreciation and political instability among others. India's economic growth has declined to 6.5%, although it is still higher than many other countries of the world.

The world has completely changed compared to its era in 1987. Information, Technology and Business Process have often taken the lead in applying them to manufacturing environments. When technology has been applied to processes, it is usually to automate and/or speed up inquiry to every aspect of the job and it's surroundings in which it is performed. Due to these unprecedented changes, we have always ensured that JBML is flexible enough to adapt to the changing times and grow, year after year.

However on a positive note, the consumption growth is expected to increase at a considerable rate owing to urbanisation and high disposable per capita income. As per the study by Rothschild

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**Twenty five years is not just an occasion for celebration, but deep introspection, as to how we can take the organisation forward with the whole-hearted support of our workforce and unstinted cooperation from our Joint Venture Partner, Maruti Suzuki India Limited, and all our esteemed shareholders.**

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India, investments in the auto sector are likely to grow three times augmenting the production capacity from 4.8 mn units in 2010 to 12 mn units by 2018.

At JBML, we would continue to concentrate on strengthening our core competencies by laying emphasis on technological up-gradation, advancement in innovation and people empowerment. Our aim is to acquire technical competence, understand the evolving needs of the customers and deliver in a timely manner. Twenty five years is not just an occasion for celebration, but deep introspection, as to how we can take the organisation forward with the whole-hearted support of our workforce and unstinted cooperation from our Joint Venture Partner, Maruti Suzuki India Limited, and all our esteemed shareholders.

I am confident that JBML's future progress will continue to enjoy the enthusiastic participation of all stakeholders.

Sincerely

**S.K. Arya**

Chairman & Managing Director

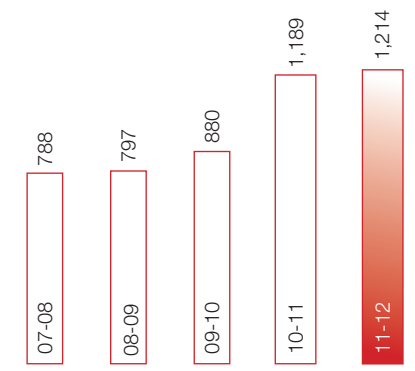
# SCORECARD

## FINANCIAL PERFORMANCE

The last 25 years have been quite a journey.. one that's seen JBML grow from a small organisation to one of the fastest growing Indian auto component manufacturing Company.

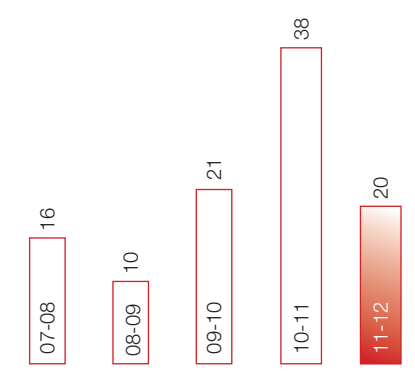
### Gross Sales

(₹ in crores)



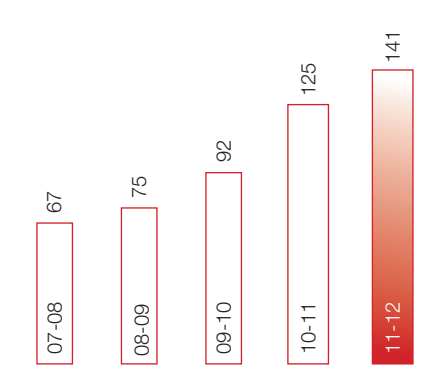
### PAT

(₹ in crores)



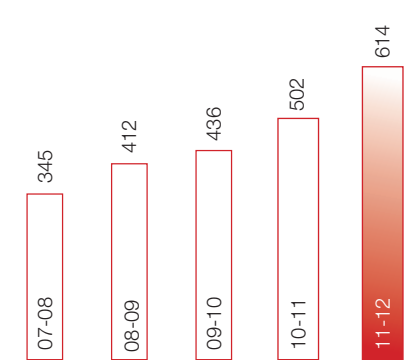
### Net Worth

(₹ in crores)



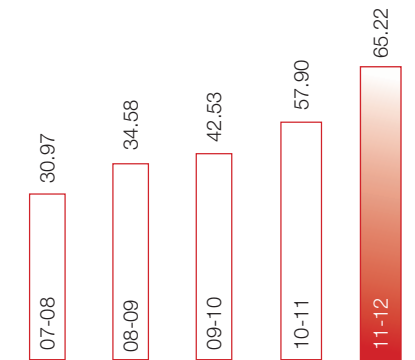
### Gross Block

(₹ in crores)



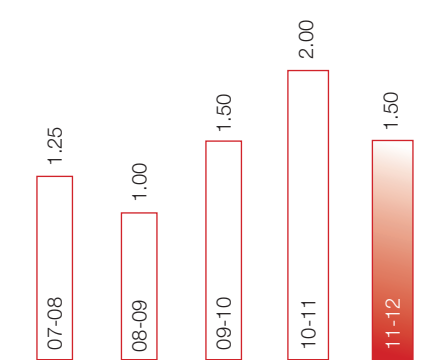
### Book value per share

(₹)



### Dividend per share

(₹)



## 5 YEARS FINANCIAL HIGHLIGHTS

₹ in crores

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Gross Sales	787.80	796.76	879.62	1,189.09	1,213.84
Net Sales	657.04	691.73	803.21	1,060.55	1,068.31
Other Income	3.97	2.86	2.31	5.57	2.23
Total Income (Net)	661.01	694.59	805.52	1,066.12	1,070.54
EBIDTA	53.59	60.25	83.17	106.07	88.45
Financial Charges	8.14	9.65	12.27	14.34	21.51
Depreciation - Fixed Assets	20.26	34.36	38.08	35.09	38.02
Profit Before Tax	25.20	16.24	32.82	56.64	28.92
Tax	9.37	5.88	11.81	18.34	9.29
Profit After Tax	15.83	10.36	21.01	38.30	19.63
Share Capital	10.83	10.83	10.83	10.83	10.83
Reserve & Surplus	56.22	64.05	81.26	114.53	130.39
Net Worth	67.05	74.87	92.08	125.36	141.21
Inventory/Net Turnover (Times)	34.88	25.61	25.02	20.14	14.15

## KEY INDICATORS

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
EBIDTA/Net Sales (%)	8.15	8.71	10.35	10.00	8.28
PBT/Net Sales (%)	3.84	2.35	4.08	5.34	2.71
PAT/Net Sales (%)	2.41	1.50	2.61	3.61	1.84
RONW (PAT/Net Worth) (%)	23.61	13.84	22.82	30.55	13.90
Earning Per Share (₹)	7.31	4.79	9.70	17.69	9.07
Cash Earning Per Share (₹)	16.67	20.66	27.29	33.90	26.63
Dividend Per Share (₹)	1.25	1.00	1.50	2.00	1.50
Book Value per Share (₹)	30.97	34.58	42.53	57.90	65.22
Price/Earning Ratio (Times)	7.63	4.80	7.14	4.48	4.97
Market price of share as on 31 <sup>st</sup> March'12 (₹)	55.80	23.00	69.26	79.25	45.10
Market Capitalisation (₹ in crores)	121	50	150	172	98
Dividend (₹ in crores)	2.71	2.17	3.25	4.33	3.25
Corporate Dividend Tax (₹ in crores)	0.46	0.37	0.55	0.70	0.53
"Dividend Payout Ratio(%) (including Dividend Distribution Tax)"	20.00	24.45	18.08	13.14	19.23

## OUR IDENTITY

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₹ 1000+ crore

Turnover

---

632

Components/assemblies produced

---

3

State-of-the-art manufacturing facilities in NCR

---

1, 28,000

per day

Total supply of parts

---

3,600

Employee strength

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TS-16949:2009,  
ISO 14001:2004,  
OHSAS

18001:2007

System quality certifications

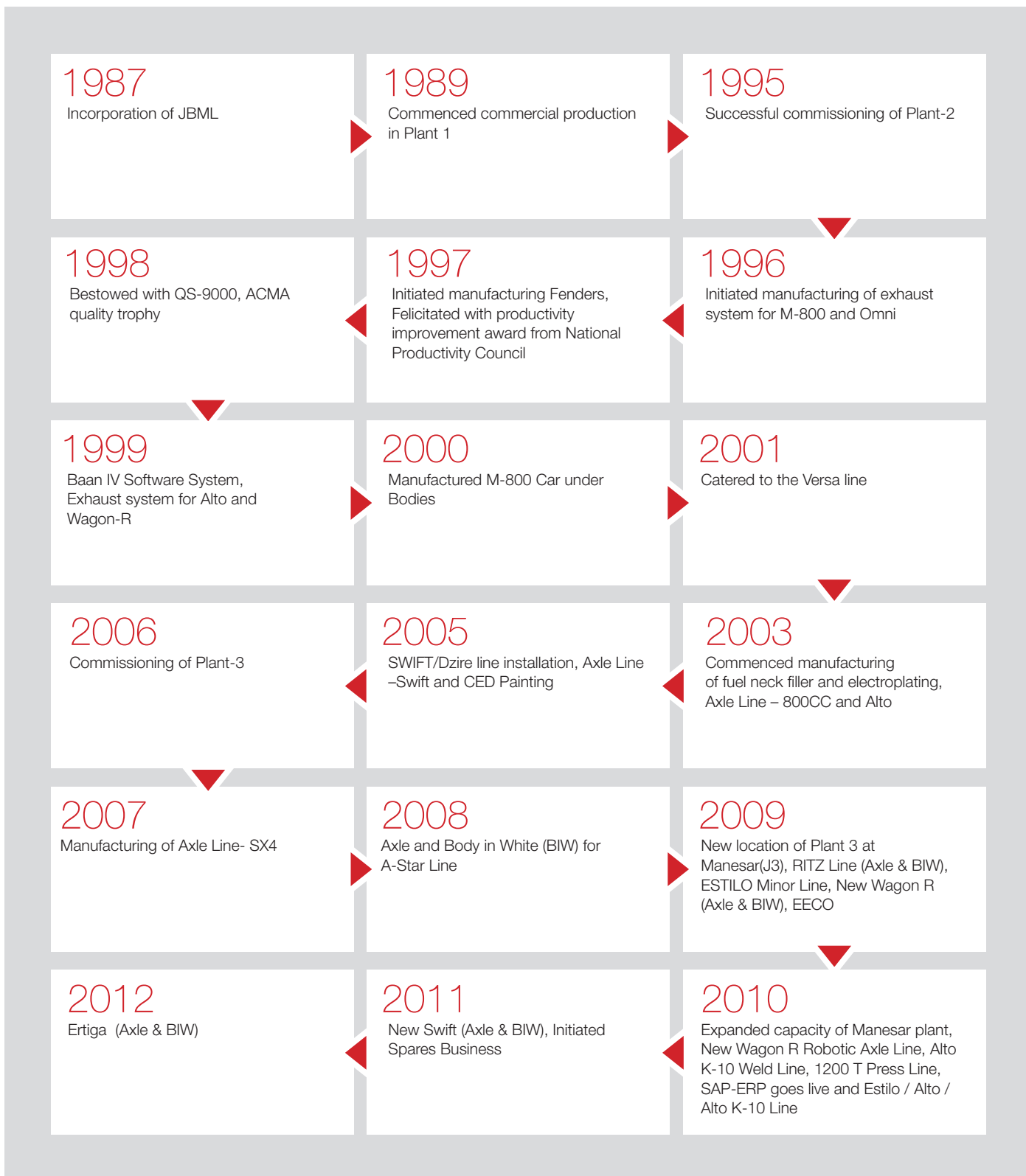
## 25 YEARS OF EXCELLENCE

Over the last 25 years, our entrepreneurial spirit, innovative technologies and passionate people have been a constant force driving us forward. We have certainly adapted and transformed over the years, and will continue to do so for years to come. Keeping in-step with what our customers need, and delivering beyond their expectations is what makes us special.

Each step of our journey has set benchmarks in achieving brilliance in the realm of technology and innovation. This has enabled the Company touch the glory of success and reach higher growth orbits.



## MILESTONES



# BOARD OF DIRECTORS



Mr. S.K. Arya  
Chairman and Managing Director



Mr. U.C. Aggarwal  
Director



Mr. D.P. Agarwal  
Director



Mr. R. Dayal  
Director



Mr. Achintya Karati  
Director



Mr. Nishant Arya  
Director

# IMPORTANT COMMUNICATION TO MEMBERS

Your Company is concerned about the environment and utilizes natural resources in a sustainable manner. Further, the Ministry of Corporate Affairs (vide Circular No. 17/2011 dated 21<sup>st</sup> April 2011 and Circular No. 18/2011 dated 29<sup>th</sup> April 2011) has allowed companies to share documents with its shareholders through electronic mode as a part of the green initiative in corporate governance.

A recent amendment to Clause 32 of the Listing Agreement requires a company to send soft copies of the Annual Reports containing its Balance Sheet, Profit and Loss Account and Directors' Report to all those Shareholder(s) who have registered their email address(es) for the purpose.

Keeping in view the objective underlying the Circular issued by MCA, the Company proposes treating the e-mail addresses available in the records of the Company as the registered e-mail id for the purposes of Clause 32 of the Listing Agreement and accordingly the Company proposes to send as was done last year, the notice calling the Annual General Meeting and Annual Reports containing its Balance Sheet, Profit and Loss Account and Directors' Report etc. for the year ended 31<sup>st</sup> March, 2012 and other communication, in electronic form, to the email addresses of those members which are available in the records of the Company.

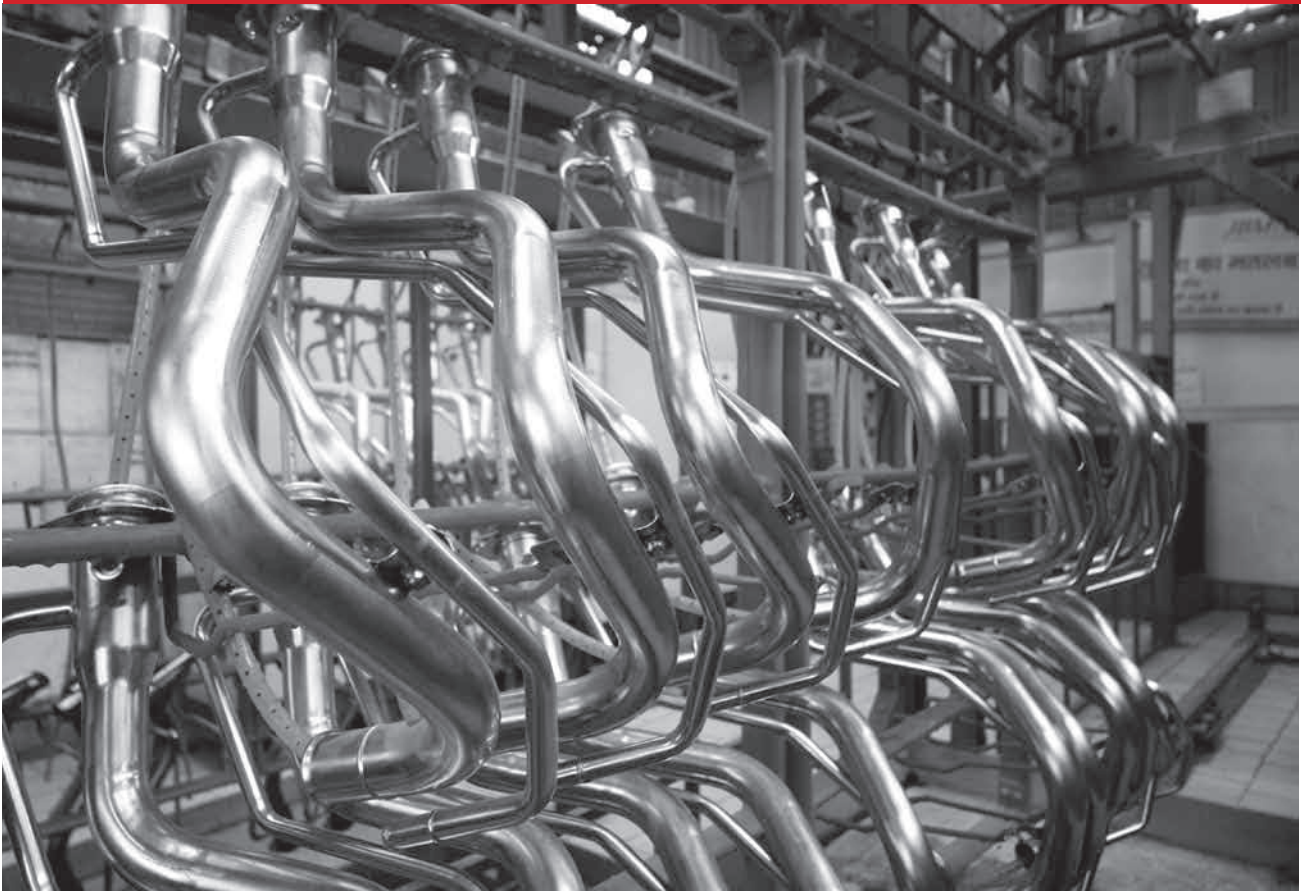
In case however, you desire to receive the documents in physical form, you are requested to send an e-mail to [jbminvestor@jbm.co.in](mailto:jbminvestor@jbm.co.in) or to [gogreenjbm@mcsdel.com](mailto:gogreenjbm@mcsdel.com). As and when there is a change in your e-mail address, you are requested to update the same with your Depository Participant/ MCS Limited, Registrar and Transfer Agents of the Company, as the case may be.

**Please note that you will continue to be entitled to be furnished, free of cost, with a copy of the Annual Report of the Company and all other communication that may be sent to you electronically, upon receipt of a requisition from you, as a Member of the Company.**

The Shareholders, who had opted to receive the Annual Report for the Financial Year 2010 – 2011 in physical form in response to our e-mail of last year, are earnestly requested to reconsider their decision and join us in this noble initiative. We are sure that as a responsible citizen, you will join hands with us in support of the "Green Initiative" taken by MCA and take it forward in true letter and spirit.

Member holding shares in physical form can register / update their e-mail ID with the Company by filling up e-mail registration form available with the registrar or on the website of the Company - [www.jbm-group.com](http://www.jbm-group.com).

# DIRECTORS' REPORT



Dear Members,

M/s Jay Bharat Maruti Limited

On behalf of the Board of Directors of your Company, it is my privilege to present the 25<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2012 and Auditor's Report thereon.

## FINANCIAL RESULTS

The summarised financials are as below:

Particulars	₹ in lacs	
	2011-12	2010-11
Sales and other Income (Gross)	1,21,607	1,19,466
Earnings before interest, depreciation, tax and amortisation (EBIDTA)	8,845	10,607
Financial Cost	2,151	1,434
Depreciation	3,802	3,509
Profit Before Tax	2,892	5,664
Provision for Tax	929	1,834
Profit After Tax	1,963	3,830

## BUSINESS PERFORMANCE

During the year 2011-12, your Company registered modest growth in turnover as compared to previous year. However the profit after tax has significantly gone down due to increase in financial cost and depreciation. The primary reason affecting the growth during the year were – (i) unfavourable economic conditions affecting demand for automobiles and (ii) Labour unrest in the Manesar plant of Maruti Suzuki India Limited (MSIL) resulting into loss of production.

The financial year 2012-13 does not seem to be better as Government is unable to contain inflation, rupee has depreciated against dollar at record low levels, paralysis in Government decision making, petrol price hike and vast difference in diesel and petrol price and global uncertainty.

## DIVIDEND AND APPROPRIATIONS

### Appropriation

During the year 2011-12, an amount of

₹ 180 lacs (in 2010-11 – ₹400 lacs) was appropriated to the General Reserve

## DIVIDEND

Considering the performance of your Company from the previous year, your Directors recommend a dividend of 30% (i.e. ₹ 1.50/- per equity share of ₹ 5/- each) for the financial year 2011-2012 as against a dividend of 40% (i.e. ₹ 2.00 per equity share) for the financial year 2010-11.

The dividend income is tax free in the hands of shareholders.

## CREDIT RATING

### A. ICRA Rating:

ICRA has re-affirmed its credit rating of A1+ for short term instruments which is the highest rating for credit quality assigned by ICRA and A+ rating for long term debt Instruments indicating the outlook on the long term rating as 'Stable'.

### B. CRISIL Rating

CRISIL has awarded A1 rating for Commercial paper, which indicates that the degree of safety regarding timely payment on the instrument is very strong.

## QUALITY

Your Company has implemented International Quality Management System in all the three manufacturing facilities based on requirement of ISO/TS 16949:2009. Apart from the above, your Company has also acquired the following certifications in all the three manufacturing facilities:

- (i) OHSAS-18001:2007;
- (ii) ISO-14001:2004.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement is annexed hereto, forming part of this Report.

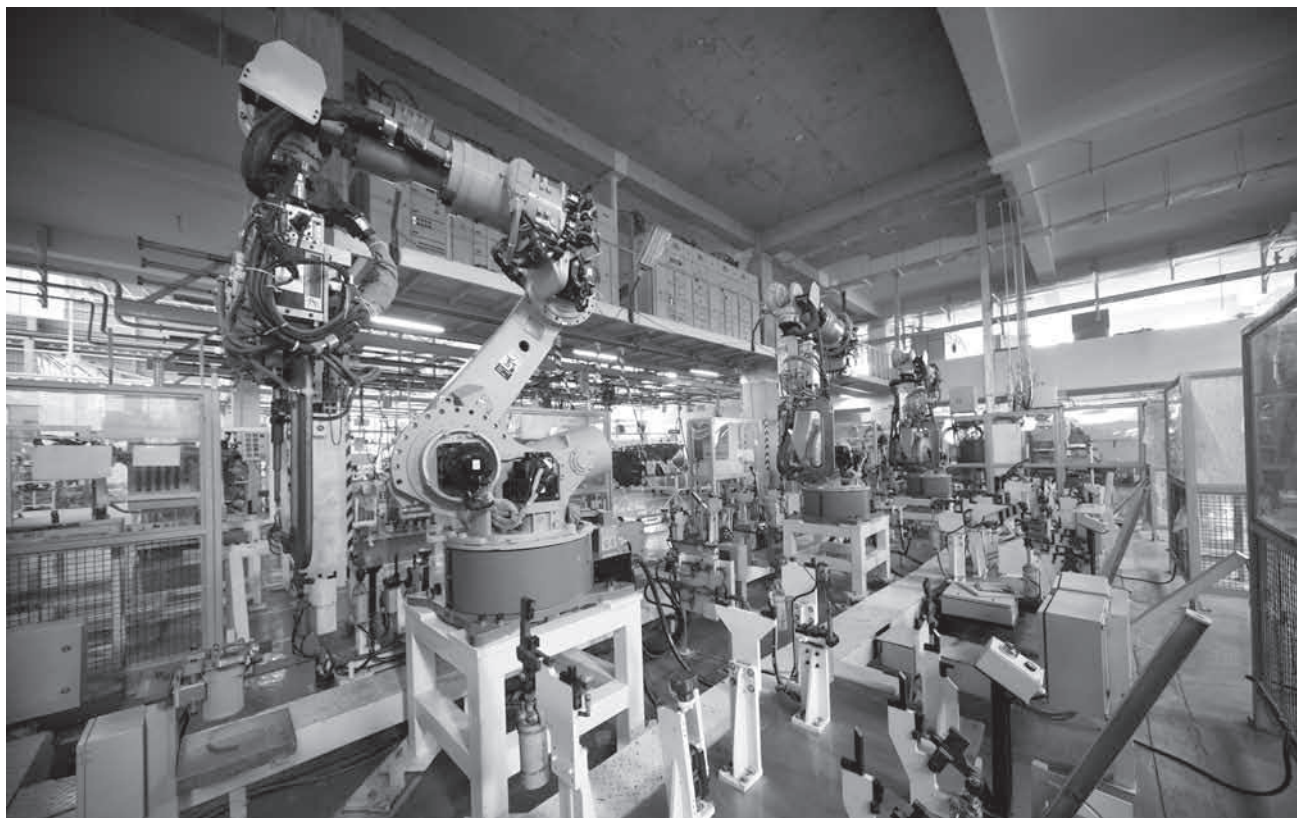
## AWARDS / ACCOLADES

Your Company won the following awards from MSIL for the year under review:

- Overall Silver Award;
- Spare Nagare Schedule Adherence Award;
- Special Support Award;
- Certificate for recognition of sincere efforts and superior performance in the field of 'VA-VE';
- Certificate for recognition of sincere efforts and superior performance in the field of 'Capacity Enhancement'.

## HUMAN RESOURCES (HR)

The overall employee relations were peaceful and harmonious throughout the year. Your Company continued to create a productive, learning and



caring environment by implementing robust and comprehensive HR processes.

Various initiatives, training programmes provided to the employees are given elsewhere in the report.

## DIRECTORS

As per Article of Association of the Company and relevant provisions of the Companies Act, 1956, Mr. D.P. Agarwal, Director and Mr. Nishant Arya, Director of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The above appointment is subject to the approval of the members in the ensuing Annual General Meeting. The Brief resume/details relating to Directors, who are to be re-appointed, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in the Notice convening the Annual General Meeting.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- I. that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2012, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- II. that appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs as at 31<sup>st</sup> March 2012 and of the profit of the Company for the period ended 31<sup>st</sup> March 2012;
- III. that proper and sufficient care has been taken for maintenance

of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- IV. that the annual accounts for the year ended 31<sup>st</sup> March 2012 have been prepared on a going concern basis.

## CORPORATE GOVERNANCE

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

## AUDITORS AND AUDITORS' REPORT

The Auditors, M/s Mehra Goel & Co. will retire at the conclusion of the

ensuing Annual General Meeting and offer themselves for re-appointment on being eligible. The Company has received a certificate from the Auditors to the effect that the re-appointment, if made, would be in accordance with Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment.

The notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

#### **INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT 1956**

The information required under Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, is given in Annexure - I and forms an integral part of this Report.

#### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, the names and other particulars of the employees are set out in the Annexure II to the Directors' Report.

However, having regard to the provisions of Section 219 (1) (b) (iv) of the said act, the Annual Report

excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

#### **LISTING**

The shares of your Company are listed at Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Delisting from Calcutta Stock Exchange Limited is pending despite of completion of all formalities from the Company.

#### **TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF**

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

#### **INDUSTRIAL RELATIONS**

The industrial relations in the Company remained cordial and peaceful, during the year under review.

#### **ACKNOWLEDGEMENT**

Your Directors acknowledge the continued assistance, guidance and Co-operation received from Maruti Suzuki India Limited & Suzuki Corporation Limited (Japan) and other Japanese technical partners.

Your Directors also wish to convey their sincere thanks to continued support of the Central Government, State Government, customers, bankers and suppliers/vendors and other business associates and solicit their continuous support in future as well.

Your Directors take note of sincere efforts of all the employees at all levels in attaining the current level of achievements.

For and on behalf of the Board

Sd/-

**S. K. ARYA**

Chairman & Managing Director

Place: New Delhi

Date:13-07-2012

# ANNEXURE-I

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

### (A) CONSERVATION OF ENERGY

Your Company is committed towards promoting an environmental compliant work culture which includes inter-alia conservation of energy. Various energy conservation measures taken by the Company during the year under review are:

- Installation of Timer in canteen for light and cooling system resulted into saving of 25KWH each day.
- Dedicated air compressor of 35 CFM installed for Paint Shop resulted into saving of 50 KWH per day.
- Temperature of manufacturing office AC units to be maintained at 24° C resulted into saving of 20 KWH per day.
- Since the production is not running during lunch time so compressor and pumps will be stopped resulted into saving of 200 KWH per day.
- Ac Drive installed on ISGEC 1 Line and HMT 3 Line improved the power consumption per 1000 strokes.
- Installation of LED Lights in shed 1 and 2 resulted in annual saving of 200000 KWH.
- Installation of Lux Light controller for street light with auto on off at 18 Lux.
- Installation of 22 KW Main Motor in place of 30 KW resulted in power saving of 288 Unit/month/machine)
- Extra plates added on heat exchanger for increasing cooling surface area reduced breakdown and energy saving of 9000 KW annually.
- Provide the Automatic Timer for on & off operation for Air washer energy saving 75KWH per day.

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

#### Research & Development (R&D)

#### FORM B

1. Specific area in which R&D work is carried out	<ul style="list-style-type: none"> <li>• Robotic automation on presses</li> <li>• Induction of transfer press line</li> <li>• Manufacturing of progressive dies</li> <li>• Hamming operations</li> <li>• Laser technology</li> </ul>
2. Benefit derived as a result of the above R&D	<p>Research &amp; Development carried out in plant layout benefited the organisation by providing it much more efficiency to deal with the new additional business requirements and the dynamism of the industry.</p> <p>R&amp;D carried out also resulted in providing the organisation an edge over the other competitive vendors.</p> <p>This is because of the continuous R&amp;D being carried out in the organisation that the Company is able to meet customers requirement, both in terms of quantity and quality.</p> <p>Also the enhancement of operational efficiency and saving in processing time as well as the processing costs are the result of the R&amp;D carried out by the organisation.</p> <p>Installation of transfer press line will increase the per hour production efficiency of the organisation by highly automated and advanced pressing system. Also as it does not require the human intervention, it leads to saving in manpower cost along with the assurance of desired quality levels.</p> <p>Robotic automation and transfer press line require minimal human intervention which has lead to increase in safety standards to a new height.</p> <p>Use of laser technology has resulted in localisation of laser operations in India instead of importing components from Japan.</p> <p>Induction of hamming process technology has made the Company capable enough to produce complete assembly of outer skin panel, i.e:- doors, hood etc. at Manesar Unit.</p>



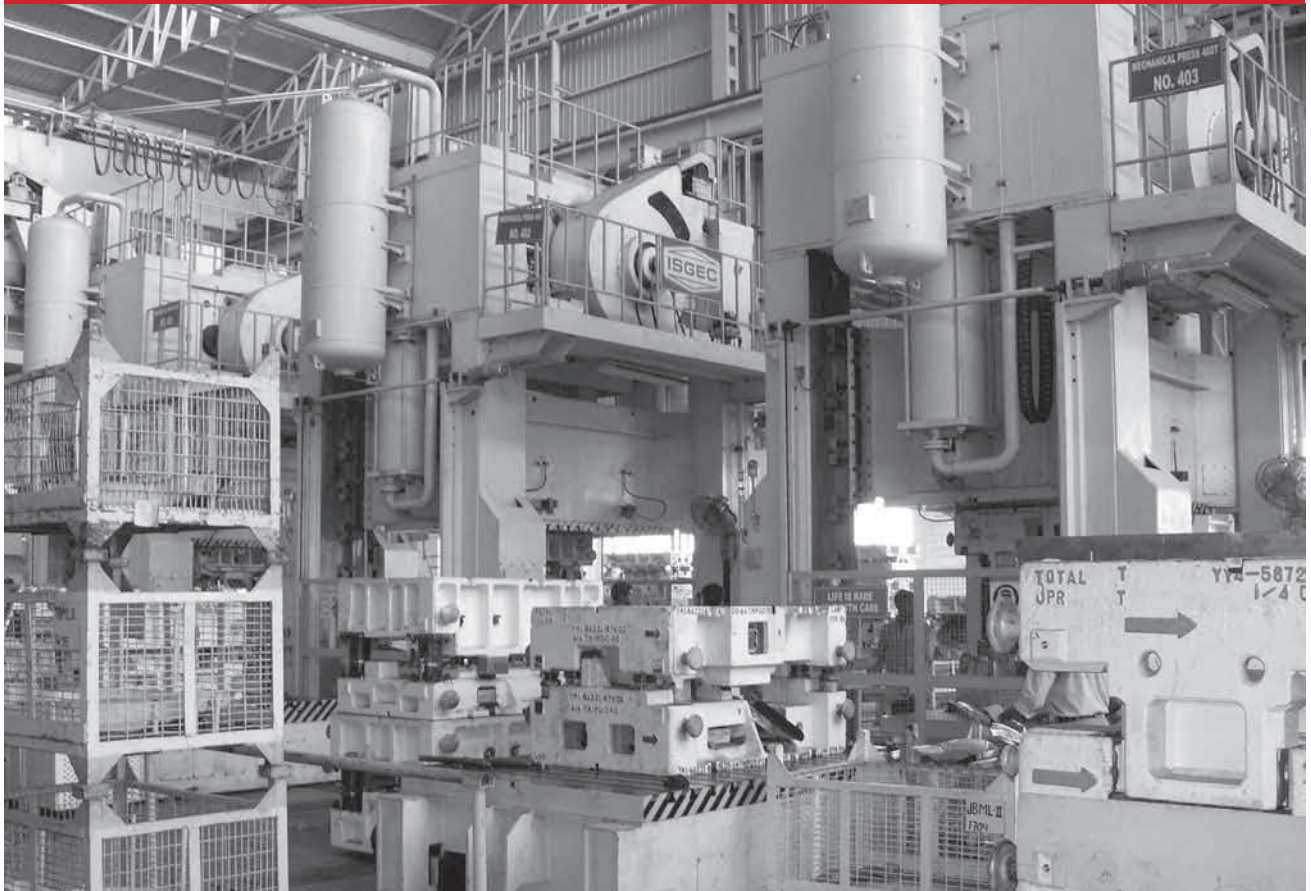
3. Future plan of action	As in the current year, in future also the company is looking forward to introduce more automated processes and the development of progressive dies so as to increase the overall efficiency and induction of high tech processes.
4. Expenditure on R&D	Not identified separately

### Technology Absorption, Adaptation and Innovation

1. Efforts, in brief made for the technology absorption, adaptation and innovation.	To meet the current business requirements in terms of quality and quantity the company has imported and absorbed the Japanese technology for production of Rear Axle for new models of MSIL.  Highly automated and advanced spot welding processes has been introduced and absorbed.
2. Benefits derived as a result of the above e.g. product improvement, cost reduction, product development, import substitution	The introduction of above technologies has resulted in reduction in processing time and processing cost along with substantial increase in product quality and operational efficiency.
3. In case of imported technology (imported during the last 5 years from the beginning of the financial year), the following information:	Stated herein below

Technology Imported	Year	Has Technology been fully absorbed?
For electroplating of neck comp fuel filler for models of MSIL, from Hamamatsu Pipe Co & Daiwa Excel, Japan	2006- 07	Yes
For manufacturing of rear axle - SX4 from Futaba Corporation, Japan	2006- 07	Yes
For manufacturing of rear axle of ASTAR and New WAGON-R from Okamoto Press -Japan.	2008-09 2009-10	Yes
For manufacturing of rear axle- RITZ model of MSIL, from Yorozu Corporation, Japan	2009-10	Yes
For Manufacturing of Rear Axle for New Swift Model of MSIL from Futaba Corporation, Japan	2010-11	Yes
For Electroplating of Neck component fuel filler for New Swift Model of MSIL from Hamamatsu Pipe Co & Daiwa Excel, Japan	2010-11	Yes
For Manufacturing of Rear Axle for Ertiga Model of MSIL from Futaba Corporation, Japan	2011-12	Yes

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT



**OVERVIEW**

**Global Economy and Developments**

2011-12 represented a year of painful surprises for the world: sluggish global economic growth, political instability across the Middle East and North Africa, natural disasters in Japan, deepening European crisis and fragile US recovery. Although extensive liquidity infusions by the European Central Bank (ECB) have averted a major financial catastrophe in Europe with global implications, an acceptable solution to the Euro crisis is still not in sight.

As Europe looks up to Germany as its only saviour, the emerging economies are also witnessing economic hardships. The reason is simple: in an increasingly integrated world, economic shockwaves travel far and wide, affecting investor confidence and creating a cycle of low growth

and unfulfilled aspirations. Besides, domestic policy tightening also played a part in smothering growth.

The number of cars manufactured worldwide has dropped significantly. According to some estimates, it is close to 30% in the two months following the Japanese earthquake and tsunami, because of supply-chain disruptions.

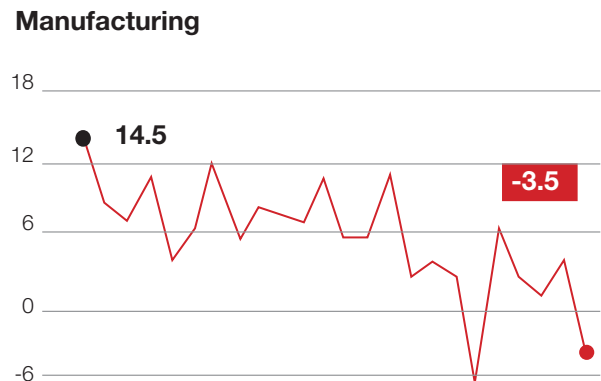
During the second quarter of 2011, oil prices briefly rose more than 25% above the levels that prevailed in January 2011. It is hard to determine the extent to which prices were driven up by stronger demand or by lower supply (for example, from Libya). Assuming that a significant share of the price hike reflected lower supply, it may have reduced output in advanced economies by ¼ to ½ percentage point of GDP.

**Indian Economy**

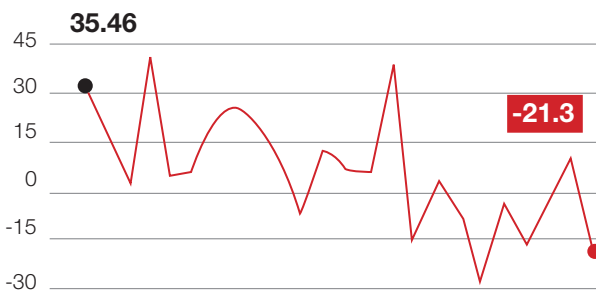
India's economy has also started showing signs of fatigue, after years

of sterling performance. It grew by 5.3% in the quarter ended March 2012, belying expectations. The Economic Outlook for 2011-12, released by the Government of India, pegs the country's GDP growth rate for 2011-12 at 6.5% compared with 8.5% registered last year.

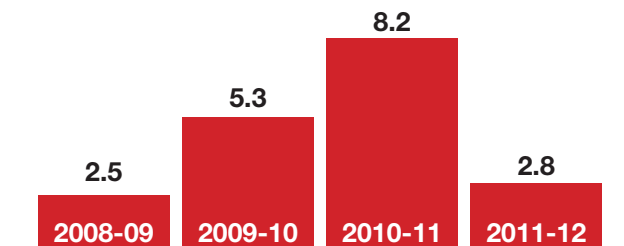
With agriculture and services continuing to perform well, India's slowdown can be attributed almost entirely to weakening industrial growth. The index of industrial production (IIP) growth averaged 2.8% in 2011-12, compared with 8.2% in the previous fiscal year. The manufacturing sector grew by 2.7% and 0.4% in the second and third quarters of 2011-12, respectively. In March 2012 alone, industrial production contracted by 3.5%, dragging the cumulative factory output growth to the level 2008-09, the year of the global financial crisis.



**Capital Goods**



**IIP annual average**



Source: CSO

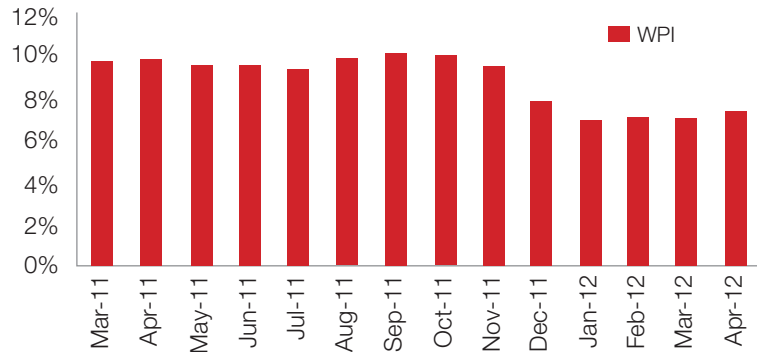
In 2011-12, the inflation rate averaged 8.84%, compared with 9.57% a year ago. Further complicating policy choices for the Reserve Bank of India (RBI), headline inflation, riding on high food prices in April 2012, unexpectedly touched 7.23% from 6.89% a month ago. It further rose to 7.55% in May

2012 from 7.23% in April 2012, led by higher inflation, related to primary food and non-food products, along with fuel and power. This is a critical situation since the RBI has to perform the unenviable task of taming inflation, without compromising growth. With low expectations of a bountiful

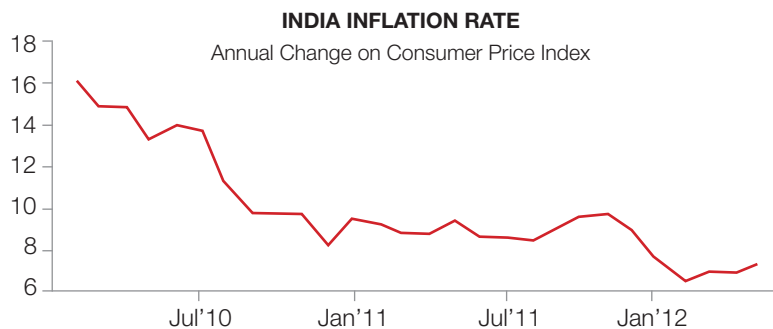
monsoon, food inflation may be difficult to manage.

The monetary policy was tightened by the Reserve Bank of India (RBI), during the year to control inflation and curb inflationary expectations.

### Inflation Index (Based on WPI)



### Inflation Index (Based on CPI)



Sources: Figures and other relevant statistical / factual data have been taken from the reports of the World Bank, International Monetary Fund, Deloitte, Indian Economic Outlook 2011-12, ICRA and Bloomberg.

### The Road Ahead

The global economy is expected to take some time to return to normalcy, as there are significant downside risks and fragility. The World Bank has predicted a modest global GDP growth of 2.5% in 2012, increasing to 3% in 2013 and 3.3% in 2014.

With dented investor confidence, capital flows to developing countries have declined by almost half, compared with last year. Europe appears to have hit a ceiling, as countries wrestle with

each other for political and economic one-upmanship. The recession in Europe is expected to adversely impact developing countries, especially India, as the continent is India's largest trading partner. Growth in several major developing countries (Brazil, India, and to a lesser extent Russia, South Africa and Turkey) has also slowed partly in response to domestic policy tightening. Considering the sluggish external market and global economic woes, China has also lowered its full-year growth target for 2012 to 7.5% in early

March, after its economy grew 9.2% in 2011 from the previous year.

Growth in developed countries is now expected to touch 1.4% in 2012 (-0.3% for euro zone countries and 2.1% for the rest) and 2.0% in 2013. Developing country growth is expected to be 5.4% and 6.0% in 2012 and 2013 respectively.

Key drivers of stronger global growth include the rebound of activity in Japan, the drop in oil and food prices and solid demand growth in emerging markets.

## THE INDIAN AUTOMOTIVE INDUSTRY

India, the world's second fastest growing auto market, is also home to the sixth largest automobile industry after China, the US, Germany, Japan and Brazil. India's car market is rapidly evolving, fuelled by rising consumer aspirations and earnings. A passenger vehicle or a commercial vehicle represents the aspirations and achievements of its owner. Hence, global auto giants are foraging into the Indian market, offering luxury, value, utility and convenience to the customer.

The automobile industry, one of the core sectors, has undergone metamorphosis with the advent of new businesses and manufacturing practices following liberalisation and globalisation. The Indian automobile market is gearing towards international standards to meet the needs of the global automobile giants and become a global hub.

Nevertheless, the industry reeled under various global and domestic macro-economic factors, which led to the conclusion that 2011-12 was a 'Not So Good' year, especially for the passenger car segment.

The Society of Indian Automobile Manufacturers (SIAM) had, in the beginning of the fiscal year 2011-12, forecasted a 16%-18% sales growth for passenger cars. This estimate was subsequently downgraded to 10%-12% in July 2011, and again downgraded to a modest 2%-4% in October 2011.

### Key Statistics for 2011-12\*

#### Production

The cumulative production data for April-March 2012 shows production growth of 13.83% over the same period last year. In March 2012 vis-a-vis March 2011, production grew 6.83%. In 2011-12, the industry produced 20,366,432 vehicles, of which the share of two

wheelers, passenger vehicles, three wheelers and commercial vehicles were 76%, 15%, 4% and 4%, respectively.

#### Domestic Sales

The growth rate for overall domestic sales for 2011-12 was 12.24% totalling 17,376,624 vehicles. In March 2012, domestic sales grew by 10.11%, compared to March 2011.

The passenger vehicles segment grew by 4.66% during April-March 2012 over the same period last year. Passenger cars grew by 2.19%, utility vehicles grew by 16.47% and vans by 10.01% during this period. In March 2012, the domestic sales of passenger cars grew by 19.66% over the same month last year. Also, sales growth of total passenger vehicles in March 2012 touched 20.59% (compared to March 2011). For the first time in history, car sales crossed two million in a financial year.

The commercial vehicles segment registered 18.20% growth during April-March 2012, compared to the same period last year. While medium and heavy commercial vehicles (M&HCVs) registered 7.94% growth, light commercial vehicles grew by 27.36%. In March 2012, commercial vehicle sales grew by 4.82% over March 2011.

#### Exports

During April-March 2012, the industry exported 2,910,055 automobiles, registering 25.44% growth. The passenger vehicles segment grew by 14.18% in this period. Commercial vehicles, three wheelers and two wheelers segments grew 25.15%, 34.41% and 27.13%, respectively during April-March 2012. For the first time in history car exports crossed half a million in a financial year.

In March 2012, compared to March 2011, overall automobile exports grew 17.81%.

\* Source: SIAM press release dated 10th April 2012

## The Indian Auto Component Industry \*\*

The ₹ 1,600-billion Indian auto components industry has been witnessing a moderation in its revenue growth, since the beginning of this fiscal, following the deceleration in sales volume growth across all automobile segments. According to industry estimates, out of the total turnover of the Indian auto components industry, around 60% is derived from sales to domestic OEMs, around 25% comes from sales to the domestic replacement market and around 15% is derived from exports. While the long-term industry prospects remain strong, in line with the outlook for the OEM segment, it faces strong challenges (low-cost imports, currency volatility and the ability to invest in innovation) to be able to move up the value chain.

Since the beginning of this fiscal, the prices of key commodities have been softening, providing partial relief to the industry players, who had grappled with commodity cost pressures throughout 2010-11. However, it did not rein in the desired results due to inflation in other costs (employee costs, energy costs and other overhead expenses), which are generally not passed through to OEMs unlike raw material costs. Although international prices of key raw materials declined, the landed costs, however, stayed firm due to sharp depreciation of INR against US\$ and the industry's margin expansion was constrained due to (a) weaker INR against US\$ that negated the potential benefit arising from soft international commodity prices (b) weaker INR against JPY that increased the cost of imports for ancillaries that source component child parts and other inputs from Japan (c) combination of higher overhead costs and sluggish growth in supplies to domestic OEMs.

\*\* Source: ICRA report on Indian Auto Components Industry, March 2012.

## ■ US\$/INR



## INR/JPY



### Growth Drivers of the Indian Automotive Industry

For any industry to succeed, it is important to recognise and leverage the factors that drive growth. The following drivers help stimulate India's auto sector growth:

- Unrestrained availability of credit and financing options
- Rising family income
- Favourable duty structure
- Improved infrastructure
- Poor public transport system
- Low car penetration
- Popular vehicle exchange policies
- Evolving quality of life
- Government policy initiatives and impetus
- R&D focus
- Encouraging Foreign Direct Investment

### Growth Drivers of the Indian Auto Component Industry

Since a majority of revenues of the auto component industry are derived from supplies to the domestic OEMs,

the growth prospects of the former are largely determined by performance of the user OEMs.

However, the following are some of the factors that may be considered independently from the OEMs:

- Quality products at reasonable prices.
- Expanding manufacturing base to include wide range of products.
- In-house R&D capabilities.
- Quality Human Resources.
- Prudent financial discipline and management.

Currently, India's auto components industry is around two-thirds\* the size of the OEM segment. This proportion is around one to two times in mature markets of Europe, America and Japan, reflecting enormous imports of auto components in India by OEMs and limited replacement market sales. Considering the robust, medium-term growth prospects of the Indian automobile industry, the industry size may grow at a faster rate than the OEM segment. This will be driven by OEMs' thrust on localisation and steadily growing replacement market demand.

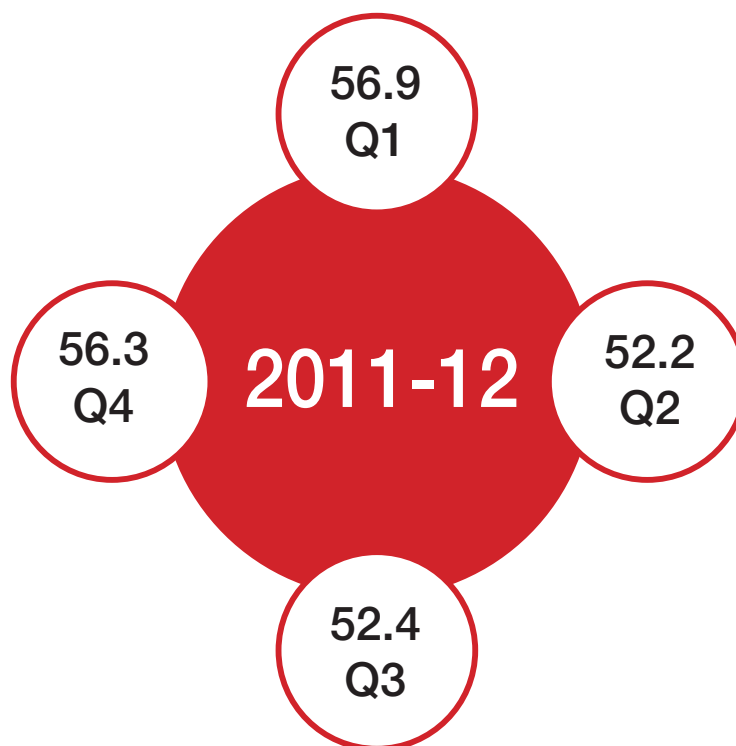
\* Source: ICRA report on Indian Auto Components Industry, March 2012

## BUSINESS OVERVIEW

India's auto sector was impacted by the Government's policy initiatives to tame spiralling inflation and crude oil prices. Interest rate hikes adversely affected manufacturing and sales. While the availability of cheap working capital dried up, customers postponed their purchases due to high cost of vehicle financing. Undoubtedly, a double-edged sword for the auto sector, hedging as a tool to offset the cost of funds also failed to revive the situation, with a sliding Rupee vis-a-vis the Dollar and the appreciation of the Japanese Yen.

The woes only increased with the labour unrest in the Manesar production facility of the Company's Joint Venture Partner, MSIL. This unrest stopped production, resulting in significant losses for both the partners. However, March 2012 brought some hope, when car sales touched record levels. The reason could be to offset the impact of hike in excise duties in the Union Budget. Besides, global economic volatility also scared off many potential buyers.

However, there is a renewed hope as depicted by HSBC-Markit Purchasing Managers' index \* which showed an improved manufacturing sentiment as depicted hereunder:



\* Source: Economic Times, Delhi Ed dated 04.04.2012

### Auto Expo: A Grand Success

India's 11<sup>th</sup> Auto Expo jointly hosted by SIAM, Confederation of Indian Industry (CII) and Automotive Component Manufacturers Association (ACMA) took place at Delhi's Pragati Maidan, during 5<sup>th</sup> to 11<sup>th</sup> January 2012. A grand success in terms of footfall, the exhibition attracted 1,500 participants from 24 countries and witnessed the launch of over 50 new products. Your Company participated in the Auto Expo.

### Government Initiatives

The Government of India is in the process of forming a National Automotive Board (NAB), which would become a formal set-up to look into the issue of recall of vehicles and hence improve manufacturing standards. The prospective body, to oversee technical and safety aspects of vehicles, will have representatives from all the nodal ministries and automotive bodies, such as the Automotive Research Association of India (ARAI).

Various State Governments are providing incentives in order to establish automotive hubs in their states. The Governments of Gujarat and Tamilnadu have announced various measures to provide the necessary impetus to the automotive industry in their respective states.

### Outlook

According to a study by Rothschild, India would become the third largest auto industry by volumes after China and the US by 2015. A three-fold increase in investments by auto makers would boost car production capacity from 4.8 million units in 2010 to 12 million in 2018. The firm anticipates that the forecast would come to reality through 30 new factories, which are estimated to come up in the next eight years. The firm holds a bullish outlook on the Indian auto industry and predicts multiple mergers and acquisitions in the coming years.

## BUSINESS PERFORMANCE

Your Company faced a difficult situation due to a major labour unrest at the Manesar premises of its joint venture partner, MSIL, which affected the operations of two consecutive quarters.

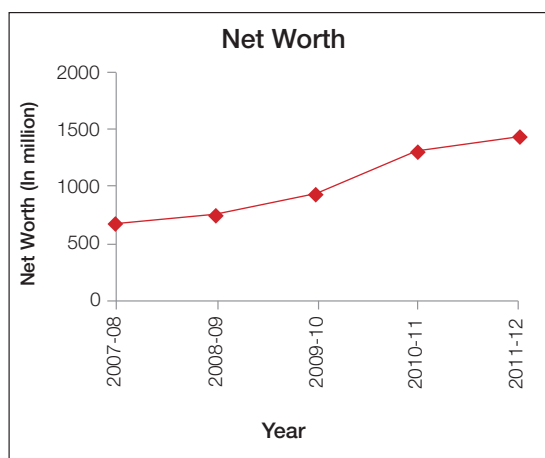
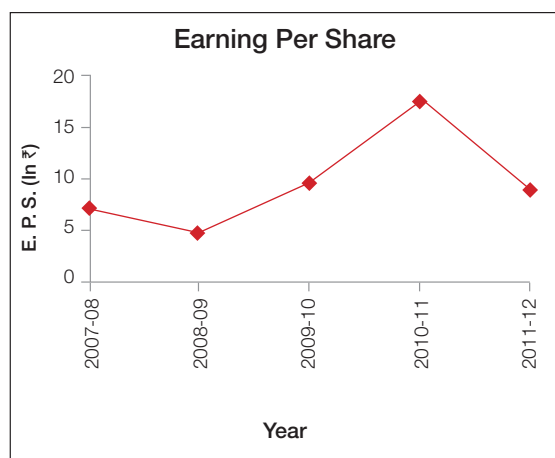
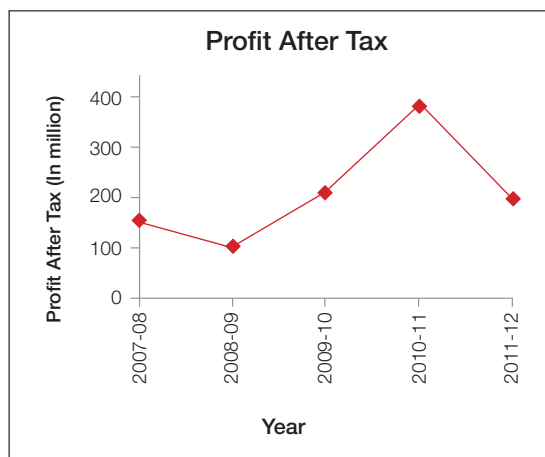
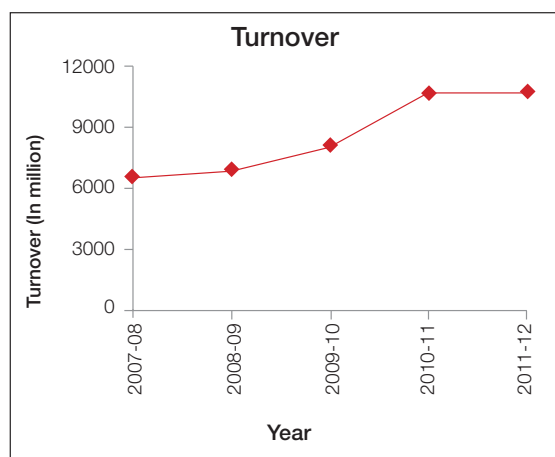
The situation was further aggravated due to an increase in the borrowing cost, weakening of Rupee against the US Dollar and Japanese Yen, along with other macro-economic factors.

Net Sales increased from ₹ 106056 lacs to ₹ 106831 lacs, a modest increase of 0.73% (YoY).

Profit After Tax (PAT) declined from ₹ 3830 lacs in the previous year to ₹ 1963 lacs in 2011-2012.

Earnings Per Share (EPS) declined from ₹ 17.69 per share in the previous year to ₹ 9.07 per share in 2011-2012.

A snapshot of your Company's business performance for the last 5 years is provided below:



## ABRIDGED INCOME STATEMENT

### Abridged Income Statement 2011-12

₹ in lacs

Particulars	2011-12	2010-11	Change (%)
<b>Gross Sales</b>	<b>121384.12</b>	<b>118909.05</b>	<b>2.08</b>
Less: Excise Duty	14552.68	12853.45	13.22
<b>Net Sales</b>	<b>106831.44</b>	<b>106055.60</b>	<b>0.73</b>
Other Income	223.03	557.02	- 59.96
<b>TOTAL</b>	<b>107054.47</b>	<b>106612.62</b>	<b>0.41</b>
<b>EXPENDITURE</b>			
Material Cost	85776.61	84411.85	1.62
Manpower Cost	5690.31	5469.29	4.04
Manufacturing, administrative and other expense	6742.83	6124.50	10.10
Financial Charges	2150.56	1434.07	49.96
Depreciation	3801.78	3508.58	8.36
<b>TOTAL EXPENDITURE</b>	<b>104162.09</b>	<b>100948.29</b>	<b>3.18</b>
<b>Profit Before Tax</b>	<b>2892.38</b>	<b>5664.33</b>	<b>-48.94</b>
Less: Provision for Income Tax			
- Total Tax provisions	929.47	1833.84	-49.32
<b>Profit After Tax</b>	<b>1962.91</b>	<b>3830.49</b>	<b>-48.76</b>



## FINANCIAL PERFORMANCE RATIOS

(As a Percentage of Net Sales)

Parameters	2011-12	2010-11	Change (%)
Material Cost	80.29	79.59	(+) 0.70
Employee Cost	5.33	5.16	(+) 0.17
Manufacturing, Admin and Other Expenses	6.31	5.78	(+) 0.53
Depreciation	3.56	3.31	(+) 0.25
EBIDTA	8.28	10.00	(-)1.72
Profit Before Tax	2.71	5.34	(-)2.63
Profit After Tax	1.84	3.61	(-)1.77

(+) indicates increase

(-) indicates decrease

### WORKING CAPITAL MANAGEMENT

The Company adopts prudent working capital management practices and uses meticulous planning for managing its day-to-day requirements of working capital funds. There is a comprehensive plan in place for all inflow and outflow of funds at all periods of time. Besides, the Company has departmental budget system, wherein the requirement of each department for the cost of funds is chalked out in advance and planning is done to make funds available in a timely manner, not compromising on the cost of availability of funds and idle funds.

### FOREIGN EXCHANGE RISK MANAGEMENT

The Company has incurred capital expenditure in foreign currency for expansion related activities and hence is prone to changes in the foreign exchange movements. The Company manages its exchange risk by using appropriate hedging instruments depending on the market conditions and the view on the currency. The Company also has in place, a proper

system for approving the execution of hedging transactions to mitigate probable losses, which may arise from foreign currency fluctuations.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate system of Internal Control to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorised, recorded and reported correctly.

The Company's internal control system ensures the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws and regulations.

Your Company is successfully running in the SAP-ERP Solution regime which has improved the overall operational control and the delays in obtaining various information will reduce and decision making will be quick and effective.

The internal control system ensures that all records (financial or other wise)

are reliable for preparing financial information and other data and for maintaining accountability of assets.

An elaborate internal audit is done by the external Chartered Accountant firm M/s Sahni Natarajan & Bahl, Chartered Accountants. Their reports on the internal controls and their adequacy are regularly discussed with the management and corrective measures, wherever required, are taken and continuously monitored.

The Audit Committee of the Board meets regularly to review the adequacy of internal controls. Corrective actions are taken, if necessary, based on internal audit findings. The Management is reasonably satisfied with the adequacy of internal control systems.

### HUMAN RESOURCES

#### Employee value and empowerment

Hiring, training and retaining best talent is one of the key reasons that our business is successful. Your Company acknowledges the value of the contribution made by the workforce and they are provided with an array of benefits, specially designed by the

Human Resource Department (HRD). The Company's HR approach aims to enhance the health and well-being of people.

### Respecting and supporting our employees

Your Company employs around 3600 people (permanent and contractual) hailing from diverse backgrounds and cultures. The management treats them fairly, with respect and strives to provide a safe working environment, offers access to development opportunities and career progression.

Your Company encourages a culture that is open and based on a two-way dialogue. The employees are encouraged to provide regular feedback to us, informally or formally and it is ensured that senior managers regularly engage with their subordinates to explain how the business is being run.

### Training programmes conducted during the year

Some of the training programmes held during the year for employee development comprised:

- Behavioural Based Safety
- Fire Fighting
- Team Building
- Why-Why analysis
- Safety Month Observance
- 5 S and Kaizen
- Balance Scorecard and Calculation
- Integrated Management Systems (IMS)
- SPC and FMEA

Various events were celebrated like the Environment Day, Safety Month, Kaun Banega JBML Star Quiz Competition, Merit Award Distribution, JBM Cricket Tournament and so on.

## CORPORATE SOCIAL RESPONSIBILITY

Your Company's social initiatives comprise the following: providing monetary assistance for social causes, helping protect the environment by conservation of resources or reducing the carbon footprint. The management is committed to travel an extra mile towards Corporate Social Responsibility.

## ENVIRONMENT, HEALTH AND SAFETY (EHS)

Environment protection, conservation of natural resources and Employee safety at work place represent key concerns of your Company. The Management is taking various initiatives through the involvement of employees to protect the environment, improve health and safety at workplace and believe in proactive compliance with legal and other requirements.

Your Company has established, implemented and maintained the Integrated Management System (IMS) based on the requirements of International Standards like ISO 14001 (Environmental Management System), OHSAS 18001 (Occupational Health and Safety Assessment Series) and ISO/TS 16949 (Quality Management System), and is certified to ISO 14001:2004, OHSAS 18001:2007 and ISO/TS 16949:2009.

### New initiatives comprise the following:

- A new system is implemented for Environmental Aspect-Impact study in terms of quantity (Q), occurrence (O), impact (I), detection (D) and Control (C).
- A new system is incorporated to implement department specific 'operational control procedures' (OCP).

- Projects are implemented for better utilisation of natural resources like water saving through using the E.T.P treated water for gardening and trolley washing.
- Hazardous waste is disposed of only through authorised recycler as approved by HSPCB.
- Online pH meter is installed on ETP plant for continuous monitoring of the pH value of discharged water.

## OPPORTUNITIES AND THREATS

The opportunities and threats prevalent in the automobile industry are also relevant for your Company.

### Opportunities

#### Infrastructure development:

Continued focus on the development of infrastructure, particularly commutation related infrastructure (roads, flyovers, underpass, highways and so on) is expected to positively impact the domestic automobile industry.

#### Rising income:

Steady increase in India's working population and rise in disposable income will provide a demand impetus to the automobile industry, both in terms of personal transportation as well as goods movement.

#### Rural market growth:

The pattern of spending in rural areas is witnessing a major shift with increasing focus on discretionary spending. India's rural populace do not exist only on farm income. They now have additional earnings to supplement farm income, encouraging additional spending.

This inclusive growth model will help bridge the rural-urban divide and create a vast market for automobiles.

**International business:**

India continues to be a competitive destination for global investors, both for vehicles and components. The country's manufacturing base benefits from economies of scale, coupled with technology/quality improvements.

**Threats**

Despite proven manufacturing capabilities, improving design abilities and high production efficiency, the industry is exposed to several risk factors, including:

**Local sourcing and free trade agreements (FTAs):**

Localisation of auto components is high on the agenda of Indian auto OEMs. Yet, the Free Trade Agreements (FTAs) between India and other countries/ regions including ASEAN, Japan, South Korea, European Union and others pose a significant risk that may encourage OEMs to go for global sourcing. This will erode the potential business for ancillaries located in India.

**Degree of rivalry:**

Despite the high concentration ratio seen in the automotive sector, rivalry in the Indian auto sector is intense due to the entry of foreign companies in the market. The industry rivalry is extremely high with any new product being matched in a few months by the competitors.

**Threat of substitutes:**

The threat of substitutes to the automotive industry is insignificant. Numerous other forms of transportation are available, but none offer the utility, convenience, independence and value offered by automobiles

**Price of fuels:**

The primary fuels in India currently are petrol and diesel and the prices of these fuels are increasing with each passing day. It is necessary that cheaper alternative fuels are available in abundance for the long-term success of the automobile industry.

In addition, the industry faces strong

challenges in the form of threat of low-cost imports, currency volatility and ability to invest in product development to be able to move up the value chain.

**FORWARD LOOKING STATEMENT**

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

# REPORT ON CORPORATE GOVERNANCE



## COMPANY'S PHILOSOPHY

The Company duly recognises the importance of the Corporate Governance and is strongly committed to good Corporate Governance practices. The Company endeavors to maximise the value in terms of maximisation of wealth, returns and growth of its stakeholders, customers, shareholders, employees, government, and lenders including the society of which the Company is a part and believes in information to all stakeholders on the performance of the Company.

Your Company is complying with the norms of corporate governance, as defined by Clause 49 of the Listing Agreement of Stock Exchanges and a report on the same is as under.

## BOARD OF DIRECTORS

The board has an optimum combination of executive and non-executive

directors, to ensure the independent functioning of the board.

### a) Composition of Board

The composition of the Board is in line with the requirements of Clause 49 of the Listing Agreement entered into with the stock exchanges in India.

As on 31<sup>st</sup> March 2012, the Board of Directors consists of 6 Directors (3 promoter directors and 3 independent directors) including an executive Chairman, one non-executive nominee director and four non-executive directors. Independent directors do not have any material, pecuniary relationship or transactions with the Company, its promoters, its directors, and its senior management personnel, which may affect their independence.

The directors bring to the Board a wide range of experience and

skills. The Board is primarily responsible to protect and enhance the shareholders value. The Board reviews the corporate performance periodically and safeguards the interest of the shareholders. The executive directors are responsible for proposing strategy and for making and implementing operational decisions. Non-executive directors complement the skills and experience of the executive directors, bring independent judgement and contribute to the formulation of strategy, policy and decision-making through their knowledge and experience of other businesses and sectors.

The details of Directors, category of directors, no. of other directorship/committee membership held by them as on 31<sup>st</sup> March 2012 are given below:

Name of Directors	Category of directorship	Promoter/ Independent Director	Directorship in other companies (Nos.) <sup>1</sup>	Committees <sup>2</sup>	
				Members (No.)	Chairman (No.)
Mr. S. K. Arya	Chairman and Managing Director	Promoter	13	3	1
Mr. U. C. Aggarwal	Non-executive Director	Independent	1	2	1
Mr. D.P. Agarwal	Non-executive Director	Independent	4	-	-
Mr. R. Dayal <sup>3</sup>	Non-executive Director	Promoter	1	1	1
Mr. Nishant Arya	Non- executive Director	Promoter	5	-	-
Mr. Achintya Karati	Non-executive Director	Independent	6	5	-

1. Excludes directorships of private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 and alternate directorships.
2. Committee here means Audit Committee and Shareholders/ Investors Grievance Committee of Other Companies.
3. Nominee of MSIL.

None of the directors of the Company was holding directorship in more than 15 public limited companies or was member in more than 10 committees or acted as Chairman of more than 5 committees across all companies in which they were Directors

(committee here means Audit Committee and Shareholders/ Investors Grievance Committee).

### b) Board Meetings

The Company has held one Board meeting in every three months and the maximum time gap between

any two such meetings was not more than four months. Four board meetings were held during the financial year 2011-2012. The dates on which meetings were held are as follows: 15<sup>th</sup> April 2011, 14<sup>th</sup> July 2011, 15<sup>th</sup> October 2011, and 14<sup>th</sup> January 2012.

The details of the meetings of the Board of Directors attended by the Directors and also attendance at last annual general meeting by the directors are as under:

Name of Directors	Nos. of meetings held during the FY. 2011-12	Nos. of meetings attended	Attendance at last Annual General Meeting
Mr. S. K. Arya	4	4	Yes
Mr. U. C. Aggarwal	4	4	Yes
Mr. D. P. Agarwal	4	3	Yes
Mr. R. Dayal	4	4	Yes
Mr. Nishant Arya	4	4	Yes
Mr. Achintya Karati	4	4	No

### c) Code of Conduct

The code of conduct for the directors and senior management personnel of the Company has been laid down by the Board and has been circulated to all concerned and the same is hosted on the website of the Company.

### AUDIT COMMITTEE

The audit Committee has been constituted in line with the provisions of Clause 49 of the listing agreement and also meets the requirements of Section 292A of the Companies Act, 1956.

#### Composition

The Audit Committee comprises of following four non-executive directors:

- Mr. U. C. Aggarwal, Chairman
- Mr. D. P. Agarwal, Member
- Mr. Nishant Arya, Member
- Mr. Achintya Karati, Member

Chairman cum Managing Director, President and CFO and statutory auditors are also invited in the Audit Committee Meeting.

Mr. S. Kartik, Company Secretary is the secretary of the Audit Committee.

The Chairman of the Committee including other members of the audit committee were present at the last Annual General Meeting.

#### Role

The role of the audit committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, fixation of audit fee and also approval for payment of any other services.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in

the financial statements arising out of audit findings.

- Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly/ annual financial statements before submission to the board for approval.
  - Reviewing with the management, performance of statutory and internal auditors, the adequacy of internal control system.
  - Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - Discussion with internal auditors about any significant findings and follow up thereon.
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
10. Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
11. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
12. Reviewing any other matter which may be specified as role of the audit committee under the amendments, if any, from time to time, to the listing agreement, Companies Act, 1956 and other statutes.

## MEETINGS AND ATTENDANCE

Four Meetings of the Audit Committee were held during the financial year 2011-12 on 15<sup>th</sup> April 2011, 14<sup>th</sup> July 2011, 15<sup>th</sup> October 2011 and 14<sup>th</sup> January 2012.

The details of the meetings of the Audit Committee attended by the members are as under:

Members of the Committee	Meetings held during the FY 2011-12	Meetings attended
Mr. U. C. Aggarwal	4	4
Mr. D. P. Agarwal	4	3
Mr. Nishant Arya	4	4
Mr. Achintya Karati	4	4

## REMUNERATION COMMITTEE

### Responsibilities

The Company has Remuneration Committee to consider/discuss/ finalise the remuneration package to be paid to the Managing Director and other executive/non-executive directors.

### Composition

The Remuneration Committee comprises of following three non-executive directors.

- a) Mr. U. C. Aggarwal, Chairman
- b) Mr. D. P. Agarwal, Member

c) Mr. Nishant Arya, Member

The Committee considers financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc. while deciding the remuneration.

Non-executive directors of the Company do not have any pecuniary relationship or transactions with the Company. They do not draw any remuneration, except sitting fees for attending meetings of the Board/Committee. The Sitting fee was paid to MSIL for meetings attended by nominee of MSIL.

### Meeting

The remuneration committee has not met during the financial year 2011-12.

There is no change in the remuneration package of Managing Director. However the same is within the permissible limits of shareholder's approval dated 30<sup>th</sup> August 2008.

Detail of sitting fee/remuneration paid to directors during the Year 2011-12 is as under:

### Remuneration paid to Managing Director

Particulars	Amount (₹ in lacs)
Salary and allowances	93.22
Other Perquisites	26.75
Contribution to provident and other funds	6.36
Commission	21.00
<b>Total</b>	<b>147.33</b>

**Sitting Fees paid to non-executive directors**

Name of Directors	Meetings			No. of equity shares held
	Board	Committee	Total	
Mr. U. C. Aggarwal	60000	60000	120000	-
Mr. D. P. Agarwal <sup>1</sup>	-	-	-	-
Mr. R. Dayal <sup>2</sup>	60000	-	60000	-
Mr. Nishant Arya	60000	60000	120000	4000
Mr. Achintya Karati	60000	60000	120000	-

1. Fee was waived w.e.f. 14<sup>th</sup> July 2005;

2. Fee was paid in the name of MSIL, being its nominee director.

**Shareholders'/Investors' Grievance Committee**

As on 31<sup>st</sup> March 2012 the following directors comprised this Committee:

- Mr. U. C. Aggarwal, Chairman
- Mr. S. K. Arya, Member
- Mr. D. P. Agarwal, Member

Mr. S. Kartik, Company Secretary is Secretary of the Committee.

**Scope of the Committee:**

- The Committee deals with transfer, transmission, duplicate issue, rematerialisation of shares, split, shareholders' grievance and other related matters; and
- For speedy disposal of cases, the Committee has severally authorised President and CFO and Company

Secretary to transfer maximum 5000 shares at a time and issue of duplicate share certificates on account of split/remat/ mutilation of certificate on weekly basis.

- The Committee meets for transfer of shares beyond such limit/ transmission of shares/ issue of duplicate certificate(s) on loss of old certificate(s)/split/remat and to look into non-receipt of balance sheet/dividend etc. and for any other grievances on need basis. The details of correspondence of shareholders/SEBI/Stock Exchanges or any other authority is being provided to Committee along with MIS.
- The Company has obtained following certificates/ Reports from Practising 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;

- Reconciliation of Share Capital Report for reconciliation of the share capital of the Company pursuant to SEBI's circular on quarterly basis.

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

As on 31<sup>st</sup> March 2012, no share transfer was pending. All the share transfers have been affected well during the year within the prescribed time period.

Status of shareholders correspondence as on 31<sup>st</sup> March 2012 is given here in below:

Nature of correspondence	Receipt (nos.)	Replied/Resolved (Nos.)	Pending (Nos.)
Change of address/mandate	13	13	-
Remat request	0	0	-
Dividend non-receipt/revalidation	37	37	-
Others (e.g. loss of shares, demat credit, non-receipt / exchange of certificate on split and misc.)	10	10	-



## ANNUAL GENERAL MEETING

### Details of last three annual general meetings of the Company:

2010-11	2009-10	2008-09
On Thursday, the 18 <sup>th</sup> August 2011 at 11.00 A.M. at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi – 110010	On Monday, the 16 <sup>th</sup> August 2010 at 11.00 A.M. at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi – 110010	On Monday, the 24 <sup>th</sup> August 2009 at 11.00 A.M. at Sri Sathya Sai International Centre, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi-110003
~ No resolution was either required or passed through postal ballot in last three years;		
~ No resolution is proposed through postal ballot this year;		
No special resolution was passed.	No special resolution was passed.	No special resolution was passed.

## DISCLOSURES

- During 2011-12, other than the transactions entered into in the normal business course and reported as the related party transactions in the annual accounts, the Company had no materially significant related party transactions i.e. transaction of the Company of material nature with its promoters/director/senior management or relatives etc., which could have a potential conflict with the interest of Company at large.
- The Audit Committee is briefed of the all related party transactions undertaken by the Company.
- The Senior Management has made disclosure to the Board that they did not have personal interest in any material, financial and commercial transactions that could result in a conflict with the interest of the Company at large.
- In the preparation of financial statements for the year 2011-12, the Company has followed Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006.

- The Company has a Code of Conduct for its Board and Senior Management (as per Corporate Governance Code) and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.
- There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.
- The Company does not have a formal Whistle Blower Policy.
- The Company is complying with mandatory requirements and partly complies with non-mandatory requirements such as :
  - remuneration committee of all independent and non-executive directors;
  - though half yearly results with summary of significant events in last six-months are not sent to each household of shareholders, however the quarterly results are posted on the websites of

Company, Stock Exchanges and also published in the newspaper ;

- the financial statements of the Company are without qualification;

## COMMUNICATION

The Company publishes unaudited quarterly/half yearly financial results reviewed by auditor and audited annual financial results in newspapers and are regularly updated on the Company's website at [www.jbm-group.com](http://www.jbm-group.com). The said results are also informed to Stock Exchanges where shares of the Company are listed. The results are usually published in Economic Times (Delhi and Mumbai, English Edition) and Economic Times (Delhi, Hindi Edition). The Company also issues news releases on significant corporate decisions/ activities and posts them on website.

Management Discussion and Analysis report is part of the Annual Report and enclosed separately.

**GENERAL SHAREHOLDERS' INFORMATION****Annual General Meeting**

## Date and Venue of AGM

Day, Date and Time	: Tuesday, 21 <sup>st</sup> August 2012 at 11.00 A.M.
Venue	: Airforce Auditorium, Subroto Park, Daula Kuan, New Delhi-110 010
Financial Year	: 2011-12
Date of Book Closure	: 8 <sup>th</sup> August 2012 to 21 <sup>st</sup> August 2012 (both days inclusive)
Dividend Payment date	: Between 27 <sup>th</sup> August 2012 to 10 <sup>th</sup> September 2012

(Subject to members' approval at the ensuing AGM)

**Financial Calendar (tentative and subject to change)****Financial reporting for the Financial Year 2012-13 (April – March):**

1st quarter ending on 30 <sup>th</sup> June 2012	: July 2012
2nd quarter ending on 30 <sup>th</sup> September 2012	: October 2012
3rd quarter ending on 31 <sup>st</sup> December 2012	: January 2013
Year ending on 31 <sup>st</sup> March 2013	: April 2013

**Listing on Stock Exchange**

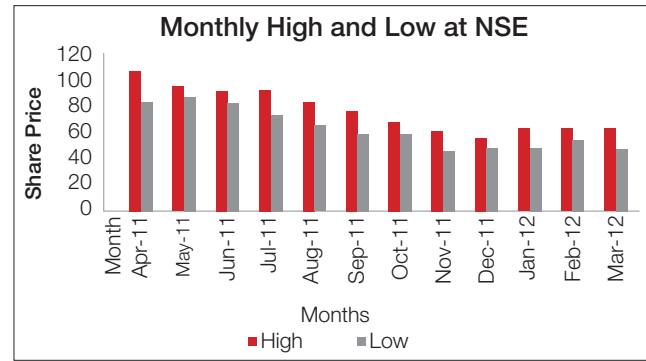
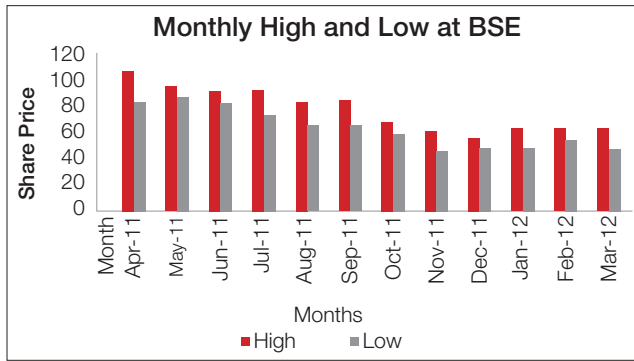
The shares of the Company are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

<b>Bombay Stock Exchange Limited</b>	<b>The National Stock Exchange of India Limited,</b>
Phiroze Jeejeebhoy Towers	Exchange Plaza, 5th Floor, Plot No.- C/1, G-Block,
Dalal Street,	Bandra Kurla Complex, Bandra (E),
Mumbai – 400001	Mumbai-400051,
Tel. No. 022-22721233/34	Tel.: 022-26598110-14
Fax: 022-22721919	Fax : 022 – 26598120
Security Code: <b>520066</b>	Security Code: <b>JAYBARMARU</b>
ISIN NO. for NSDL and CDSL	: INE 571B01028

The listing fee has already been paid to NSE and BSE and annual custodian fee has been paid to NSDL and CDSL for the financial year 2011-12. Application for voluntary delisting, as per your approval, is pending with Calcutta Stock Exchange Limited.

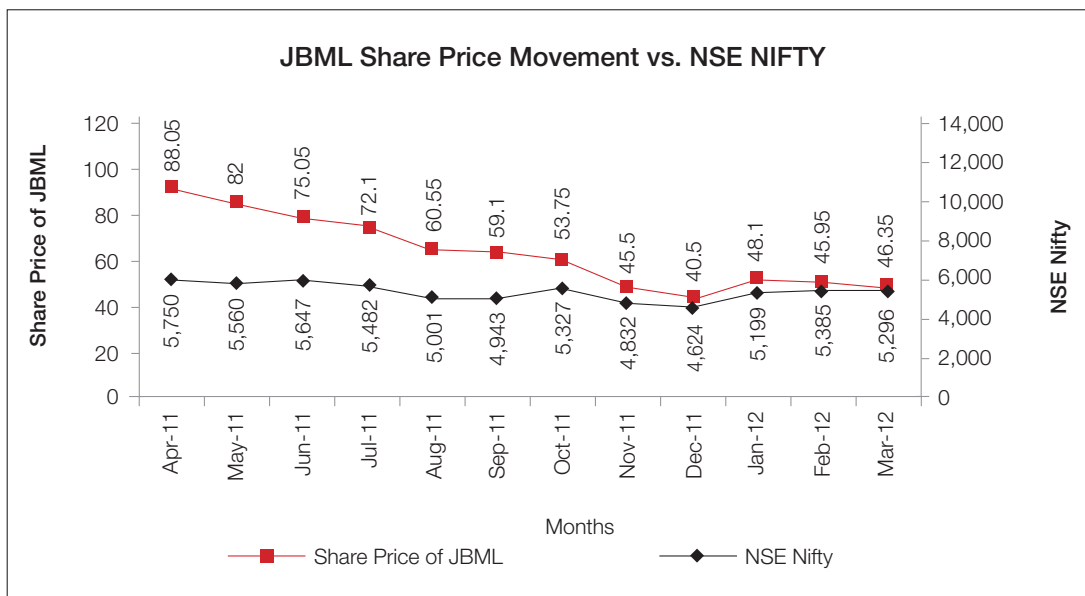
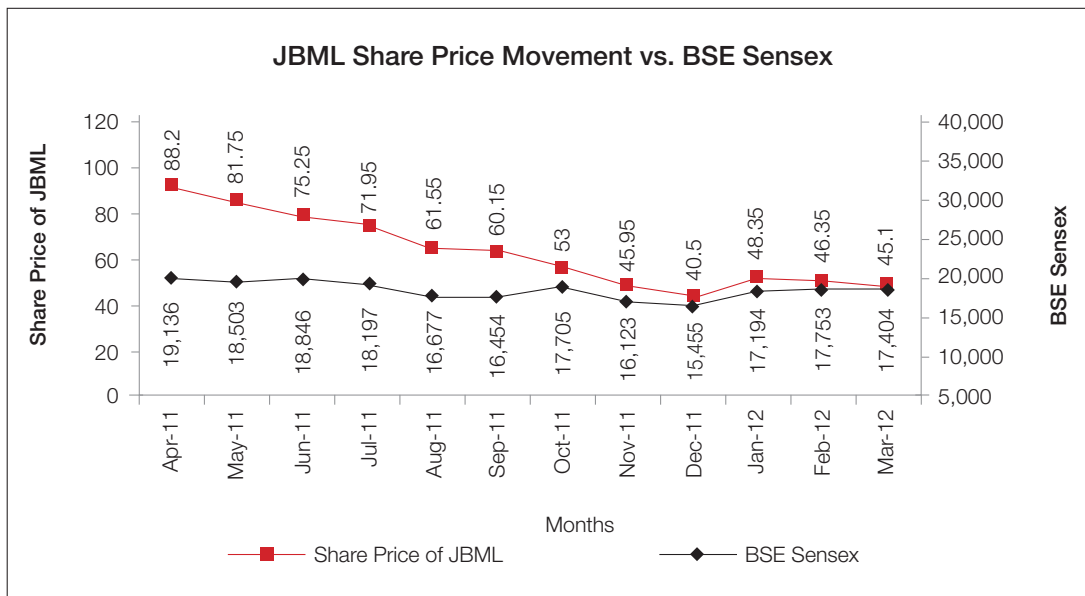
**Stock Market Data:****Share Price Movement: The monthly High/Low Prices and Volume during the financial year 2011-12:**

Month	The National Stock Exchange of India Limited			The Bombay Stock Exchange Limited		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
April 2011	101.50	76.55	366589	101.00	76.65	466994
May 2011	90.50	77.20	93716	90.90	77.95	71643
June 2011	85.75	72.35	36731	88.50	72.00	43823
July 2011	87.00	71.15	96441	88.00	71.25	86499
August 2011	75.00	55.05	42211	75.90	57.75	57119
Sept. 2011	68.00	56.25	32672	76.45	57.55	54407
Oct. 2011	62.00	47.00	53156	62.40	49.60	49644
Nov. 2011	54.55	41.40	31672	53.70	41.05	36411
Dec. 2011	49.45	37.10	34849	49.75	37.80	23960
Jan. 2012	53.00	36.20	50368	51.45	36.50	69604
Feb. 2012	53.90	44.20	78157	54.05	45.10	48259
March 2012	52.00	41.35	65064	53.50	41.75	33984



**Performance in comparison to broad based indices during 2011-12:**

A comparison of monthly closing share price at BSE and NSE with monthly closing BSE Sensex and NSE S&P CNX Nifty is as follows:



Distribution of Shareholding as on 31<sup>st</sup> March 2012

No. of equity shares held	Folio		Shares	
	Nos.	Percentage	Nos.	Percentage
1-500	9421	89.01	1182830	5.46
501-1000	545	5.15	441289	2.04
1001-2000	349	3.30	547188	2.53
2001-3000	82	0.77	208273	0.96
3001-4000	56	0.53	201781	0.93
4001-5000	22	0.21	101344	0.47
5001-10000	50	0.47	361529	1.67
10001-50000	34	0.32	790166	3.65
50001-100000	6	0.06	498319	2.30
100001 and above	19	0.18	17317281	79.99
<b>Total</b>	<b>10584</b>	<b>100.00</b>	<b>21650000</b>	<b>100.00</b>

Category of shareholders holding shares in Company as on 31<sup>st</sup> March 2012

Category	No. of shareholders	Percentage	Shares held	Percentage
Physical	3175	30.00	1424841	6.58
NSDL	5048	47.69	12131747	56.04
CDSL	2361	22.31	8093412	37.38
<b>Total</b>	<b>10584</b>	<b>100.00</b>	<b>21650000</b>	<b>100.00</b>

## Mode of Shareholding



<span style="color: red;">■</span>	NSDL	56.04%
<span style="color: grey;">■</span>	CDSL	37.38%
<span style="color: darkgrey;">■</span>	Physical	6.58%

The shares of the Company are available for trading on both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The name and addresses of the Depositories are as under:

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
Trade World, 4th Floor	Phiroze Jeejeebhoy Towers,
Kamala Mills Compound	28th Floor, Dalal Street, Mumbai – 400023
Senapathi Bapat Marg	Tel No. 022- 22723333
Lower Parel, Mumbai – 400013	Fax No. 022-22723199 / 22722072
Tel. No. 022 – 24994200	E Mail: investor@cdslindia.com
Fax No. 022 – 24976351	
E Mail : info@nsdl.co.in	

**Valuation of Shares:** The closing price of the Company's share as at 31<sup>st</sup> March, 2012 at:

Name of the stock exchange	Share price
The National Stock Exchange of India Limited	₹ 46.35
The Bombay Stock Exchange Limited	₹ 45.10

**Market Capitalisation:** Based on the closing quotation of ₹ 46.35 as at 31<sup>st</sup> March 2012 at NSE, market capitalisation of the Company was ₹ 10034.78 lacs.

**Shareholding Pattern as on 31<sup>st</sup> March 2012**

Category	No. of shares held	Voting Strength (%)
Promoters	12680200	58.57
UTI, GIC, CG/SG, MFs and Bank	10400	0.05
FII	2129	0.01
NRI/OCB	200440	0.93
Bodies Corporate	4453922	20.57
Others	4302909	19.87
<b>Total</b>	<b>21650000</b>	<b>100.00</b>

**Shareholding Pattern**



<span style="color: red;">■</span>	Promoters	58.57%
<span style="color: lightgrey;">■</span>	FII	0.05%
<span style="color: darkgrey;">■</span>	UTI, GIC, CG/SG, MFs and Bank	0.01%

<span style="color: black;">■</span>	NRI/OCB	0.93%
<span style="color: lightgrey;">■</span>	Bodies Corporate	20.57%
<span style="color: darkgrey;">■</span>	Others	19.87%

## OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

No outstanding GDR /ADR /Warrants /Convertible Instruments as on 31.03.2012

## UNPAID/UNCLAIMED DIVIDEND OF THE COMPANY FOR PREVIOUS YEARS

As per Section 205A/205C of the Companies Act 1956, the Company is required to transfer balance amount of dividends remaining unpaid/unclaimed for a period of 7 years from the due date, to the Investor Education Protection Fund (IEPF) set up by the Central Government. Given below are tentative due dates for transfer of unpaid/unclaimed dividends to IEPF by the Company. It is important to note that no claim shall lie against the Company or IEPF, once amount is transferred to IEPF.

Financial Year	Rate of Dividend	Due date for transfer to IEPF
2004-05	35%	29 <sup>th</sup> September 2012
2005-06	35%	27 <sup>th</sup> September 2013
2006-07	20%	21 <sup>st</sup> September 2014
2007-08	25%	30 <sup>th</sup> September 2015
2008-09	20%	23 <sup>rd</sup> September 2016
2009-10	30%	15 <sup>th</sup> September 2017
2010-11	40%	17 <sup>th</sup> September 2018

## PLANT LOCATION

The Company has three plants. Plant I located at MSIL Joint Venture Complex, Gurgaon, Haryana, Plant II located at Mohammadpur Jharsa, Gurgaon, Haryana and Plant III is located at IMT Manesar, Gurgaon, Haryana.

## ADDRESSES

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

Mr. S. Kartik	MCS Limited
<b>(Company Secretary)</b>	<b>(Unit: Jay Bharat Maruti Limited),</b>
Jay Bharat Maruti Limited,	F – 65, Okhla Industrial Areas
601 Hemkunt Chambers, 89 Nehru Place	Phase - I,
New Delhi - 110 019	New Delhi-110020
Tel.: 011-26427104-06	Tel.: 011-41609386/41406149/41709885
Fax: 011-26427100	Fax: 011-41709881
E-mail: skartik@jbm.co.in / jbminvestor@jbm.co.in	E-mail: mcsdel@vsnl.com

### Web Site:

The following updates and information can be assessed through the company's website i.e. [www.jbm-group.com](http://www.jbm-group.com)

- Quarterly/Half Yearly/ Annual Financial Results
- Shareholding Pattern
- Corporate growth. Future plans etc.
- Corporate disclosures made to Stock exchanges

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](mailto:jbminvestor@jbm.co.in).

### Note:

The details are given purely by way of Information. Members may make their own Judgement 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.

# CODE OF CONDUCT COMPLIANCE CERTIFICATE FOR FY 2011-12

To the best of my knowledge and belief and information available with me, I hereby declare that all Board Members and Senior Management Personnel of M/s Jay Bharat Maruti Limited have complied with Code of Conduct during the financial year 2011-12 (as applicable on them).

Date: 16-04-2012  
Place: New Delhi

Sd/-  
**S. K. ARYA**  
Chairman & Managing Director

## CEO AND CFO CERTIFICATION

The Board of Directors  
Jay Bharat Maruti Limited  
601, Hemkunt Chambers  
89, Nehru Place  
New Delhi 110019

16<sup>th</sup> April 2012

### Sub: Annual Certificate of Compliance for FY 2011-12

Sir,

We, S. K. Arya, Chairman and Managing Director and Anand Swaroop, President and CFO of the Company hereby states that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2012 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct
- c) We accept responsibility 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 and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- d) We have indicated to the auditors and the Audit committee:
  - i) significant changes in such internal control during the year, if any ;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; 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 a significant role in the Company's internal control system for financial reporting.

Thanking you.

Sd/-  
(Chairman and Managing Director)

Sd/-  
(President and CFO)

# CERTIFICATE

TO THE MEMBERS OF  
**JAY BHARAT MARUTI LIMITED**

We have examined the compliance of conditions of Corporate Governance by Jay Bharat Maruti Limited for the year ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of said Company with the stock exchanges.

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

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

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

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

**for Mehra Goel & Co.  
Chartered Accountants**

**Sd/-  
(Geetika Mehra)  
Partner**

Date: 13-07-2012

Place: New Delhi

**M No: 510525**

**FRN No. 000517N**



# INDEPENDENT AUDITOR'S REPORT

## To the Members of Jay Bharat Maruti Limited Report on the Financial Statements

We have audited the accompanying financial statements of Jay Bharat Maruti Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2012, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
- (b) in the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on March 31, 2012, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No. - 000517N

**R.K.MEHRA**  
Partner  
Membership Number-6102

Place: Gurgaon (Haryana)  
Date : 16-04-2012

# ANNEXURE

- (i) a) Proper records for fixed assets showing full particulars including quantitative details and situation has been maintained.
- b) Physical verification of fixed assets has been carried out by the management during the year which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
- c) No substantial parts of fixed assets have been disposed off during the year.
- (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, 2012, 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 procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and these have been properly dealt with in the books of account.
- (iii) The Company has not granted or taken any loans, secured or unsecured to / from Companies, firms or other parties as covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iv) There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control.
- (v) a) The particulars of contracts or arrangements that need to be entered into the Register maintained under section 301 have been so entered.
- b) The transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956, have been made at prices which are reasonable having regard that in respect of certain items alternative sources are limited and others are made with reference to price list, quality, delivery schedules and prevailing market prices for such goods and materials or the prices at which transactions for similar goods have been made with other parties.
- (vi) The Company has not accepted any deposits during the year covered by Section 58A and section 58AA or any other relevant provisions of the Companies Act, 1956, and rules framed their under.
- (vii) The Company has an internal audit system commensurate with its size and nature of its business.
- (viii) On the basis of records produced before us, we are of the opinion that prima facie, the cost records and accounts prescribed by the central government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956, have been maintained. However, we have not, nor we are required, carried out any detailed examination of such accounts and records.
- (ix) a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income-Tax, Wealth-Tax, Sales-Tax, Custom Duty, Excise-Duty, Cess, Service-Tax and other statutory dues applicable to it and no amount were in arrears as at 31-03-2012, for a period of more than six months from the date they become payable.
- b) Dues of Sale Tax, Income-Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Forum where dispute is pending
a) Central Excise	1) Demand for non inclusion of amortization cost, including penalty (F.Y 2005-06 to 2007-08)	3,146.68	CESTAT (Stay Granted by Tribunal)
	2) Interest on supplementary (Upto March-09) (Net of ₹ 93.81 lacs paid under protest)	115.48	CESTAT
b) Service Tax	Service Tax Credit disallowed (from F.Y 2006-07 to 2010-11 ( Upto Sep. 11))	15.71	CESTAT

- (x) The company has no brought forward losses and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion the Company has not defaulted in repayment of dues to Financial Institutions or Banks.
- (xii) In our opinion the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provision of any special statute applicable to chit fund /nidhi /mutual benefit fund/societies is not applicable to the company.
- (xiv) The company is not dealing or trading in shares, securities debentures and other securities.
- (xv) The Company has not given any guarantee for loans taken by others from banks or Financial Institutions.
- (xvi) The term loans have been applied for the purpose for which they were obtained.
- (xvii) According to the Cash Flow Statement and other records examined by us, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company has not issued debentures during the financial year covered by our audit report.
- (xx) The company has not raised money by public issue during the financial year covered by our audit report.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For **MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No. - 000517N

**R.K.MEHRA**  
Partner

Membership Number-6102

Place: Gurgaon (Haryana)  
Date : 16-04-2012

# BALANCE SHEET

as at 31st March, 2012

₹ in lacs

	Note No.	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b> 2 & 17			
(a) Share Capital		1,082.50	1,082.50
(b) Reserves and Surplus		13,038.71	11,453.23
		14,121.21	12,535.73
<b>Non-current liabilities</b> 3			
(a) Long-term borrowings		12,535.18	4,814.52
(b) Deferred Tax liabilities (Net)	18	2,583.52	1,659.64
(c) Other Long term liabilities		158.37	197.55
		15,277.07	6,671.71
<b>Current Liabilities</b> 4			
(a) Short term borrowings		2,925.08	3,929.02
(b) Trade payables		17,661.00	12,160.91
(c) Other current liabilities		5,161.42	4,985.71
(d) Short term provisions		772.63	1,077.58
		26,520.13	22,153.22
<b>TOTAL</b>		<b>55,918.41</b>	<b>41,360.66</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	5		
(i) Tangible assets		31,829.55	24,302.84
(ii) Intangible assets		72.86	119.51
(iii) Capital work-in-progress		2,450.94	1,574.82
(b) Non-current investments	6	238.55	238.55
(c) Long-term loans and advances	7	162.91	1,454.41
(d) Other non-current assets	8	1,443.00	164.24
		36,197.81	27,854.37
<b>Current Assets</b> 9			
(a) Inventories		7,547.97	5,264.79
(b) Trade receivables		7,573.69	5,199.41
(c) Cash and Bank Balances		187.29	62.57
(d) Other current assets		4,411.65	2,979.52
		19,720.60	13,506.29
<b>TOTAL</b>		<b>55,918.41</b>	<b>41,360.66</b>
Significant Accounting Policies	1		

As per our report attached.

For **MEHRA GOEL & CO.**

Chartered Accountants

Registration No. - 000517N

**R.K. MEHRA**

Partner

Membership Number-6102

Place: Gurgaon (Haryana)

Date : 16-04-2012

**S.K. ARYA**

Chairman & Managing Director

**ANAND SWAROOP**

President & CFO

**SUNIL DUTT AGRAWAL**

AVP-Finance

**U.C. AGGARWAL**

**R. DAYAL**

**ACHINTYA KARATI**

Directors

**S. KARTIK**

Company Secretary & Compliance Officer

# PROFIT AND LOSS STATEMENT

for the year ended 31st March, 2012

₹ in lacs

	Note No.	Figures for the Current Reporting Period	Figures for the Previous Reporting Period
<b>I Revenue from operations</b>			
Gross Revenue from operations	10	1,21,384.12	1,18,909.05
Less:- Excise Duty		14,552.68	12,853.45
Net revenue from operations		1,06,831.44	1,06,055.60
<b>II Other Income</b>	11	223.03	557.02
<b>III TOTAL REVENUE (I + II)</b>		<b>1,07,054.47</b>	<b>1,06,612.62</b>
<b>IV Expenses</b>			
Cost of Material Consumed		85,911.77	85,144.30
Changes in inventories of finished goods & work in progress	12	(135.16)	(732.45)
Employee benefits expense	13	5,690.31	5,469.29
Finance Costs	14	2,150.56	1,434.07
Depreciation and amortization expenses		3,801.78	3,508.58
Other expenses	15	6,742.83	6,124.50
<b>TOTAL EXPENSE</b>		<b>1,04,162.09</b>	<b>1,00,948.29</b>
<b>V Profit Before Tax (III -IV)</b>		2,892.38	5,664.33
<b>VI Tax expense:</b>			
(1) Current tax		563.06	1,592.00
Less:- MAT Credit		(563.06)	-
		-	1,592.00
(2) Deferred tax		923.88	263.50
(3) Earlier Years		5.59	(21.66)
<b>VII Profit for the period (V-VI)</b>		1,962.91	3,830.49
<b>VIII Earnings per equity share (₹)</b>	16		
(1) Basic		9.07	17.69
(2) Diluted		9.07	17.69

As per our report attached.

For **MEHRA GOEL & CO.**

Chartered Accountants

Registration No. - 000517N

**R.K. MEHRA**

Partner

Membership Number-6102

**S.K. ARYA**

Chairman & Managing Director

**ANAND SWAROOP**

President & CFO

**U.C. AGGARWAL**

**R. DAYAL**

**ACHINTYA KARATI**

Directors

Place: Gurgaon (Haryana)

Date : 16-04-2012

**SUNIL DUTT AGRAWAL**

AVP-Finance

**S. KARTIK**

Company Secretary & Compliance Officer

# CASH FLOW STATEMENT

for the year 2011-12

₹ in lacs

	31-03-2012	31-03-2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before taxation and extraordinary items</b>	2,892.38	5664.33
Adjustment for		
Depreciation /Amortised exp.	3,801.78	3508.58
Interest/Dividend	1,254.76	556.82
Exchange fluctuation relating to long term loan	59.94	31.53
Profit on sale of Fixed Assets (Net)	(49.64)	(271.88)
Bad debts Written off/ Provision for doubtful debts	5.61	3.66
<b>Operating Profit before working capital changes</b>	7,964.83	9,493.05
Adjustment for		
Trade and other receivables	(3,215.72)	(1401.12)
Inventories	(2,282.28)	(2054.45)
Trade payables	5,746.96	248.96
		1421.51
		(2,034.06)
<b>Cash generated from operations</b>	8,213.79	7,458.99
Direct taxes paid	(977.14)	(977.14)
		(1496.87)
		(1,496.87)
<b>Cash flow before extraordinary activities</b>	7,236.65	5,962.13
Extraordinary items	-	-
<b>Net Cash from Operating Activities</b>	7,236.65	5,962.13
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed Assets	(11,811.96)	(11056.77)
Sale of Fixed Assets	224.88	1120.70
Proceeds from deposits	(15.59)	-
Interest received	60.88	122.01
Dividend received	5.34	4.93
<b>Net cash used in Investing Activity</b>	(11,536.45)	(9,809.13)
	(4,299.80)	(3,847.01)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	9,432.18	3814.78
Repayments of Long Term Borrowings	(2,246.90)	(1,065.13)
Proceeds from Short Term Borrowings	(965.38)	2718.05
Deferred Payment/Interest Free Sales Tax Loan (Net)	-	(717.26)
Interest Paid	(1,311.69)	(631.68)
Dividend Paid	(499.30)	(322.14)
<b>Net Cash Flow from Financing Activities</b>	4,408.93	3,796.62
<b>Net increase in Cash equivalents</b>	109.12	(50.39)
Cash and Cash equivalents (opening balance)	56.97	107.36
Cash and Cash equivalents (closing balance)	166.10	56.97

## 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".
- Cash and Cash equivalents consist of Cash in hand, balance with banks and ₹ 25.18 lacs ( P.Y ₹ 21.24 lacs) in respect of unclaimed dividend, the balance of which is not available to the company.
- Trade and other receivables include loans and advances.
- The previous year figures have been regrouped / rearranged wherever considered necessary.
- Figures in bracket represents cash outflow.

As per our report attached.

For **MEHRA GOEL & CO.**

Chartered Accountants

Registration No. - 000517N

**S.K. ARYA**

Chairman & Managing Director

**U.C. AGGARWAL**

**R. DAYAL**

**ACHINTYA KARATI**

Directors

**R.K. MEHRA**

Partner

Membership Number-6102

**ANAND SWAROOP**

President & CFO

**SUNIL DUTT AGRAWAL**

AVP-Finance

**S. KARTIK**

Company Secretary & Compliance Officer

Place: Gurgaon (Haryana)

Date : 16-04-2012

# NOTES

## ANNEXED TO AND FORMING PART OF THE ACCOUNTS

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1) Presentation of Financial Statements

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

#### 2) Basis of preparation

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

#### 3) 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.

#### 4) 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 payment is established. Interest income is recognized on accrual basis in the income statement.

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

#### 5) Extra-ordinary Items

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

#### 6) Exceptional Items

Exceptional items are those items of income and 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/cenvet, 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 management's 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 relating to process design/plants/facilities are capitalized at the time of capitalization of the said plant/ facility and amortized over a period of three 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 recoverable amount over the carrying value of the asset is charged, as an impairment loss to the statement of profit & Loss.

#### 11) Depreciation

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956 except in the following cases in which depreciation has been provided as per management's estimate.

# NOTES

## ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Dies, Fixtures & Special Purpose Machine\* Over the amortization life, taken by the customer subject to minimum, as prescribed in schedule XIV to the Companies Act 1956 and on other addition on or after 01.04.07, 3-5 Years.

Vehicles	}	5 Years
Furniture, Fixtures & Office Equipments		
Trolleys & Bins*		
Electronic Data processing System & Equipments System		
Technical Know-how Fees		: 3 Years
		: 3 Years

Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing ₹ 5000/- or less are depreciated in full in the year of purchase. Plant & Machinery the written down value of which at the beginning of the year is ₹ 5000/- or less and other assets the written down value of which at beginning of the year is ₹ 1000/- or less are depreciated at the rate of 100%. 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. Leasehold Land is amortized over the period of Lease.

\*Included in plant & machinery.

### 12) Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis;

Raw Material is recorded at cost on a first-in, first-out (FIFO) basis;

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

By products and scrap are valued at net realizable value.

### 13) Investment

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 the exchange rate applicable as of 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 either on settlement or on translation is recognized in the Profit and Loss Account except in cases of long term monetary items where these relate to the acquisition of depreciable fixed assets in which case these are adjusted to the carrying cost of such assets.

Exchange difference on forward exchange contracts are recognized in the statement of profit and Loss account in the year in which the exchange rate changes except in the cases these relate to the depreciable fixed assets in which case these are adjusted to the carrying cost of such assets. Profit or loss arising on cancellation or renewal of forward exchange contracts are recognized as income or expense for the year.

### 15) Borrowing Cost

Exchange difference on foreign currency borrowings relating to acquisition or construction of qualifying assets are included in the costs of those assets when they are recorded as adjustment to interest costs on those foreign currency borrowings. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

### 16) Employees Benefits

i. Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which related service is rendered.

The Company has defined contribution plans for post retirements benefits, namely, Employees Provident Fund Scheme administered through provident fund commissioner and Superannuation Fund administered through Life Insurance Corporation of India 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.

ii. 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.



# NOTES

## ANNEXED TO AND FORMING PART OF THE ACCOUNTS

- iii. Termination benefits are recognized as an expense immediately.
- iv. Gain or Loss arising out of actuarial evaluation are recognized immediately in the profit and loss account 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.

### 18) Excise Duty

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

### 19) Tax Expense

Current tax is provided after taking credit for allowance and exemptions using the tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date. In case of matters under appeal due to disallowance or otherwise, provision is made when the said liabilities are accepted by the company.

Deferred tax is provided on all temporary differences at the Balance Sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax asset arising from temporary differences are recognized to the extent there is virtual certainty of realization of asset in future.

### 20) Leases

Assets acquired under finance lease from 01.04.2001 are capitalized at the lower of their fair value or the present value of the minimum lease payments.

### 21) 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 notice 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 that can be reliably estimated, will be required to settle such an obligation. Contingent liabilities are not recognized but are disclosed in notes.

### 22) Derivative Financial Instruments

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

### 23) 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

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 2: SHAREHOLDERS' FUND

₹ in lacs

	31-03-12	31-03-11
<b>Share Capital</b>		
<b>A Authorised</b>		
2,40,00,000 Equity Shares of ₹ 5/- each	1,200.00	1,200.00
30,00,000 Preference Shares of ₹ 10/-each	300.00	300.00
	1,500.00	1,500.00
<b>B Issued, Subscribed and Paid Up</b>		
2,16,50,000 (P.Y. 2,16,50,000) Equity Shares of ₹ 5/- each fully paid up	1,082.50	1,082.50
	1,082.50	1,082.50
<b>Reserves And Surplus</b>		
<b>A General Reserve</b>		
Opening Balance	1,613.75	1,213.75
Current Year Transfer	180.00	400.00
Closing Balance	1,793.75	1,613.75
<b>B Surplus</b>		
Opening Balance	9,839.48	6,912.23
Add:- Net Profit for the current Year	1,962.91	3,830.49
Less:- Proposed Dividend*	324.75	433.00
Less:-Dividend Tax	52.68	70.24
Less:-Transferred to General Reserve	180.00	400.00
Closing Balance	11,244.96	9,839.48
<b>TOTAL</b>	<b>13,038.71</b>	<b>11,453.23</b>
*(@ ₹ 1.5 per share (P.Y. ₹ 2 Per Share))		

## NOTE 3: NON CURRENT LIABILITIES

₹ in lacs

	31-03-12	31-03-11
<b>(a) Long-term borrowings (Secured)</b>		
<b>Term Loans From Banks</b>		
- In Foreign Currency *	12,463.14	4,181.25
- In Rupee		
- Vehicle Loans **	25.34	45.27
- Others ***	-	520.02
Long Term Maturities of Finance Lease Obligation	12.00	-
Vehicle Loans From related party**	34.70	67.98
<b>TOTAL</b>	<b>12,535.18</b>	<b>4,814.52</b>

\* Secured by first and exclusive charge on the movable fixed assets purchased/to be purchased including, without limitation, its movable plant and machinery, furniture and fixture, equipment, computer hardware, computer software, machinery spares, tools and accessories and others movables, so as to provide an asset cover of 1.5 times the loan amount at market valuation.

\*\* Secured by Hypothecation of vehicle financed

\*\*\* Secured by first and exclusive charge on the movable fixed assets purchased/to be purchased including, without limitation, its movable plant and machinery, furniture and fixture, equipment, computer hardware, computer software, machinery spares, tools and accessories and others movables.

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## Terms of Repayment of Term Loans

### I In Foreign Currency

S. No.	Amount (₹ in lacs)	Interest Rate Terms	No. of Equal Quarterly Installments	Balance No. of Installments as on 31.03.12
1	4768	3 Months USD LIBOR Linked rate	16	15
2	10174	3 Months USD LIBOR Linked rate	16	16

- II Vehicle Loans from banks and other related parties are payable in 36 & 84 monthly equal installments respectively from the date of disbursements.

	₹ in lacs	
	31-03-12	31-03-11
<b>(b) Deferred Tax liabilities (Net)</b>	2,583.52	1,659.64
	2,583.52	1,659.64
<b>(c) Other Long term liabilities</b>		
Security Deposit	68.72	45.99
Advances From Customers	89.65	151.56
	158.37	197.55

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 4: CURRENT LIABILITIES

₹ in lacs

	31-03-12	31-03-11
<b>(a) Short term borrowings</b>		
<b>(Secured)*</b>		
Loans From Banks:-		
- Cash Credit/Working Capital Demand Loans	1,459.79	3,929.02
- Foreign Currency Buyers Credits	1,172.33	-
<b>(Unsecured)</b>		
Loans From Banks:-		
- Foreign Currency Buyers Credits	292.96	-
	2,925.08	3,929.02
* Secured by first charge on book debts, stock and other current assets of the company ranking parri passu inter se between the company's bankers and are further secured by second charge on movable fixed assets of the company.		
<b>(b) Trade payables</b>	17,661.00	12,160.91
	17,661.00	12,160.91
<b>(c) Other current liabilities</b>		
Current Maturities of Secured Long Term Loans	2,972.68	2,039.00
Current Maturities of Finance lease Obligation	3.00	-
Interest Accrued but not due on borrowings	204.49	70.18
Advances from Customers	147.85	-
Unpaid Dividends	25.19	21.24
	3,353.21	2,130.42
<b>Other Payables</b>		
Payable for Capital Goods	584.40	1,609.07
Employees' related Liabilities	91.81	314.79
Others	1,132.00	931.43
	5,161.42	4,985.71
<b>(d) Short term provisions</b>		
(a) Employee Benefits	392.91	312.62
(b) Other Provisions:-		
Dividends	324.75	433.00
Dividend Distribution Tax	52.68	70.24
Income tax (net)	-	259.72
Wealth Tax	2.29	2.00
	772.63	1,077.58

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 5 : FIXED ASSETS

Description	Gross Block					Depreciation			Net Block	
	As at 01.04.11	Additions during the year	Other Adjustments*	Deductions during the year	Total as at 31.03.12	As at 01.04.11	For the year**	Adjustment on sales**	Total as at 31.03.12	As at 31.03.11
		year		year			year**			
<b>Tangible Assets</b>										
Land (Freehold)	211.10	0.00	0.00	0.00	211.10	0.00	0.00	0.00	0.00	211.10
Land (Leasehold)	44.30	0.00	0.00	0.00	44.30	3.53	2.95	0.00	6.49	37.82
Building	4145.03	379.02	0.00	0.00	4524.06	758.59	142.19	0.00	900.78	3386.45
Plant & Equipment	43811.86	10785.50	204.76	300.01	54502.12	23608.20	3473.80	126.01	26955.99	27546.14
Furniture, Fixtures	283.12	14.43	0.00	1.35	296.20	229.46	22.23	1.10	250.59	45.61
Office Equipments	213.54	6.50	0.00	0.99	219.05	130.91	15.98	0.31	146.57	72.48
Computer & computer Systems	429.42	15.32	0.00	0.71	444.02	358.69	35.64	0.68	393.65	50.37
Vehicles	559.46	81.24	0.00	5.74	634.97	305.61	108.51	5.45	408.67	226.30
Vehicle on Finance Lease	0.00	16.60	0.00	0.00	16.60	0.00	0.15	0.00	0.15	16.46
<b>Sub Total</b>	<b>49697.83</b>	<b>11298.62</b>	<b>204.76</b>	<b>308.79</b>	<b>60892.43</b>	<b>25394.99</b>	<b>3801.44</b>	<b>133.55</b>	<b>29062.89</b>	<b>31829.54</b>
<b>Intangible Assets</b>										
Technical Knowhow	316.39	0.00	0.00	0.00	316.39	282.46	0.00	0.00	282.46	33.93
Computer Software	228.93	4.08	0.00	0.00	233.00	143.31	50.72	0.00	194.04	38.94
<b>Sub Total</b>	<b>545.32</b>	<b>4.08</b>	<b>0.00</b>	<b>0.00</b>	<b>549.39</b>	<b>425.78</b>	<b>50.72</b>	<b>0.00</b>	<b>476.50</b>	<b>119.51</b>
<b>TOTAL</b>	<b>50243.15</b>	<b>11302.70</b>	<b>204.76</b>	<b>308.79</b>	<b>61441.83</b>	<b>25820.77</b>	<b>3852.16</b>	<b>133.55</b>	<b>29539.39</b>	<b>31902.41</b>
<b>Capital Work In Progress***</b>										
										2450.94
										1574.82

\* Includes ₹ 147.70 lacs (P.Y. ₹ 391.97 lacs) on account of Exchange Fluctuation, ₹ 13.24 lacs (P.Y. NIL) on account of Exchange Fluctuation treated as borrowing Cost and ₹ 43.81 lacs (P.Y. NIL) on account of Interest Cost.

\*\* Includes ₹ 50.39 lacs (P.Y. ₹ 15.20 lacs) on account of Depreciation capitalised during the year

\*\*\* CWIP Includes ₹ 7.05 lacs (P.Y. NIL) on account of Exchange Fluctuation, ₹ 16.28 lacs (P.Y. NIL) on account of Exchange Fluctuation treated as borrowing Cost and ₹ 81.21 lacs (P.Y. NIL) on account of Interest Cost.

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 6: NON CURRENT INVESTMENTS

₹ in lacs

	31-03-12	31-03-11
<b>Trade - Unquoted (Fully paid up) at Cost</b>		
20,85,000 (P.Y. 20,85,000) Equity Shares of ₹ 10/- each in Nagata India Limited	208.50	208.50
60,000 (P.Y. 60,000) Equity Shares of ₹ 10/- each in Inapex Auto Products Exports Limited	6.00	6.00
	214.50	214.50
<b>Others - Quoted (Fully paid up)</b>		
<b>- Associates</b>		
11,150 (P.Y. 11,150) Equity Shares of ₹ 5/- each in Maruti Suzuki India Limited	13.94	13.94
<b>- Others</b>		
19,300 (P.Y. 19,300) Equity Shares of ₹ 10/- each in Haryana Financial Corporation	6.76	6.76
Less:- Provision for diminution *	6.76	6.76
	-	-
28,900 (P.Y. 28,900) Equity Shares of ₹ 10/- each in Canara Bank	10.11	10.11
	24.05	24.05
<b>TOTAL INVESTMENT</b>	<b>238.55</b>	<b>238.55</b>

Aggregate Market Value of Quoted Investments (Including cost, net of provision for diminution, where market value not available)	287.31	321.84
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\* In the absence of quotations at stock exchange, valued at book value after taking into account auditors qualification

## NOTE 7: LONG TERM LOANS AND ADVANCES

₹ in lacs

	31-03-12	31-03-11
<b>(Unsecured considered good)</b>		
Capital Advances	86.17	1,322.77
Security Deposits	76.74	131.64
	162.91	1,454.41

## NOTE 8: OTHER NON - CURRENT ASSETS

₹ in lacs

	31-03-12	31-03-11
Hedging Gain recoverable	879.95	-
MAT Carried Forward	563.05	-
Others	-	164.24
	1,443.00	164.24

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 9: CURRENT ASSETS

₹ in lacs

	31-03-12	31-03-11
<b>Current assets</b>		
<b>(A) Inventories</b>		
Raw Material	4,046.61	2,559.99
Raw Material in Transit	497.84	8.10
Work In Progress	1,434.68	1,287.88
Finished Goods	488.28	499.02
Stores & Spares	1,052.41	874.90
Scrap	28.15	34.90
	7,547.97	5,264.79
<b>(B) Trade receivables</b>		
(Unsecured, Considered Good)		
Over Due Debts for more than Six Months	31.18	38.54
Others	7,542.51	5,160.87
	7,573.69	5,199.41
<b>(C) Cash and Bank Balances</b>		
<b>(a) Cash and Cash Equivalants</b>		
Balances with Banks		
- In Current Account	139.11	34.16
- In Unpaid Dividend Account	25.19	21.24
Cash in hand	1.80	1.57
<b>(b) Other Bank deposits (including interest accrued)</b>		
Fixed Deposits having maturity period:		
- for more than 12 Months*	21.19	0.58
- 3 to 12 Months	-	5.02
	187.29	62.57
* Under Bank Lien ₹ 20.55 lacs (P.Y. ₹ 0.55 lacs)		
<b>(D) Other current assets</b>		
Unsecured Considered Good		
Advances Recoverable in Cash or in		
Kind or for Value to be Received	1,098.72	1,076.70
Advance Tax (Net)	148.77	-
Balance of Cenvat/service tax	3,164.16	1,902.82
	4,411.65	2,979.52

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 10: REVENUE FROM OPERATIONS

₹ in lacs

	31-03-12	31-03-11
Sale of products	1,14,597.44	1,12,630.48
Sale of services	429.16	522.64
Other operating revenue	6,357.52	5,755.93
<b>GROSS REVENUE FROM OPERATIONS</b>	<b>1,21,384.12</b>	<b>1,18,909.05</b>

## NOTE 11: OTHER INCOME

₹ in lacs

	31-03-12	31-03-11
Other Income		
(a) Interest Income (TDS ₹ 8.13 lacs, P.Y. ₹ 10.14 lacs)	60.88	122.01
(b) Dividend on Long Term Investment	5.34	4.93
(c) Profit on Sale of Assets	49.78	278.01
(d) Rent Received (TDS ₹ 3.02 lacs, P.Y. ₹ 2.91 lacs)	28.92	28.92
(e) Exchange Gain (Net)	23.28	-
(f) Other Non Operating Income	54.83	123.15
	<b>223.03</b>	<b>557.02</b>

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

₹ in lacs

	31-03-12	31-03-11
Work in process	146.80	644.11
Finished goods	(10.74)	120.24
<b>TOTAL</b>	<b>136.07</b>	<b>764.35</b>
<b>Excise Duty on (Increase) /Decrease of finished stock</b>	<b>(0.91)</b>	<b>(31.90)</b>
& Work In Process		
<b>Increase /(Decrease) in stocks</b>	<b>135.16</b>	<b>732.45</b>

## NOTE 13: EMPLOYEE BENEFITS EXPENSE

₹ in lacs

	31-03-12	31-03-11
Salaries & wages	4,994.63	4,763.06
Contribution to ESI, PF & other funds	216.46	218.47
Staff welfare	423.84	446.31
Group/mediclaim insurance	55.37	41.45
	<b>5,690.31</b>	<b>5,469.29</b>



# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 14: FINANCE COST

₹ in lacs

	31-03-12	31-03-11
Interest Expenses	1,320.98	683.76
Other Financial Charges	3.81	3.71
Cash Discount	742.55	715.07
Net Gain/Loss on foreign currency transactions and translation	83.23	31.53
	2,150.57	1,434.07

## NOTE 15: OTHER EXPENSES

₹ in lacs

	31-03-12	31-03-11
Stores Consumed	1,344.83	1,236.40
Power & Fuel	2,115.86	1,928.11
Royalty	196.21	108.40
Technical Services	8.48	76.87
Repair & Maintenance:-		
- Machinery	1,404.94	1,296.68
- Building	71.96	114.33
Rent (including land lease rent)	70.66	69.44
Rates & Taxes	30.25	27.50
Insurance	25.79	25.15
Bad Debts written Off	5.61	3.66
Loss on sale/Discarding of Fixed Assets	0.15	6.13
Exchange Fluctuation (net)	-	32.83
Other Miscellaneous Expenses	1,468.09	1,199.00
	6,742.83	6,124.50

## NOTE 16: EARNING PER SHARE

	31-03-12	31-03-11
- Profit after Tax (₹ in lacs)	1,962.91	3,830.49
- Weighted Average Number of Equity Shares (Outstanding During the Year)	216.50	216.50
- Nominal Value of share (₹)	5.00	5.00
<b>Basic Earning Per Share (₹)</b>	9.07	17.69
<b>Diluted Earning Per Share (₹)</b>	9.07	17.69

**NOTE 17:** Detail of Shareholders holding more than 5% share capital as on the balance sheet date.

Name of Shareholders	31-03-12		31-03-11	
	No. of Shares	% of Holding	No. of Shares	% of Holding
M/s Maruti Suzuki India Limited	6340000	29.28	6340000	29.28
M/s ANS Holding Private Limited	2029000	9.37	2029000	9.37
Mr. Sanjay Singhal	1400400	6.47	1400400	6.47

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

**NOTE 18:** Major components of deferred tax assets and liability arising on account of timing differences are as under :-

₹ in lacs

	2011-12	2010-11
<b>Timing difference on account of</b>		
<b>(a) Deferred Tax Liability</b>		
- Difference between book depreciation & depreciation Under Income Tax Act 1961.	1809.02	1110.14
- Claim under Sec 43 (B) of Income tax Act.	1026.61	586.69
<b>(b) Deferred Tax Assets</b>		
- Disallowance under income tax act	36.09	37.19
- Losses Carried Forward	216.02	-
<b>(c) Net Deferred Tax liability (a-b)</b>	<b>2583.52</b>	<b>1659.64</b>

**NOTE 19:** Contingent Liabilities not provided for

- Central Excise (net of amount paid under protest)	3262.16	3219.01
- Service tax	15.71	12.11
- Income Tax Demand	NIL	862.09

External development charges amounting to ₹ 152.82 lacs claimed by the Director Town & Country Planning (TCP), Government of Haryana, relating to Company's property situated at Mohammadpur, Jharsa, Sector-36, Gurgaon. The company has partly deposited the demand under protest & the balance amount of ₹ 23.26 lacs is pending.

The Company has filed writ petition with Punjab & Haryana High Court against the order of the Director General, Town & Country Planning, Haryana. The case is pending with High Court. No provision is required.

**NOTE 20:** The break-up of auditor's remuneration is as under

(A) Audit Fees	10.00	10.00
(B) Tax Audit Fees	3.25	3.25
(C) Taxation Matters	2.52	1.65
(D) Others	5.50	5.50

**NOTE 21:** Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances).

- Other Commitments (Letter of credits issued by Banks)	3016.81	561.36
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# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 22: STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Associates	Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	Key Management personnel and their relatives
Maruti Suzuki India Limited	Jay Bharat Exhaust System Limited JBM Industries Limited * Neel Metal Products Limited JBM Auto Limited	Mr. S.K. Arya, Chairman and Managing Director Mrs. Neelam Arya spouse of Mr. S.K. Arya, Chairman & MD Mr. Nishant Arya son of Mr. S.K. Arya, Chairman & MD

₹ in lacs

	2011-12				2010-11			
	Associate	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Management personnel and their relatives	Total	Associate	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Management personnel and their relatives	Total
<b>Purchase of capital goods</b>								
Maruti Suzuki India Limited	0.00			0.00	0.00			0.00
Neel Metal Products Limited		1236.87		1236.87		354.22		354.22
JBM Auto Limited		0.00		0.00		20.50		20.50
<b>TOTAL</b>	<b>0.00</b>	<b>1236.87</b>		<b>1236.87</b>	<b>0.00</b>	<b>374.72</b>		<b>374.72</b>
<b>Sale of Goods</b>								
Maruti Suzuki India Limited	97082.38			97082.38	100991.73			100991.73
Neel Metal Products Limited		5007.89		5007.89		4586.50		4586.50
JBM Auto Limited		782.22		782.22		605.43		605.43
Jay Bharat Exhaust System Limited		0.00		0.00		9.82		9.82
JBM Industries Limited		4.80		4.80		3.85		3.85
<b>TOTAL</b>	<b>97082.38</b>	<b>5794.91</b>		<b>102877.29</b>	<b>100991.73</b>	<b>5205.60</b>		<b>106197.33</b>
<b>Sale of Capital goods</b>								
Maruti Suzuki India Limited	302.54			302.54	1046.16			1046.16
Neel Metal Products Limited		0.00		0.00		38.46		38.46
JBM Auto Limited		0.00		0.00		31.56		31.56
JBM Industries Limited		2.76		2.76		2.48		2.48
<b>TOTAL</b>	<b>302.54</b>	<b>2.76</b>		<b>305.30</b>	<b>1046.16</b>	<b>72.50</b>		<b>1118.66</b>
<b>Other Income</b>								
Neel Metal Products Limited		56.61		56.61		44.06		44.06
JBM Auto Limited		6.45		6.45		0.21		0.21
Jay Bharat Exhaust System Limited		0.00		0.00		8.49		8.49
JBM Industries Limited		6.05		6.05		0.00		0.00
<b>TOTAL</b>		<b>69.12</b>		<b>69.12</b>		<b>52.76</b>		<b>52.76</b>

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	2011-12				2010-11			
	Associate	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Management personnel and their relatives	Total	Associate	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Management personnel and their relatives	Total
<b>Purchase of the goods</b>								
Maruti Suzuki India Limited	7553.14			7553.14	4432.56			4432.56
Neel Metal Products Limited		51741.70		51741.70		58191.92		58191.92
JBM Auto Limited		1319.57		1319.57		1900.20		1900.20
Jay Bharat Exhaust System Limited		0.00		0.00		3870.65		3870.65
JBM Industries Limited		5289.47		5289.47		0.28		0.28
<b>TOTAL</b>	<b>7553.14</b>	<b>58350.75</b>		<b>65903.89</b>	<b>4432.56</b>	<b>63963.06</b>		<b>68395.63</b>
<b>Interest paid on dies</b>								
Maruti Suzuki India Limited	0.00			0.00	0.00			0.00
<b>TOTAL</b>	<b>0.00</b>			<b>0.00</b>	<b>0.00</b>			<b>0.00</b>
<b>Others Expenses</b>								
Maruti Suzuki India Limited	2207.79			2207.79	1856.53			1856.53
Neel Metal Products Limited		237.48		237.48		155.56		155.56
JBM Auto Limited		0.81		0.81		4.09		4.09
JBM Industries Limited		8.63		8.63		1.15		1.15
Mrs. Neelam Arya			16.20	16.20			16.20	16.20
Others				0.00				0.00
<b>TOTAL</b>	<b>2207.79</b>	<b>246.92</b>	<b>16.20</b>	<b>2470.91</b>	<b>1856.53</b>	<b>160.79</b>	<b>16.20</b>	<b>2033.52</b>
<b>Managerial Remuneration</b>								
Mr. SK Arya			147.33	147.33			276.17	276.17
<b>TOTAL</b>			<b>147.33</b>	<b>147.33</b>			<b>276.17</b>	<b>276.17</b>
<b>Director Sitting fees</b>								
Mr. Nishant Arya			1.20	1.20			0.70	0.70
<b>TOTAL</b>			<b>1.20</b>	<b>1.20</b>			<b>0.70</b>	<b>0.70</b>
<b>Amount Recoverable</b>								
Maruti Suzuki India Limited	3782.31			3782.31	732.05			732.05
Neel Metal Products Limited		448.58		448.58		905.30		905.30
JBM Auto Limited		215.49		215.49		723.16		723.16
JBM Industries Limited		0.00		0.00		6.43		6.43
<b>TOTAL</b>	<b>3782.31</b>	<b>664.07</b>		<b>4446.38</b>	<b>732.05</b>	<b>1634.88</b>		<b>2366.94</b>

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	2011-12				2010-11			
	Associate	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Manangement personnel and their relatives	Total	Associate	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Manangement personnel and their relatives	Total
<b>Amount Payable</b>								
Managerial Remuneration			13.75	13.75			103.77	103.77
Maruti Suzuki India Limited	2424.58			2424.58	564.65			564.65
Neel Metal Products Limited		5779.09		5779.09		5292.84		5292.84
JBM Auto Limited		111.10		111.10		246.01		246.01
Jay Bharat Exhaust System Limited		0.00		0.00		479.36		479.36
JBM Industries Limited		713.06		713.06		40.92		40.92
<b>TOTAL</b>	<b>2424.58</b>	<b>6603.25</b>	<b>13.75</b>	<b>9041.58</b>	<b>564.65</b>	<b>6059.14</b>	<b>103.77</b>	<b>6727.56</b>

**NOTE 23:** 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 24:** The Company is primarily engaged in the business of manufacturing of components for automobiles for Indian market which is governed by the same set of risk and returns. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard on Segment Reporting (AS-17). Accordingly, segment information has not been disclosed.

**NOTE 25:** Maruti Suzuki India Limited (MSIL) has sold vehicles to the vendors and / or the employee of the vendor under the Maruti Car scheme "Hum Saath Saath". The EMI of vehicle sold to the vendors/ vendors employees has been accounted/ routed through the company.

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

## NOTE 26: RETIREMENT BENEFITS

₹ in lacs

	2011-12	2010-11
<b>A The Company has calculated the various benefits provided to employees as under</b>		
(a) Provident Fund (Including Pension Scheme)		
(b) Superannuation Fund		
During the year the Company has recognized the following amounts in the Profit and Loss account:-		
Employers Contribution to Provident Fund	131.94	120.82
Employers Contribution to Superannuation Fund	3.19	3.04
<b>B STATE PLANS</b>		
Employers contribution to Employee State Insurance.		
During the year the Company has recognized the following amounts in the Profit and Loss accounts:-		
Employers contribution to Employee State insurance *	17.66	15.07
* Included in Contribution to Provident and other funds under Employee Remuneration and Benefits		
<b>C DEFINED BENEFIT PLANS</b>		
a) Contribution to Gratuity Funds - 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.		

₹ in lacs

	Leave Encashment / Compensated Absence	Employee Gratuity Fund	Leave Encashment / Compensated Absence	Employee Gratuity Fund
<b>i) Actuarial Assumptions</b>				
Discount Rate (per annum)	8.6%	8.6%	8%	8%
Rate of increase in compensation levels	6%	6%	6%	6%
Rate of return on plan assets.	-	9.25%	-	9.25%
Expected Average remaining working lives of employees (years)	23.33	23.33	23.15	23.15
<b>ii) Change in the obligation during the year ended 31st March, 2012</b>				
Present value obligation as at March,31 2011	307.34	293.41	249.46	208.12
Impact of Transition provision of AS-15	-	-	-	-
Interest cost	24.59	23.47	19.45	16.23
Past Service cost	-	-	-	51.52
Current service cost	53.25	35.26	64.53	28.56
Curtailment cost	-	-	-	-
Settlement cost	-	-	-	-
Benefits Paid	(83.20)	(13.93)	(30.87)	(14.47)
Actuarial (gain)/ loss on Obligations	66.40	15.48	4.76	3.44
Present value obligation as at March, 31, 2012	368.38	353.69	307.34	293.41
<b>iii) Change in fair value plan Assets</b>				
Fair value of Plan Assets as at March, 31, 2011	-	317.52	-	267.47
Expected return on Plan Assets	-	29.37	-	24.52
Contributions	-	-	-	40.00
Benefits Paid	-	(13.93)	-	(14.47)
Actuarial gain/ (loss) on Obligations	-	-	-	-
Fair value of Plan Assets as at March, 31, 2012	-	322.95	-	317.52

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	Leave Encashment / Compensated Absence	Employee Gratuity Fund	Leave Encashment / Compensated Absence	Employee Gratuity Fund
<b>iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets</b>				
Present value obligation as at March, 31, 2012	368.38	353.69	307.34	293.41
Fair value of Plan Assets as at March, 31, 2012	-	332.95	-	317.52
Funded Status	-	(20.74)	-	24.10
Present value of unfunded obligation as at March, 31, 2011	-	-	-	-
Unfunded Actuarial (gains)/ losses	-	-	-	-
Unfunded Net Asset/ (Liability) recognised in Balance Sheet.	(368.38)	(20.74)	(307.34)	24.10
<b>v) Expenses recognised in Profit and Loss Account</b>				
Current service cost	53.25	35.26	64.53	28.56
Past Service cost	-	-	-	51.53
Interest cost	24.59	23.47	19.46	16.23
Expected return on Plan Assets	-	(29.37)	-	(24.53)
Curtailment cost	-	-	-	-
Settlement cost	-	-	-	-
Net Actuarial (gain)/ loss recognised during the year	66.40	15.48	4.76	3.44
Total Expense recognized in Profit and Loss Account	144.24	44.84	88.75	75.24

\* Included in Salaries, Wages, Allowances and Other Benefits under Employee Remuneration and Benefits

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

## NOTE 27: EXPENSES FOR TOOL & DIES CAPITALIZED

₹ in lacs

	2011-12	2010-11
Raw Material	130.49	27.05
Electricity Exp	12.28	6.54
Consumable	11.65	3.13
Wages	66.09	9.72
Depreciation	50.38	15.19
Other Expenses	31.07	20.57
<b>TOTAL</b>	<b>301.96</b>	<b>82.20</b>

**NOTE 28:** Wherever considered necessary, previous year figures have been regrouped, reworked, rearranged and reclassified as per revised schedule VI.

**NOTE 29:** The company acquired vehicle under Finance Lease with respective assets as security. Minimum Lease Payments outstanding as on 31.03.2012 are as follows :-

# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

Particulars	Total Minimum Lease Payments outstanding as on 31.03.12	Interest not due	Present Value of Minimum Lease payment as on 31.03.12
A Within 1 Year	6.14 (NIL)	3.14 (NIL)	3.00 (NIL)
B Later than 1 Year and not later than 5 Years	15.1 (NIL)	3.15 (NIL)	12.00 (NIL)

**NOTE 30:** In some cases, the company has received intimation from micro & small enterprises under “The micro, small and medium Enterprises Development Act 2006”. The company has certified that as a policy the payment to suppliers is made with in 30 days. The amount remaining unpaid as at 31st March 2012 included in Trade payables was ₹ 175.71 lacs (P.Y. ₹ 382.92 lacs) No payments beyond the appointed date were noticed. No interest was paid or payable under the Act.

**NOTE 31:** Derivative contracts entered into by the company and outstanding as on 31st March 2012.

For Hedging currency and interest Rate Related Risk:-

Nominal amount of derivatives including forward contracts entered into by the company and outstanding as on 31.03.2012 amount to ₹ 16115.39 lacs (P.Y. ₹ 4933.01 lacs)

All derivative contracts entered into by the company are for hedging purposes only.

Foreign currency exposure that are not hedged by derivative instruments as on 31.03.2012 amounts to ₹ 1623.60 lacs (P.Y. ₹ 528.40 lacs).

Gain/Loss provided for ₹ 1189.28 lacs (Net Gain) (P.Y. ₹ 84.16 lacs (Loss)) in respect of outstanding derivative contracts at the Balance Sheet date by marking them to market.

**NOTE 32:** The company has decided to exercise the option provided in notification GSR No. 914(E) dated 29.12.2011 issued by Ministry of Corporate Affairs regarding the treatment of exchange differences.

**NOTE 33:** Additional information pursuant to the provisions of general instructions for preparation of statement of profit and loss of Revised Schedule VI to the companies act 1956 is as under:-

₹ in lacs

A. Opening Stock, Closing Stock and Sales	Opening Stock	Closing Stock	Sales	Closing WIP
<b>Products</b>				
Sheet Metal Components				
Assemblies & sub assemblies*	283.55	195.94	84767.13	629.66
(Previous year )	(196.44)	(283.55)	(83,952.04)	(421.10)
Muffler assemblies	16.97	27.10	8,343.82	0
(Previous year )	(11.87)	(16.97)	(9,592.88)	(NIL)
Rear Axle	119.05	222.12	16,790.80	150.16
(Previous year )	(126.90)	(119.05)	(14,967.14)	(75.74)
Fuel Neck	22.50	43.12	3,527.16	1.61
(Previous year )	(43.56)	(22.50)	(4,114.11)	(NIL)
Dies & Tools			1,168.53	653.25
(Previous year )			(526.94)	(791.04)

\* Includes job work receipts ₹ 429.16 Lacs (P. Y. ₹ 522.64 Lacs).



# NOTES

ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	2011-12	2010-11
<b>B. Consumption of raw materials and Components</b>		
1 Components	44690.00	49279.10
2 Metal		
- Sheet	5098.37	2585.48
- Blanks	33753.01	30627.18
3 Pipes	1034.00	1340.63
4 Others	1339.64	1311.91
<b>C. C.I.F. value of Imports</b>		
1 Raw Materials	4201.74	1862.67
2 Stores & spares	10.65	9.61
3 Capital Goods	2797.70	4742.21

	2011-12		2010-11	
D. Value of imported and indigenous raw materials, spares and components consumed	Value	% age	Value	% age
a. Raw Material				
(i) Imported	3612.96	4.21%	2067.98	2.43%
(ii) Indigenous	82298.81	95.79%	83076.32	97.57%
	85911.77	100.00%	85144.30	100.00%
b. Stores & Spares				
(i) Imported	10.65	0.79%	120.17	6.15%
(ii) Indigenous	1334.18	99.21%	1834.56	93.85%
	1344.83	100.00%	1954.73	100.00%

₹ in lacs

	2011-12	2010-11
<b>E. Expenditure incurred in Foreign Currency</b>		
Travelling	33.99	14.20
Technical Assistance & Services/ Know-how/Royalty	226.54	108.14
Interest	938.94	101.77
<b>F. Earnings in Foreign Exchange</b>	-	-

As per our report attached.

For **MEHRA GOEL & CO.**

Chartered Accountants

Registration No. - 000517N

**R.K. MEHRA**

Partner

Membership Number-6102

**S.K. ARYA**

Chairman & Managing Director

**ANAND SWAROOP**

President & CFO

**U.C. AGGARWAL**

**R. DAYAL**

**ACHINTYA KARATI**

Directors

Place: Gurgaon (Haryana)

Date : 16-04-2012

**SUNIL DUTT AGRAWAL**

AVP-Finance

**S. KARTIK**

Company Secretary & Compliance Officer

## तुलन पत्र

३१ मार्च, २०१२ तक का

लाख ₹ में

	नोट सं.	वर्तमान प्रतिवेदन अवधि के आंकड़े	पिछली प्रतिवेदन अवधि के आंकड़े
<b>I इक्विटी एवं देयता</b>			
<b>अंशधारियों की निधियाँ</b>	२ एवं १७		
(क) अंश पूंजी		१,०८२.५०	१,०८२.५०
(ख) संचय तथा अधिशेष		१३,०३८.७१	११,४५३.२३
		१४,१२१.२१	१२,५३५.७३
<b>गैर-वर्तमान देयता</b>	३		
(क) दीर्घकालीन ऋण		१२,५३५.१८	४,८१४.५२
(ख) स्थगित कर देयता (शुद्ध)	१८	२,५८३.५२	१,६५९.६४
(ग) अन्य दीर्घकालीन देयता		१५८.३७	१९७.५५
		१५,२७७.०७	६,६७१.७१
<b>वर्तमान देयता</b>	४		
(क) अल्पकालीन ऋण		२,९२५.०८	३,९२९.०२
(ख) व्यापारिक भुगतान राशि		१७,६६१.००	१२,९६०.९१
(ग) अन्य वर्तमान देयता		५,१६१.४२	४,९८५.७१
(घ) अल्पकालीन प्रावधान		७७२.६३	१,०७७.५८
		२६,५२०.१३	२२,९५३.२२
<b>कुल</b>		<b>५५,९१८.४१</b>	<b>४९,३६०.६६</b>
<b>II सम्पत्तियाँ</b>			
<b>गैर वर्तमान सम्पत्तियाँ</b>			
(क) अचल सम्पत्तियाँ	५		
(i) स्पृश्य सम्पत्तियाँ		३१,८२९.५५	२४,३०२.८४
(ii) अस्पृश्य सम्पत्तियाँ		७२.८६	११९.५१
(iii) पूंजीगत कार्य-प्रगति		२,४५०.९४	१,५७४.८२
(ख) गैर वर्तमान निवेश	६	२३८.५५	२३८.५५
(ग) दीर्घकालीन ऋण एवं अग्रिम राशि	७	१६२.९१	१,४५४.४१
(घ) अन्य गैर वर्तमान सम्पत्तियाँ	८	१,४४३.००	१६४.२४
		३६,१९७.८१	२७,८५४.३७
<b>वर्तमान सम्पत्तियाँ</b>	९		
(क) इनवेंटरीज		७,५४७.९७	५,२६४.७९
(ख) व्यावसायिक प्राप्तियाँ		७,५७३.६९	५,१९९.४१
(ग) नकद एवं बैंक जमाराशि		१८७.२९	६२.५७
(घ) अन्य वर्तमान सम्पत्तियाँ		४,४११.६५	२,९७९.५२
		१९,७२०.६०	१३,५०६.२९
<b>कुल</b>		<b>५५,९१८.४१</b>	<b>४९,३६०.६६</b>
महत्वपूर्ण लेखांकन नीतियाँ	१		

हमारी संलग्न रिपोर्ट के अनुसार

कृते मेहरा गोयल एंड कम्पनी

सनदी लेखाकार

पंजीकरण सं.- ०००५१७एन

आर. के. मेहरा

साझेदार

सदस्यता संख्या-६१०२

स्थान : गुड़गांव (हरियाणा)

दिनांक : १६-०४-२०१२

एस. के. आर्य

सभापति एवं प्रबंध निदेशक

आनंद स्वरूप

अध्यक्ष एवं मुख्य वित्त अधिकारी

सुनील दत्त अग्रवाल

सहभागी उपाध्यक्ष-वित्त

यू. सी. अग्रवाल

आर. दयाल

अर्चित्य कराती

निदेशक

एस. कार्तिक

कम्पनी सचिव एवं अनुपालन अधिकारी

## लाभ एवं हानि का विवरण

३१ मार्च, २०१२ को समाप्त वर्ष तक का

लाख ₹ में

	नोट सं.	वर्तमान प्रतिवेदन अवधि के आंकड़े	पिछली प्रतिवेदन अवधि के आंकड़े
<b>I परिचालन से आय</b>			
परिचालन से सकल आय	१०	१,२१,३८४.१२	१,१८,९०९.०५
घटाया :- उत्पाद शुल्क		१४,५५२.६८	१२,८५३.४५
परिचालन से शुद्ध आय		१,०६,८३१.४४	१,०६,०५५.६०
<b>II अन्य आय</b>	११	२२३.०३	५५७.०२
<b>III कुल आय (I + II)</b>		<b>१,०७,०५४.४७</b>	<b>१,०६,६१२.६२</b>
<b>IV व्यय</b>			
उपयोग की गई सामग्री की लागत		८५,९११.७७	८५,१४४.३०
तैयार माल एवं प्रगतिशील कार्य की इनवेंटरीज में परिवर्तन	१२	(१३५.१६)	(७३२.४५)
कर्मचारी लाभ संबंधी व्यय	१३	५,६९०.३१	५,४६९.२९
वित्तीय लागत	१४	२,१५०.५६	१,४३४.०७
हास एवं परिशोधन व्यय		३,८०१.७८	३,५०८.५८
अन्य व्यय	१५	६,७४२.८३	६,१२४.५०
<b>कुल व्यय</b>		<b>१,०४,१६२.०९</b>	<b>१,००,९४८.२९</b>
<b>V कर पूर्व लाभ (III -IV)</b>		<b>२,८९२.३८</b>	<b>५,६६४.३३</b>
<b>VI कर व्यय :</b>			
(१) वर्तमान कर		५६३.०६	१,५९२.००
घटाया :- मैट क्रेडिट		(५६३.०६)	-
		-	१,५९२.००
(२) स्थगित कर		९२३.८८	२६३.५०
(३) पहले के वर्ष		५.५९	(२१.६६)
<b>VII अवधि में लाभ : (V-VI)</b>		<b>१,९६२.९१</b>	<b>३,८३०.४९</b>
<b>VIII प्रति इक्विटी शेयर कमाई (-)रु. में</b>	१६		
(१) मूल		९.०७	१७.६९
(२) तनुकृत		९.०७	१७.६९

हमारी संलग्न रिपोर्ट के अनुसार

कृते मेहरा गोयल एंड कम्पनी

सनदी लेखाकार

पंजीकरण सं.- ०००५१७०एन

आर. के. मेहरा

साझेदार

सदस्यता संख्या-६१०२

स्थान : गुडगांव (हरियाणा)

दिनांक : १६-०४-२०१२

एस. के. आर्य

सभापति एवं प्रबंध निदेशक

आनंद स्वरूप

अध्यक्ष एवं मुख्य वित्त अधिकारी

सुनील दत्त अग्रवाल

सहभागी उपाध्यक्ष-वित्त

यू. सी. अग्रवाल

आर. दयाल

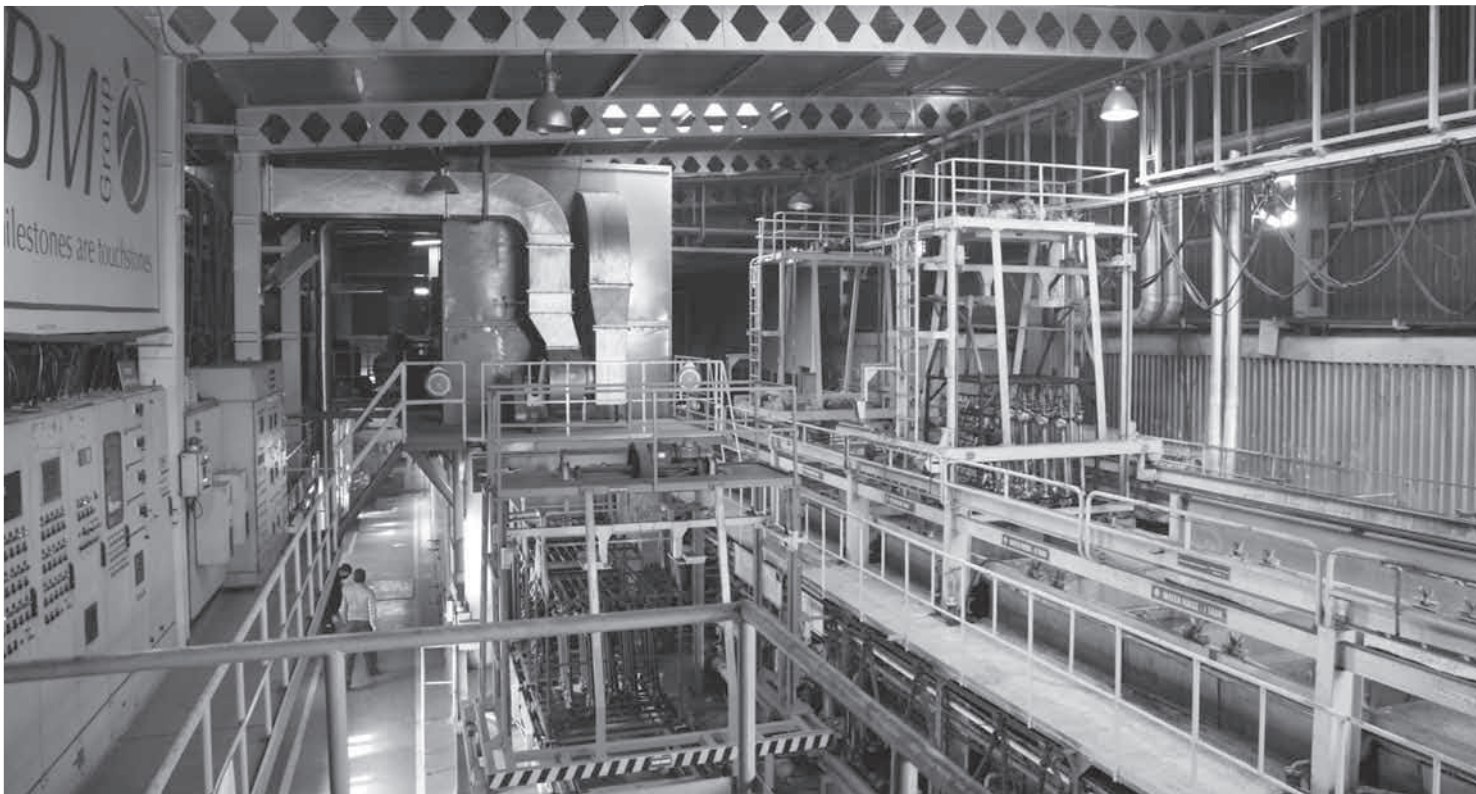
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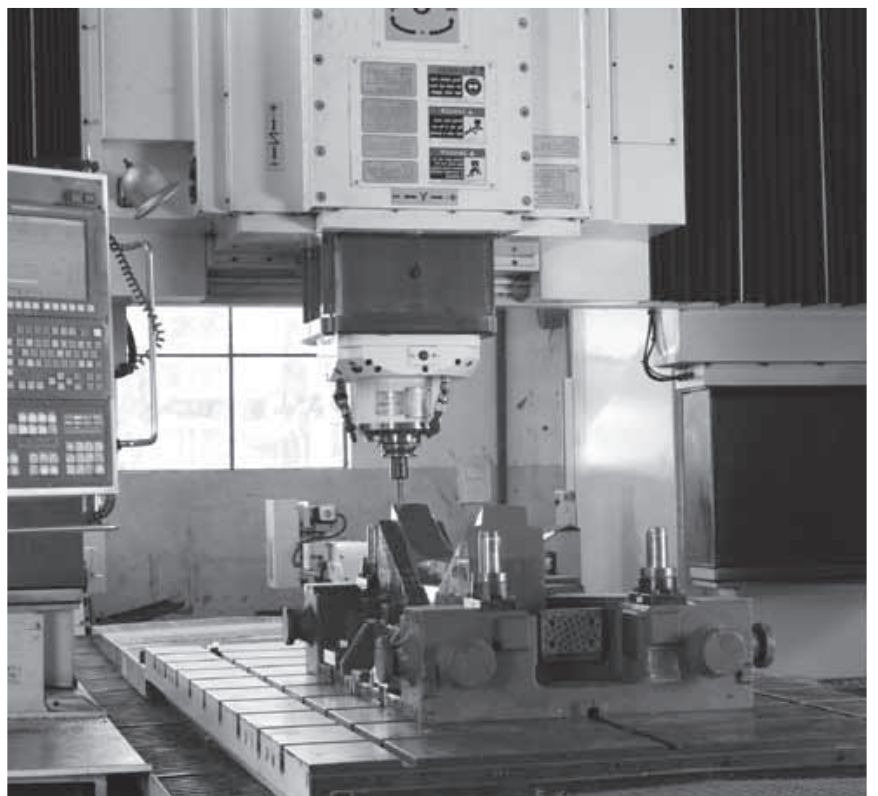
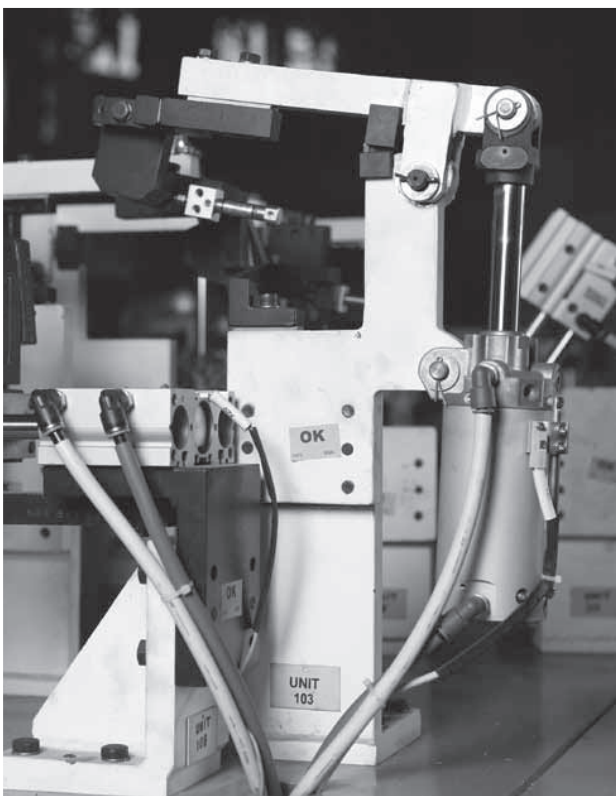
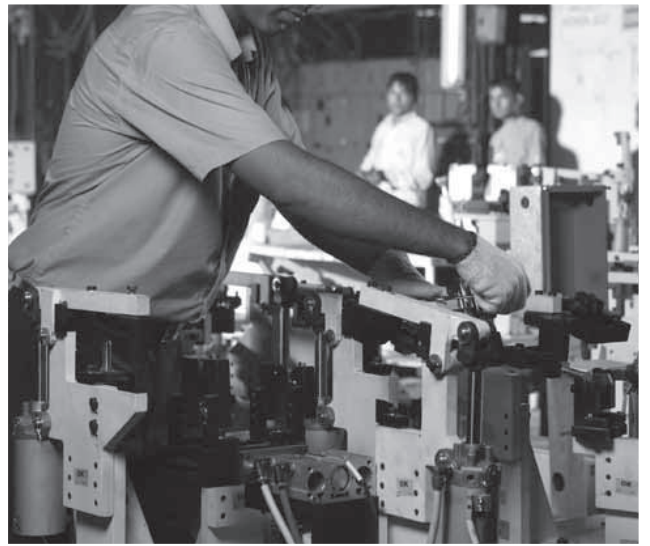
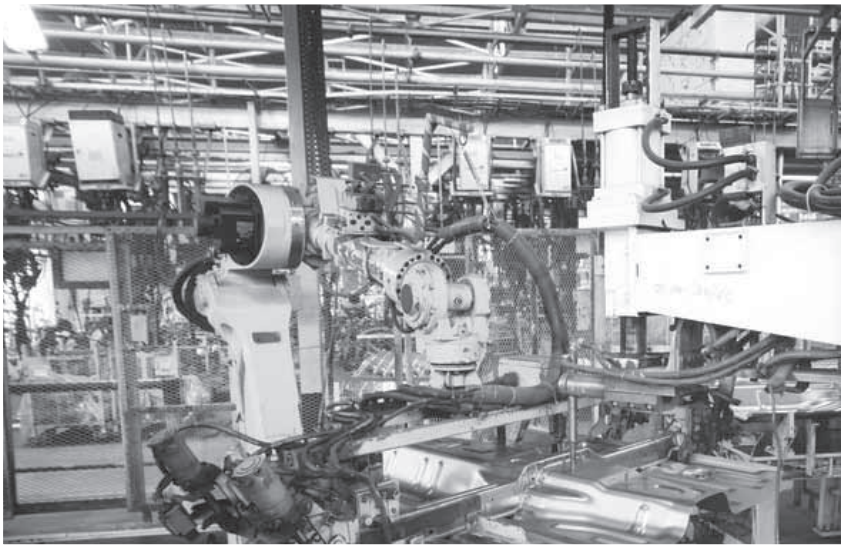
निदेशक

एस. कार्तिक

कम्पनी सचिव एवं अनुपालन अधिकारी

# OUR FACILITIES







## JAY BHARAT MARUTI LIMITED

Registered Office : 601, Hemkunt Chambers,  
89, Nehru Place, New Delhi 110 019



# NOTICE

NOTICE is hereby given that 25<sup>th</sup> Annual General Meeting of the members of Jay Bharat Maruti Limited will be held on Tuesday, 21<sup>st</sup> day of August, 2012 at Airforce Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010, at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit and Loss Account for the year ended 31<sup>st</sup> March 2012 and the Report of the Directors' and Auditors' thereon.
2. To declare dividend.
3. To appoint director in place of Mr. Dharampal Agarwal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint director in place of Mr. Nishant Arya, who retires by rotation and being eligible offers himself for re-appointment.
5. To reappoint M/s Mehra Goel & Company, Chartered Accountants, the retiring Auditors of the Company, as Auditors and to fix their remuneration.

**By Order of the Board  
for JAY BHARAT MARUTI LIMITED**

Sd/-

(S. Kartik)

Company Secretary

Place: New Delhi

Date: 13-07-2012

### NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll only instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.**
2. Members are requested to bring their copy of Annual Report to the Meeting.
3. Members/proxies should bring the Attendance Slip for attending the meeting and should kindly be handed over at the entrance of the meeting place. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
4. Members are requested to write their Client ID and DP ID numbers or Folio Number, whichever is applicable in the attendance slip for attending the meeting.
5. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays & Sundays between 11.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.
6. (a) The Company has notified closure of Register of Members and Share Transfer Books thereof from Wednesday, 8<sup>th</sup> August 2012 to Tuesday, 21<sup>st</sup> August 2012 (both days inclusive) for determining the names of members eligible for dividend, if approved, on equity shares held in physical form. In respect of shares held in electronic form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose as on that date.  
(b) Members are advised to encash Dividend Warrants within the initial validity period. During this period, dividend warrants shall be payable at par at the pre- designated branches of the Bank.
7. a) To avoid the fraudulent encashment of dividend, members holding shares in physical form are requested to intimate the Company under the signature of the Sole/First joint holder, the following information for printing on Dividend Warrants:
  - Name of sole/first joint holder and folio no.
  - Bank A/c Type and A/c no.
  - Bank Name, Branch & address (with pin code)

- (b) As per applicable guidelines of Depositories, the Company will be printing Bank Account's detail on dividend warrants or dividend shall be paid directly to bank through ECS, as per details furnished by Depositories for members holding shares in dematerialised form. The Company will not entertain any direct request from any member for deletion of/change in such Bank details, since any change in details is to be advised by the member directly to their respective Depository Participants.
8. Shareholders holding shares in physical form may authorise the Company with their ECS mandate in the prescribed form for payment of dividend in ECS mode. The Form can be obtained either from the Company or from Share Transfer Agent. Requests for payment of dividend through ECS for the year 2011-2012 should be lodged with M/s. MCS Limited on or before 20<sup>th</sup> August 2012.
- 9. Due date of transferring unclaimed / unpaid dividend declared by the Company for the financial year 2004-05 to the Investor Education and Protection Fund (IEPF) of the Central Government is 29th September 2012. Members who have not encashed the dividend warrants so far in respect of the aforesaid period are requested to make their claim to MCS Limited well in advance of the above due date. It may be noted that once the amount in the unpaid dividend account is transferred to IEPF, no claim shall lie against the IEPF or the Company in respect thereof and the members will lose their right to claim dividend.**
10. Non-Resident Indian Members are requested to inform immediately:
- The change in the Residential status on return to India for permanent settlement
  - The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier or any change therein.
11. As per section 109A of the Companies Act, 1956 the shareholders are entitled to make nomination in respect of shares held by them in physical form. Nomination is to be made in Form 2B, which will be made available by the Company on request.
12. Members seeking any information or clarification on the Accounts or otherwise are requested to send their written queries to the Company, at least one week before the date of the meeting so that the information required may be made available.
13. The members may address their correspondence either to the Company at its registered office or to its Share Transfer Agent. Please quote your folio number, email address, telephone & fax numbers (if any) for prompt reply.

#### Brief Profile of Directors retiring by rotation seeking re-election

Particulars	Mr. Dharampal Agarwal	Mr. Nishant Arya
<b>Date of Birth and Age</b>	24-08-1950 (61 Yrs)	01-11-1986 (25 Yrs)
<b>Appointed on</b>	7 <sup>th</sup> September 1991	9 <sup>th</sup> October 2007
<b>Qualifications</b>	B.Com	Bachelor's degree in business administration from Bradford University, U.K. and Business development and strategy course from the London School of Economics.
<b>Directorship held in other Public Limited Companies</b>	Transport Corporation of India Limited	Neel Metal Products Limited
	TCI Industries Limited	JBM Auto Limited
	TCI Developers Limited	Neel Metal Fanalca Environment Management Private Limited
	Bhoruka Power Corporation Limited	JBM Ogihara Automotive India Limited
		JBM Motors Limited
		JBM Cadmium (P) Limited
		Tesco Go S.p.A
<b>Chairmanship/ Membership of Committees of other Public Limited Companies*</b>	<b>Transport Corporation of India Limited</b>	
	Share Transfer Committee – Chairman	N.A
	Finance Committee – Member	
	<b>TCI Developers Limited</b>	
	Share Transfer Committee - Chairman	
<b>Shareholding in the Company</b>	NIL	0.02%

\*Note: Pursuant to clause 49 of the listing agreement, only audit and investor grievance committee in public limited company in India have been considered and disclosed in the above table.





# JAY BHARAT MARUTI LIMITED

Registered Office : 601, Hemkunt Chambers, 89, Nehru Place, New Delhi 110 019

## ATTENDANCE SLIP

I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the Company being held on Tuesday, 21<sup>st</sup> August 2012 at Airforce Auditorium, Subroto Park, Dhaula Kuan, New Delhi- 110010, at 11:00 A.M.

Name of the Shareholder(s) .....  
(In the Block Letters)

Father's/Husband's Name .....

Name of the Proxy or Company Representative .....  
(In the Block Letters)

Registered Folio No./DP-Client ID..... No. of Shares held.....

Signature of the Shareholder(s) or Proxy or Company Representative .....

Note:

- Members/Proxies are requested to bring the duly filled in Attendance Slip to the 25<sup>th</sup> Annual General Meeting, to be handed over at the meeting.
- If you intend to appoint a proxy, please deposit duly filled Proxy Form either at the Registered Office of the Company or at the office of its Share transfer agent at least 48 hours before the meeting.



# JAY BHARAT MARUTI LIMITED

Registered Office : 601, Hemkunt Chambers, 89, Nehru Place, New Delhi 110 019

## PROXY FORM

I/We.....resident of .....in the district  
of.....being member(s) of the above named Company, hereby  
appoint .....

resident of .....in the district of..... or failing him.

.....resident of .....

.....in the district of .....as my/our proxy to attend and

vote for me/us on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 21<sup>st</sup> August, 2012 at Airforce Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010, at 11:00 A.M. and at any adjournment thereof.

Registered Folio No./DP- Client ID..... No. of Shares held .....

Signed this ..... day of .....2012.

Signed by the said .....

Signature of the Proxy .....

Attested by the shareholder .....

Affix  
Re. 1/-  
Revenue  
Stamp

Signature



**No gift of any nature will be distributed at the Annual General Meeting**



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Mr. S.K. Arya, Chairman & Managing Director

Mr. U.C. Aggarwal

Mr. D.P. Agarwal

Mr. R. Dayal, MSIL Nominee

Mr. Achintya Karati

Mr. Nishant Arya

Mr. Anand Swaroop, President & CFO

Mr. S. Kartik, Company Secretary &  
Compliance Officer

## REGISTERED & CORPORATE OFFICE

601, Hemkunt Chambers

89, Nehru Place, New Delhi - 110 019

Ph: 91-11-26427104-6,

Fax: 91-11-26427100

Email: corp@jbm.co.in

www.jbm-group.com

## WORKS

Jay Bharat Maruti Limited, Plant 1 (J1)

Plot No. 5

Maruti Joint Venture Complex,

Gurgaon - 122 015

(Haryana)

Jay Bharat Maruti Limited, Plant 2 (J2)

Sector 36,

Mohammadpur Jharsa,

Near Khandsa Village,

Gurgaon - 122 001 (Haryana)

Jay Bharat Maruti Limited, Plant 3 (J3)

Plot No.15 & 22, Sector - 3A

Maruti Supplier Park,

IMT Manesar,

Gurgaon - 122 050 (Haryana)

## JOINT VENTURE PARTNER

Maruti Suzuki India Limited

## STATUTORY AUDITORS

Mehra Goel & Co.

(Chartered Accountants)

## INTERNAL AUDITORS

Sahni Natrajan & Bahl

(Chartered Accountants)

## REGISTRAR & SHARE TRANSFER AGENTS

MCS Limited

## BANKERS

Canara Bank

Citi Bank N.A.

DBS Bank

ICICI Bank Limited

IndusInd Bank

Standard Chartered Bank

The Bank of Tokyo Mitsubishi UFJ Limited

YES Bank Limited



**Jay Bharat Maruti Limited**

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