

**ENHANCING
TECHNOLOGY.**

**EMPOWERING
PEOPLE.**

**ENABLING
INNOVATION.**

EXCELLENCE



Excellence is the sum total of three very important facets: Technology, Innovation and People. It is only when these three work in tandem and in a holistic 360 degree way, excellence is accomplished. In this report, circles have been used to depict the seamless maneuver of Technology, Innovation and People. A rhythm which resonates across the organisation and helps the company deliver excellence unfailingly, unwaveringly. Today, always.

Contents

Corporate Information **01**
Chairman's Message **04**
Company Snapshot **06**
Our Vision & Our Core Values **08**
Value Proposition **10**
Manufacturing Excellence **12**

Innovation and Technology Edge **14**
Joint Ventures & Subsidiaries **16**
Financial Highlights **18**
Q&A **20**
Directors' Report **22**
Management Discussion and Analysis **26**

Report on Corporate Governance **33**
Auditors' Report **42**
Standalone Financial Statements **44**
Balance Sheet Abstract **66**
Consolidated Financial Statements **69**

Corporate Information

Board of Directors



Mr. Ashok Kumar Agarwal
Director



Mr. S.K. Arya
Chairman



Mr. M.K. Aggarwal
Director



Mr. H.R. Saini
Executive Director



Mr. Nishant Arya
Director

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. N.K. Goel

STATUTORY AUDITORS

Mehra Goel & Co., Chartered Accountants

SHARE TRANSFER AGENT

MCS Limited

BANKERS

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



**Precision,
high dimensional
accuracy, consistency,
uniformity,
technology-led,
innovation-edge,
people driven,
customer-focused,
flexibility
high degree of
customisation...**

Just some of the words that people often use to describe our manufacturing ability, our products and us.....

WE ARE JBM AUTO LIMITED...

an integral part of JBM Group; India's premium engineering conglomerate with 33 manufacturing sites across 14 locations in India, over 15,000 employees, servicing world renowned global majors across 4 continents. With a turnover of over 1 billion USD, JBM Group is globally recognised for setting new benchmarks in manufacturing automobile products and sub-systems, steel fabrication, construction and waste management through extensive use of innovation and technology.



Chairman's Message



Dear Shareholders,

It gives me immense pleasure to present the Annual Report for JBM Auto for the fiscal year 2010-11. The year saw the automobile industry benefit from the recovery in overseas market and continuing growth in the domestic sales. The ongoing recovery during the year bygone across the US and Europe generated better demand in automobile component segment especially from OEMs/ tier-1 suppliers fuelling higher revenues. After two years of swift growth, the Indian automobile sector continued its steady growth phase.

Year 2010-11

JBM Auto with this strong legacy of the JBM Group and its key foundation of strengths is a key beneficiary of the opportunities that open up in the automobiles sector. This is evident from the excellent results we have posted for the year 2010-11. The Company's total turnover for the year ended 31st March 2011 was ₹364 crore, representing a robust growth of nearly 53% while the Net Profit touched nearly ₹13 crore representing an increase of 57% over the previous fiscal. During the year, the Company added a new plant at Sanand mainly to cater to Nano launched by Tata Motors.

Changing Scenario

As we move ahead, the world economy today presents a scenario of gloom. However, the growth of automobile sector is concentrated in BRIC countries viz. Brazil, Russia, India and China. These countries will continue to drive growth moving forward in the automobile sector.

The Indian economy with an expected growth rate of 8% represents a picture of stability as compared to global economic scenario.

Though unlike the scenario at the beginning of last fiscal, several macro headwinds persist and these will impact the growth momentum across the Indian automobile sector. Commodity prices, rising interest rates, liquidity crunch, increasing fuel prices all hamper demand sentiment. As we see it now, the road ahead is paved with challenges for the automobile industry. Rising interest rates have already started dampening buyer sentiments and we perceive it may derail the demand momentum of the passenger vehicles. A sharp surge in petrol and diesel prices has led to car sales slowing down. A slowdown in the India economy, tightening liquidity impacting the infrastructure sector, rising inflation are likely to slow down the commercial vehicle demand. Tightening liquidity is a key negative for commercial vehicles in FY12 since demand for trucks and liquidity in the banking system go hand in hand. However, tractor and two wheeler demand is expected to report robust growth on the back of strong rural income and government thrust on rural development in FY12.

While overall sales across the automobile industry have been impacted in the last quarter and the next financial year

“ The ongoing recovery during the year bygone across the US and Europe generated better demand in automobile component segment especially from OEMs/ tier-1 suppliers fuelling higher revenues.”

will pose challenges across the industry, your company has done better than the industry in the first quarter of the fiscal year 2011-12.

As mentioned earlier, despite the current scenario of gloom across the developed nations, the long term growth prospectus driven by the emerging countries remain positive. We hope to achieve higher scale and size in the coming years due to our core strengths.

Legacy of Strength

Moving ahead, even in the challenging scenario, we are confident that the robust foundation of strengths will play an important in shaping the future of the Company.

JBM Auto has a strong in-house engineering and manufacturing capabilities and is well poised to meet the fast changing requirements of customers. JBM Auto has invested in world class vertically integrated infrastructure and boasts of one of the best tool rooms of the country.

The Company's plant with sophisticated machinery & equipment and press shops manufactures various components for cars, tractors and trucks. JBM Auto is proud to have serviced reputed industry majors including Tata, Mahindra and Mahindra, Ashok Leyland, Eicher, Honda, Daimler, Nissan, Fiat, LG, Onida to name just a few.

People are JBM Auto's biggest assets and we place the people functioning and planning at premium strategic level. People are the roots of our success and the Company derives its edge from this critical pool of talented professionals. People will continue to play an important role in future.

At JBM Auto, we believe in change and in doing things innovatively. We are confident that with the strategic focus on Innovation, Technology and People, we are well-poised to achieve the next phase of growth in the long term while confidently meeting the demands of the challenges in the short term and medium term. We remain committed to our core values which will continue to guide us in the future.

On this positive note of confidence, I place on record my sincere gratitude to all stakeholders for their trust and the confidence reposed. I would like to thank all employees for their commitment and passion in sharing our vision and playing an important role in the growth of the Company. Together, just as we have build a company we are so proud of, we have a long way to go and I seek your continued support.

S.K. ARYA
CHAIRMAN

Company Snapshot

JBM Auto is engaged in the manufacture of sheet metal components, assemblies, sub-assemblies, tools, dies and moulds. The Company's manufacturing facilities and tool rooms are strategically located in close proximity of leading automobile hubs of India at Faridabad, Greater Noida, Nashik, Chennai, Sanand and Pune. The Company products are widely used in two-wheelers, three-wheelers, cars, tractors and trucks, White Goods industries and other sectors in India and overseas.

The Company operates through three main divisions namely Sheet Metal Division, Tool Room Division and Special Purpose Vehicle (SPV).

JBM Auto Limited

1

Sheet Metal Division

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

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



2 Tool Room Division

(Manufacturing tools, dies and moulds)

Tool-making requires extensive collaboration with the customer, due to the high degree of production customization and to match this requirement the Company's Tool Rooms are continuously upgraded to interface with the latest industry-grade software and technology.

3 Comprehensive Product Range

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

Our Vision

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

Our Core Values

Simplicity, teamwork, trust amongst people, customer focus and meeting commitment form the preamble of JBM Goup's and JBM Auto's constitution

- Simplicity lies in our flexible approach, openness to new learning and effective communication for capacity building and personal dynamism.
- Team work with Well-Defined Responsibilities, Authorities and Accountability.
- The Trust amongst people bond, binding the people in JBM Family, is the nerve center that governs the growth and the development of the group.
- Customer focus to the optimum level is the focused area of our policy planning that continuously drives us to venture in innovative and latest designs and management practices.
- Meeting Commitments to give best in every field is the buzz word of the group and characteristics of every functionary.



Our Value Proposition

The three key components of JBM Auto's success pillars are Innovation, Technology and People. Firmly rooted in the legacy of the JBM Group, the Company believes in continuously redefining its boundaries to always deliver value to customers.



COMPREHENSIVE
PRODUCT RANGE

DIVERSE
CUSTOMER BASE

PAN INDIA PRESENCE





CATERING TO DIFFERENT
INDUSTRY SEGMENTS



INNOVATION &
TECHNOLOGY EDGE

BEST QUALITY &
PRACTICES

PEOPLE FOCUSSED



Manufacturing Excellence

The Company's modern plants are located at Faridabad, Greater Noida, Nashik , Chennai, Kosi, Sanand and Pune. Strong in-house engineering and manufacturing capabilities enables it to meet the fast changing requirements of customers. To ensure best QCDD (Quality Cost, Development & Deliveries), JBM Auto has invested in world class vertically integrated infrastructure and boasts of one of the best tool rooms of the country.

“Excellence is an art won by training and habituation. We do not act rightly because we have virtue or excellence, but we rather have those because we have acted rightly. We are what we repeatedly do. Excellence, then is not an act but a habit.”

-- Aristotle

- Laser Cutting
- Laser Welding
- Tandem Press line
- Differential Zn Plating
- Roll Forming
- Tool Management

Robust Infrastructure

- Flexible Manufacturing
- Laser cutting
- Plasma cutting
- Tool room
- Exhaust lines
- CAD / CAM / CAE Software
- 3D / Portable CMMs
- Press Lines
- Weld Lines
- Surface Treatment
- Powder coating
- Zn plating
- ED coating
- Heat resistant paint
- Tubular Manipulations
- Tube cutting
- CNC pipe bending
- Steel Processing



Sophisticated machinery

The Company's plant with sophisticated machinery & equipment and press shops manufactures various components for cars, tractors and trucks. Some of the products manufactured at the Faridabad plant include BIW parts and sub-assemblies for cars, skin panels and axles for tractors & body components, bumpers, axles and suspension components for trucks. The components manufactured at this plant are also exported to various truck manufacturers in Europe.

Strategic proximity

The locations at Chennai and Pune ensure that the Company's facilities and products are in close proximity to the most important automobile manufacturing hub of the country. The state-of-the-art plant at Greater Noida, set up in the year 2003 caters to the fast expanding domestic automobile industry. Greater Noida is also home to several large domestic and MNC automobile companies. In the year 2006, the Company further expanded by putting up a new manufacturing unit at Nashik, in Maharashtra.

Press lines & tool rooms

The Company has press lines in a wide range in both the Hydraulic and Mechanical version. In addition, it also has tandem lines to cater to high volume of component parts and skins parts.

Tool-making requires extensive collaboration with the customer, due to the high degree of production customization. Because manufacturers typically contract tooling suppliers located in relative proximity to their manufacturing facilities, the transformation of India into an important automobile manufacturing hub has thrown open an enormous opportunities. JBM Auto through its world-class tool room is equipped to customise and deliver solutions to the needs of the modern automotive industry. It can produce tools weighing up to 10 T and is suitable for the presses with the bed size of 2.4m x 1.4m. With in-house design facilities, JBM Auto through its Tool Room is capable of developing tools at much faster speed.

The Company continues to invest in upgrading its tool room to include the latest software which seamlessly interfaces with various formats to receive CAD data from clients. In addition, simulation software is used for tool designing and manufacturing.



Innovation and Technology Edge

Innovation and technology are the most vital engines of the Company's growth strategy and it is quite understandable that this has been the key focus area.

By continuously benchmarking to new emerging global processes and practices and also understanding the expectations of customers, JBM Auto has time and again invested in production technologies that have provided it a distinct edge.

The Company has focused on sharpening its designing, simulation and engineering (CAD/CAM/CAE) capabilities. JBM Auto through use of latest industry grade soft wares – CATIA, UG, Die Design Bundle, I-DEAS, C3P, VISI CAD is well poised to deliver customised solutions with speed and accuracy.

The nucleus of the Company's growth strategy is the continued focus and thrust on promoting technological advancements and innovating new processes and practices through its dedicated R&D team to consistently match world class standard and set new industry benchmarks of customer satisfaction.

Quality – The JBM Way

As part of a premium globally focused Group, quality is sacrosanct and seeped into each and every sphere of its operations from raw material procurement, manufacturing and process chain to actual quality checking to ensure zero defects of its products.

The Company manufacturing plants are certified ISO 9001, OHSAS, ISO 14001 or TS 16949.

At JBM Auto, the Company quality policy strives to achieve total customer satisfaction by delivering products and providing services that meet or exceed the exacting requirements and expectations of customers and it always strives to do so on time and at most competitive prices for its entire product range.

Best Practices

The Company's long years of experience working with global majors combined with the Group's experience has enabled JBM acquire and imbibe the best global practices. Some of these include JIT, Pokayoke, Kanban, Lean Manufacturing, Kaizen etc. The Company on its part has combined the best practices and has evolved its own unique system called the 'The JBM Way'.

These practises not only enable the Company to maintain the equipment and keep it as good as new but also ensure that its systems continue to make minor modifications to continuously improve the processes, eliminate waste, enable better interface with upstream and downstream handling, and so on. Employees at JBM Auto are deeply involved, engaged and empowered to provide suggestions for improvements through practical experience are shared. Employees are encouraged to undertake industry certified courses that drive excellence.



Joint Ventures & Subsidiaries

JBM MA Automotive Private Limited (JBMMA):

Incorporated in 2007, JBMMA is a 50:50 joint venture (JV) between JBM Auto Limited (JAL, part of the JBM Group) and MA SpA, Italy (MA, part of the CLN Group). The JV has been formed to undertake the manufacture and supply of sheet metal parts namely skin panels, under body panels and other assemblies to Tata Motors Limited (TML), Fiat India Automobiles Private Limited (FIAPL - Tata Fiat JV), and the Volkswagen Group. The company began commercial production from its plant at Pune (Maharashtra) on 15th January, 2009 and is currently supplying parts for TML's 'Indica' and current supplies sheet metal components limited to the 'Indica Vista' model of TML and the 'Linea' and 'Grande Punto' models of FIAPL.



Indo-Toolings Private Limited (ITPL):

ITPL is a 50:50 Joint Venture of JBM Auto Limited and Sandhar Technologies Limited and is the largest and best equipped Commercial Tool Room in Central India, located at Indore, the industrial and commercial Capital of Madhya Pradesh.

ITPL is the complete solution provider for all kinds of tooling requirement, including stamping tools, plastic injection moulds, PDC dies, fixtures etc.



JBM Ogihara Automotive India Limited (JOAI):

JOAI is a joint venture company between JBM Group of India and Ogihara Thailand. The company established in February 2009, has a well equipped plant located at Bangalore in TKM Onsite Supplier Park. JOAI Limited is instrumental in the production of different kinds of press parts, nuts/bolt weld, assembly parts and fuel pipes required in the automobile industry. The ultra modern plant includes a welding shop, robot welding, light press and a jumbiki area. The company with its well equipped plants and robust manufacturing capacities in varied automotive parts is a reliable and strong supplier to the automobile industry.



JBM Auto System Pvt. Limited (JBMAS):

JBMAS commenced operations in May 1999 to supply auto components to Ford India and within a year started exporting components to South Africa, Mexico and to China in Aug 2002. The Company has set up plant within the Ford India Suppliers' Park. The operations have been expanded to supply chasis, suspension systems and fuel neck fillers etc. to existing as well as new customers.

With ultramodern press lines, welding lines, fully automated lead free water based CED paint system and tool room with in-house designing capabilities, the company has invested in flexible manufacturing facilities to meet increased customer volumes and future new products launches by automotive OEM's.

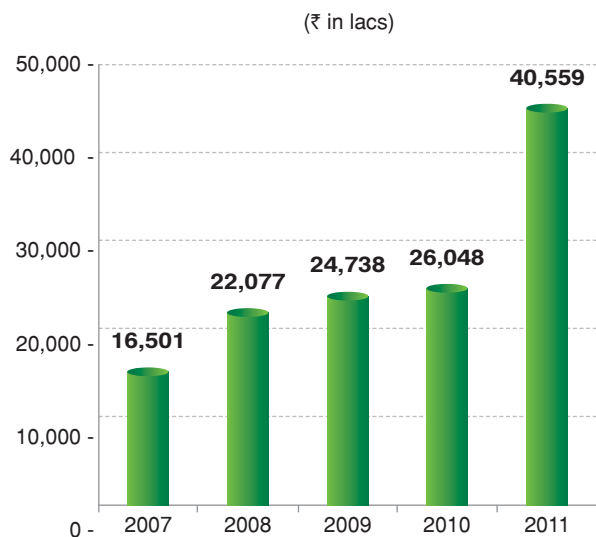


Financial Highlights

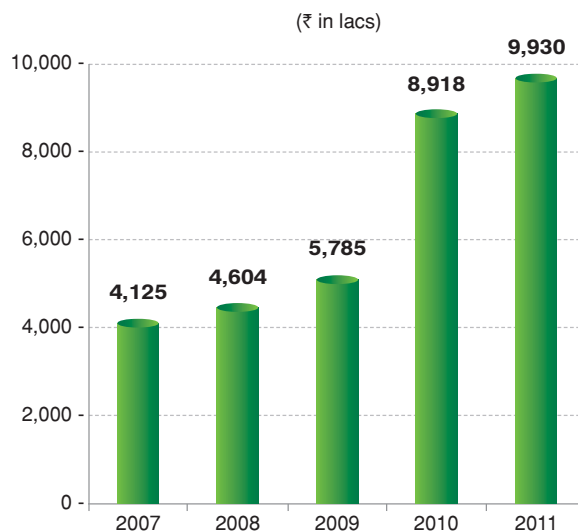
(₹ in lacs)

Particulars	2007	2008	2009	2010	2011	Consolidated	
						2010	2011
Gross Sales	16,460	21,972	24,725	25,903	40,496	44886	81950
Net Sales	14,507	18,621	21,636	23,780	36,399	41469	73105
Other Income	41	105	13	145	63	185	238
Total Income (Gross)	16,501	22,077	24,738	26,048	40,559	45071	82188
Profit Before Depreciation & Tax (PBDT)	1,484	1,461	2,603	1,970	2,689	3608	6007
Cash Profit	1,123	1,197	2,204	1,433	2,194	3006	4827
Profit Before Tax (PBT)	1,061	918	2,007	1,224	1,872	1513	3741
Profit After Tax (PAT)	700	654	1,285	824	1,296	946	2485
Equity Share Capital	680	1,020	1,020	1,020	1,020	1020	1020
Reserve & Surplus	3,445	3,584	4,765	7,898	8,910	8421	10455
Net Worth	4,125	4,604	5,785	8,918	9,930	9441	11475
PBT/Net Sales (%)	7.31	4.93	9.28	5.15	5.14	3.65	5.12
PAT/Net Sales (%)	4.82	3.50	5.94	3.47	3.56	2.28	3.40
RONW (PAT/Net worth)%	16.96	14.20	22.21	9.24	13.05	10.02	21.66
Debt Equity Ratio	1.10	0.94	1.43	1.09	0.97	1.64	1.58

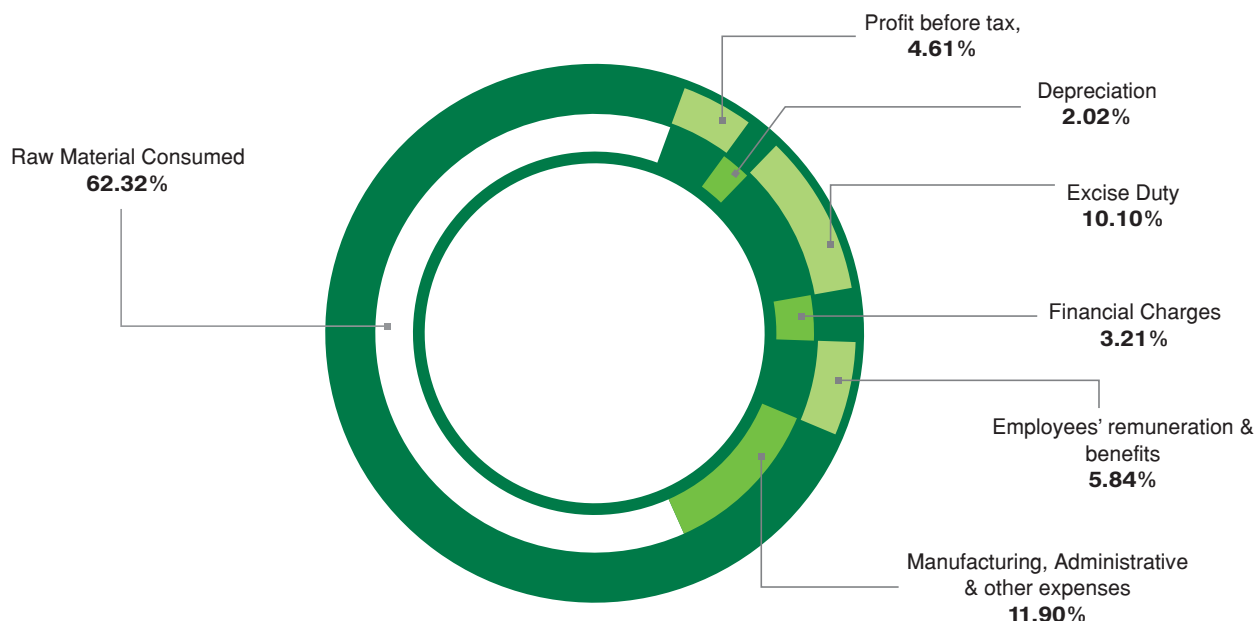
Gross Sales & Other Income



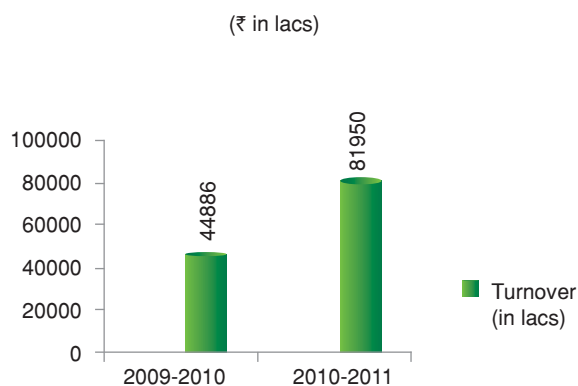
Net Worth



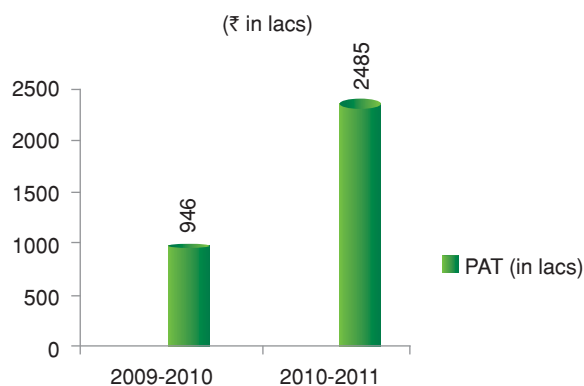
Distribution of Income 2011



Turnover (Consolidated)



PAT (Consolidated)



Q&A

With Mr. Nishant Arya, Director, JBM Auto Limited on the way forward

“Our Company proposes to commission a new plant at Pithampur, Indore, mainly to cater to Volvo-Eicher Motors. I am confident that the fructification of these initiatives shall give a big impetus to the Company’s performance in the years to come.”



Mr. Nishant Arya
Director

What are the key factors to which you attribute the Company’s positive performance?

The Company’s positive performance is a manifestation of the upswing in the automobile industry wherein the financial year 2010 was one of the most promising and exciting one for the industry in recent times.

Having said that, our Company’s fortunes are directly linked to the growth and development of the automobile industry. Over the last two decades, our Company has worked steadfastly on winning the goodwill, credibility and confidence of its customers which in turn has translated into a healthy order pipeline and positive growth for us.

What are the Company’s growth plans for the future? Where do you see the Company two years from now?

Today, our Company stands tall as one of the preferred suppliers of Sheet Metal Components to all OEM’S in the country. We are sure that we shall further build on this principal positioning and take the Company to greater heights of success in the future.

Did the Company add any new plants / capacities / clients to its portfolio during the year?

During the year under review, our Company added a new plant at Sanand primarily to cater to Nano launched by Tata Motors. Another important customer added during the year was Ashok Leyland for supplying parts for their new model.

Going ahead, what initiatives, if any, is the Company taking to further improve its operational and financial performance?

The Company plans to garner significant orders from leading automobile companies such as Volvo-Eicher Motors, M&M and Daimler, amongst others. Apart from the development of Tooling, our Company has been selected for supplying Auto Components for their existing as well as upcoming models. I am confident that the fructification of these initiatives shall give a big impetus to the Company’s performance in the years to come.

In a span of two years, we see JBM Auto, reporting a turnover of approximately ₹825 crores per annum with consolidated turnover, along with its subsidiaries and joint venture companies, surpassing a turnover of approximately ₹1200 crores per annum. We are revving the JBM Auto growth engine to deliver exceptional value to all stakeholders at all times.

What are the key factors to which you attribute the Company’s positive performance?

The ability to deliver in the face of mounting challenges has been one of the key factors driving growth for our company. For instance, despite being confronted with key issues of capacity constraints on the back of brisk pace of growth and non-availability of requisite and skilled manpower, we succeeded in maintaining supplies to our customers, which in turn facilitated our growth momentum.

LETTER TO SHAREHOLDERS

DEAR MEMBER,

As part of Green Initiative in Corporate Governance and after withdrawal of certificate of posting facility by the postal department, the Ministry of Corporate Affairs (MCA), Government of India vide its Circular Nos. 17/2011 and 18/2011, dated April 21 and 29, 2011 respectively, has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of Section 53 of the Companies Act, 1956. It will also ensure prompt receipt of communication, reduction in paper consumption and avoid loss in postal transit.

Keeping in view the spirit of the circular issued by MCA, we are pleased to inform that the Company has decided to henceforth send all communication / documents like the Notice convening the General Meeting, Financial Statements, Directors' Report, Auditors' Report etc. on and from the year ended March 31, 2011, in electronic mail (E-mail), to those shareholders whose e-mail ID is available in our records/depository.

In case you are holding shares in physical mode and desire to receive communication / documents mentioned above by email or you want to receive them at any other email- ID, you are kindly requested to fill the registration form attached at the end of the Annual Report and send it by e-mail to jbmainvestor@jbm.co.in or by courier to **Company Secretary, JBM Auto Limited, 610, Hemkunt Chambers, 89, Nehru Place, New Delhi – 110019** or to the Company's Registrar & Share Transfer Agent M/s **MCS Limited at F-65, First Floor, Okhla Industrial Area, Phase-1, New Delhi-110020**.

The documents will also be uploaded on the website of the Company viz. www.jbm-group.com. The documents will also be available for inspection at the registered office of the Company during working hours. As a member of the Company, you are always entitled to receive free of cost, documents like notices, annual report, etc. in accordance with the provisions of the Companies Act, 1956.

The Company is looking forward to your kind cooperation in this green initiative.

Thanking you.
Yours faithfully,

For JBM Auto Limited

Date : 10.08.2011

N. K. GOEL
CFO & Company Secretary

DIRECTOR'S REPORT

Dear Members,

Your Directors have the pleasure in presenting the Fifteenth Annual Report of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2011 and Auditors report thereon.

Financial Results

(₹ in lacs)

Particulars	STANDALONE		CONSOLIDATED	
	2010-11	2009-10	2010-11	2009-10
Gross Sales & Other Income	40559.05	26047.81	82188.08	45071.28
Profit Before Tax	1871.53	1223.90	3741.43	1513.31
Less: Provision for Tax	575.88	399.90	1256.55	567.53
Profit After Tax	1295.65	823.99	2484.87	945.78
Less: Minority Interest	-	-	333.05	133.51
Balance brought forward	4281.58	3748.87	3643.46	3122.47
Add: Previous year adjustment in profit of subsidiary and joint venture	-	-	88.75	-
Add: Transfer to goodwill	-	-	76.94	-
Profit available for appropriation	5577.23	4572.86	5960.97	3934.74
Appropriation:				
Proposed Dividend	243.98	163.50	243.98	163.50
Dividend Tax	39.58	27.78	39.58	27.78
Transferred to General Reserve	164.35	100.00	164.35	100.00
Balance carried to Balance Sheet	5129.32	4281.58	5513.06	3643.46

Operational and Financial Review

Your company recorded Gross Sales & other income of ₹40559.05 lacs as against ₹26047.81 lacs recorded in the previous year, registering a growth of 55.71%.

The Profit before tax is increased to ₹1871.53 lacs from ₹1223.90 lacs in the previous year.

Expansion

Expansion for Honda's new small car project is being carried out in existing facility of Faridabad & Greater Noida Plants.

Change of Registered Office

Pursuant to the approval by the Board of Directors in their meeting held on 12th February 2011, the Company has changed its registered office address from 703-B, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019 to 610, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019.

Subsidiaries

Your Company has two subsidiaries namely M/s JBM Ogihara Automotive India Limited and M/s JBM Auto System (P) Limited. During the year your Company has acquired 4,812,730 equity shares in JBM Ogihara Automotive India Limited at the rate of ₹10/- each.

Particulars under Section 212 of the Companies Act, 1956

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

Your Directors have given their consent for not attaching the annual accounts of its Subsidiaries in their meeting held on 30th May, 2011. Pursuant to the circular of the Ministry of Corporate Affairs, it is decided by the Board that the annual report of the Company shall present the consolidated financial statements of your Company and all its subsidiaries duly audited by its statutory auditors.

Dividend

Your Board of Directors are pleased to recommend a Dividend of ₹2.00/- (20%) per share on fully paid up Equity shares of ₹10/- each for the Financial Year 2010-11. The dividend distribution would result in an outflow of ₹2,37,06,696/- (₹ Two crores thirty

seven lacs six thousand six hundred and ninety six only) including corporate dividend tax. The dividend is tax free in the hands of recipient.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Mahesh Kumar Aggarwal, Director of the Company will retire by rotation in the forthcoming Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends the re-appointment of Mr. Mahesh Kumar Aggarwal.

The above appointment/ re-appointment is subject to the approval of the members in the ensuing Annual General Meeting. The Brief resume/ details relating to Mr. Mahesh Kumar Aggarwal, Director, who is to be re-appointed, is furnished in the explanatory statement of the notice of the ensuing Annual General Meeting.

Group

Pursuant to intimation from the Promoters, the names of the Promoters and entities comprising 'group' are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997.

Directors' Responsibility Statement

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

- i) that in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii) that they have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs as at 31st March, 2011 and of the profit of the Company for the year ended on that date;
- iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual accounts of the year ended 31st March, 2011 have been prepared on a going concern basis.

Management Discussion & Analysis Report

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

Corporate Governance

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

Auditors and Auditors' Report

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

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

Particulars of Conservation of Energy, Technology absorption & foreign exchange earnings and outgo

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

Particulars of Employees

Information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, is given in Annexure-II forming part of this Report.

However, having regard to the provision of section 219(1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid

information is being sent to all 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 Fee

The Shares of your Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fees has already been paid for the financial year 2011-12. Further Annual Custodial fee have also been paid to NSDL & CDSL.

Transfer of Unpaid and Unclaimed amounts to IEPF

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

Industrial Relations

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

Appreciation

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

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

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

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

For and on behalf of the Board

Place : New Delhi

Date : 10.08.2011

S. K. ARYA

Chairman

Persons constituting group coming within the definition of 'group' for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, include the following:

- | | |
|--|--|
| 1. Jay Bharat Maruti Limited | 19. Shuklamber Exports Limited |
| 2. JBM Auto System Private Limited | 20. Thai Summit Neel Auto (P) Ltd |
| 3. JBM Ogihara Automotive India Limited | 21. Arcelor Neel Tailored Blank (P) Ltd |
| 4. Neel Metal Products Limited | 22. Gurera Industries Ltd. |
| 5. ANS Steel Tubes Limited | 23. JBM Fanalca Environment Management Private Limited |
| 6. Neel Metal Fanalca Environment Management Private Limited | 24. Satish Buildwell (P) Ltd |
| 7. ANS Holding Private Limited | 25. Gurera Udyog Limited |
| 8. JBM Industries limited | 26. SMC Credits Limited |
| 9. JBM Motors Limited | 27. Unitech Sai Private Limited |
| 10. JBM Projects and infrastructure Private Limited | 28. Shreeaumji Infrastructure And Projects Private Limited |
| 11. Samman Properties Private Limited | 29. Zeal Impex And Traders Private Limited |
| 12. JBM Builders Private Limited | 30. Valour Construction Ltd |
| 13. JBM International Limited | 31. Focal Leasing And Credits Limited |
| 14. Multivision Constructions (P) Limited | 32. Zeal Impex And Traders Private Limited |
| 15. JBM MA Automotive (P) Limited | 33. Amity Infotech Private Limited |
| 16. JBM Cadmium (P) Ltd | 34. Nap Investment & Leasing Private Limited |
| 17. JBM International Ltd | |
| 18. A to Z Securities Limited | |

ANNEXURE - I

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

REASERCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

Form B

Research & Development (R & D)		
1.	Specific area in which R&D work is carried out	- The company has been constantly working towards Research & Development capabilities.
2.	Benefit derived as a result of the above R & D	- The R & D activities of the Company include the development of processes of sheet metal component forming by designing and manufacturing of intricate press tooling, welding fixtures & gauges and the development and assembly of Special Purpose Vehicle (SPV) to the acceptability levels of the customers who are of international standing.
3.	Future plan of action	- The Company's research & development activities includes up gradation of technology, modification of products to re-establish the benchmark performance in the constantly changing environment, developing intricate dies and tools, components and the development and assembly of Special Purpose Vehicle (SPV) for customers, cost reduction by value engineering etc.
4.	Expenditure on R & D:	- As the company has no separate R & D Cell, the expenditure on these R&D activities can not be ascertained separately.
Technology Absorption, Adaptation and Innovation		
1.	Efforts, in brief made for the technology absorption, adaptation and innovation	The company has not bought any technology from outside. However, it has undertaken product developments on its own and is geared to supply components, sub-assemblies and Special Purpose Vehicle (SPV) to the multinational OEMs in India and abroad to their quality levels.
2.	Benefits derived as a result of the above e.g. product improvement, cost reduction, product development, import substitution	This has resulted in the saving on account of manpower and increased productivity.
3.	In case of imported technology (imported during the last 5 years from the beginning of the financial year), the following information:	No Import of technology
(C) FOREIGN EXCHANGE EARNINGS AND OUTGO		
1.	Activities relating to exports	The company is doing the export activities, both direct and deemed export.
2.	Total foreign exchange used and earned	Foreign exchange earnings were ₹1441.73 lacs (Previous Year was ₹481.26 lacs) and outgo on account of capital goods, raw materials & spares, traveling, repair & maintenance, interest, jobwork charges, Freight, Warehouse & Other Charges were ₹268.52 lacs (Previous Year ₹597.20 lacs).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company was set up to manufacture tools, dies and moulds. In the later years, your Company established a Press Shop for manufacturing Sheet metal components and welded Sub-assemblies to meet the growing requirements of automobile industry.

Presently, your Company is running plants at four locations viz. Faridabad, Greater Noida, Sanand and Nashik. Our esteemed customers include Tata Motors Limited, Mahindra & Mahindra Limited and Ashok Leyland Limited amongst others.

Global Automobile Industry: Changing with Times

Overall, 2010 was a better year for the global automotive industry. Many aspects of the market place either moved forward or were reconciled. With sales rebounding to 6.9 million units, this year was far better than 2009 (one of the hardest years ever). And the good news is that next year is forecasted to be even better.

For the past few years, the automotive industry has been putting a number of measures in order to respond challenges of globalization, economic uncertainty, new technologies and increasing consumer demands for sustaining profitability and higher shareholder value.

The opening up of the auto sector to global competition has been a boon for the auto sector. Global competition has brought in higher standards of quality, encouraged higher productivity through best management practices as well as best practices on the shop floor. Japanese concepts like 5S, SMED, PPM levels of quality, Kaizan, Poka Yoke etc. are now well known and common terms in the automotive industry. Maruti was the first company that brought in these concepts to the Indian automotive industry.

Scenario in BRIC Countries

For at least the next decade, the future of the automotive industry lies in the BRIC countries. Together, Brazil, Russia, India, and China will account for more than 30 percent of the world's auto sales in 2014. Whereas auto sales in the United States, Europe, and Japan will grow only moderately from early 2009 through 2014, at an average rate of some 2 percent per year, sales in the BRIC countries will grow by more than 6 percent per year, BCG predicts.

Yet, although virtually all multinational automotive OEMs and tier 1 suppliers have set up operations in the BRIC countries, these companies are not fully capturing those markets' strategic potential because their operations are not deeply localized.

In 2009, Brazil's auto market grew 11 percent, India's 13 percent, and China's a staggering 42 percent—while Russia's market shrank by 48 percent. The first three markets will continue growing relatively steadily through 2014. While Brazil's market will grow at about 3 percent per year, China's market will grow at about 5 percent per year and India's at about 9 percent per year. In contrast, auto sales in Russia, which dropped by one-half in 2009, are expected to stabilize in 2010 and then grow some 15 percent per year through 2014. The Russian market's development is hard to predict, however, because it will hinge on external factors, such as prices of raw materials.

Source: Boston Consulting Group-GAI

Indian Automobile Industry: An Overview

The Automotive Industry has covered substantial ground to occupy a prominent place, emerging as one of the key sectors of the Indian Economy. Due to the subterranean forward and backward linkages with several other industry sectors, the automotive sector has a strong domino effect across various sectors and is further propelling inclusive growth in the Indian economy. The dynamic Indian automotive industry has ably demonstrated this catalytic ability by producing a wide variety of world class vehicles in the form of passenger cars, light, medium and heavy commercial vehicles, multi-utility vehicles such as off-roaders, scooters, motorcycles, mopeds, three wheelers, tractors etc., even at a time when the global economy was reeling under a depressed business environment.

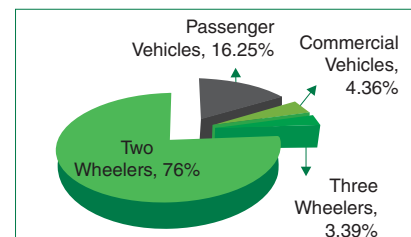
The Industry is now working in terms of the dynamics of an open market. Many joint ventures have been set up in India with foreign collaboration, both technical and financial with leading global manufacturers. Also a very large number of joint ventures have been set up in the auto-components sector and the pace is expected to pick up even further.

The Industry ended the Financial Year 2010-11 on a positive note with cumulative production data for April-March 2011 showing a production growth of 27.45 percent over same period last year.

The industry produced 17,916,035 million vehicles of which share of two wheelers, passenger vehicles, three wheelers and commercial vehicles were 75 percent, 17 percent, 4 percent and 4 percent respectively.

Domestic Market Share in 2010-2011

	2010-2011	Growth (in %)
Passenger Vehicles	16.25	2.46
Commercial Vehicles	4.36	0.93
Three Wheelers	3.39	(5.31)
Two Wheelers	76	(0.30)



Source: Society of Indian Automobile Manufacturers

Domestic Sales

The growth rate recorded for Domestic Sales for 2010-11 was 26.17 percent amounting to 15,513,156 vehicles.

Passenger Vehicles segment grew at 29.16 percent during April-March 2011 over same period last year. Passenger Cars grew by 29.73 percent, Utility Vehicles grew by 18.87 percent and Multi-Purpose Vehicles grew by 42.10 percent in this period.

The overall Commercial Vehicles segment registered growth of 26.97 percent during April-March 2011 as compared to the same period last year. While Medium & Heavy Commercial Vehicles (M&HCVs) registered growth of 31.78 percent, Light Commercial Vehicles grew at 22.88 percent.

Three Wheelers sales recorded a growth rate of 19.44 percent in April-March 2011. While Passenger Carriers grew by 22.03 percent during April-March 2011, Goods Carriers registered growth of 9.45 percent.

Two Wheelers registered a growth of 25.82 percent during April-March 2011. Mopeds, Motorcycles and Scooters grew by 23.53 percent, 22.86 percent and 41.79 percent respectively.

Exports

During April-March 2011, overall automobile exports registered a growth rate of 29.64 percent. Passenger Vehicles registered marginal growth at 1.64 percent in this period. Commercial Vehicles, Three Wheelers and Two Wheelers segments recorded growth of 69.51 percent, 55.86 percent and 35.04 percent respectively during April-March 2011.

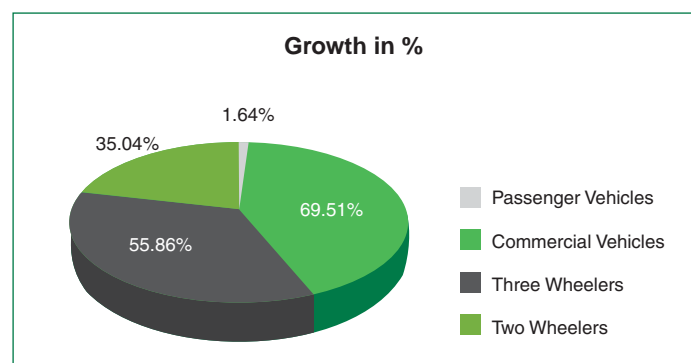
As per SIAM estimates, the industry will continue to see a healthy growth rate estimated 12%-15% in FY 2012. The auto industry has already made huge investments in the country and keeping pace with the growing demand for vehicles in all segments, e.g. passenger cars, two or three wheelers and commercial vehicles.

With demand of auto components from not just domestic but even foreign OEMs rising, the auto-component industry would need to ramp up capacities to meet the growing domestic and export demand. This would require constant investments in the component sector, especially at the Tier 2 and 3 levels where we are seeing capacity constraints. In addition, the component industry will also have to upgrade technology, quality levels and develop product development capabilities to design and manufacture the next generation of components.

Export Market of Automobile Industry in 2010-2011

	2009-2010	2010-2011	Growth (in %)
Passenger Vehicles	446,145	453,479	1.64
Commercial Vehicles	45,009	76,297	69.51
Three Wheelers	173,214	269,967	55.86
Two Wheelers	1,140,058	1,539,590	35.04

Source: Society of Indian Automobile Manufacturers

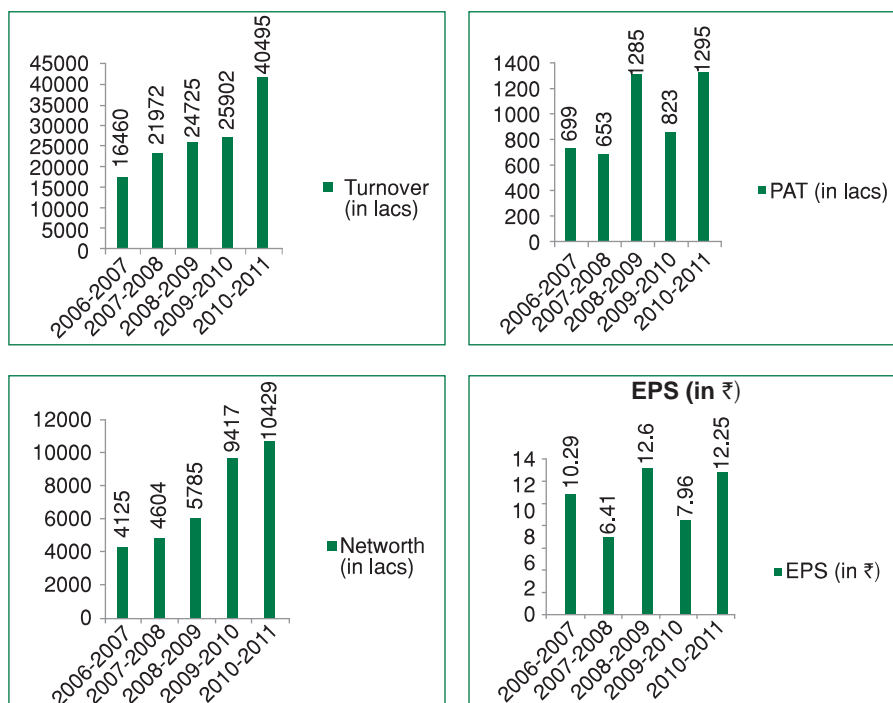


Financial/ Operational Performance & Analysis (Consolidated)

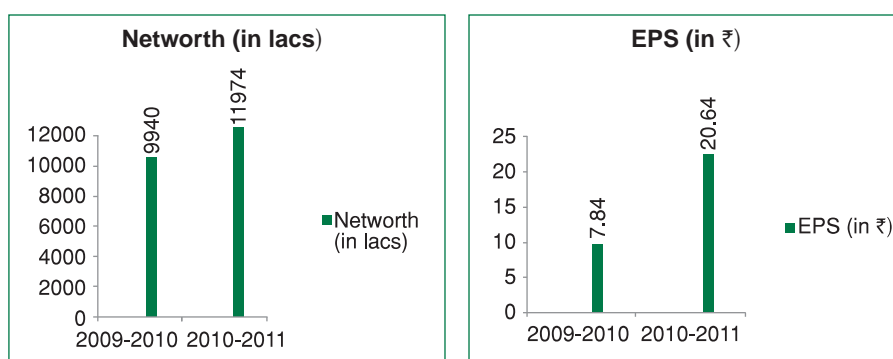
The highlights of your Company's performance in the current fiscal year are hereunder:

1. Gross Sales has increased to ₹81949.80 lacs in 2010-2011 from ₹44885.86 lacs in 2009-2010, an increase of 82.58%.
2. PAT has increased to ₹2484.87 lacs in 2010-2011 from ₹945.78 lacs, an increase of 162.68%;
3. Net worth of the Company as on March 31st, 2011 is ₹11974.67 lacs as compared to ₹9940.72 lacs, an increase of 20.46%.
4. Book value per share has increased to ₹117.41 against ₹97.47 in previous year.

Standalone performance of your Company for past 5 years.



Consolidated performance of your Company for past 2 years.



Segment wise/ Product wise performance

The segment wise performance of the Company (Consolidated) during 2010-11 is as follows:

Particulars	Sheet Metal Division		Tool Room Division		SPV Division	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Gross sale	34038.90	20027.89	5543.93	4196.92	912.78	1678.18
Gross Profit(loss) before unallowable expenditures & interest	2630.33	1855.84	1009.49	864.70	(84.81)	(141.16)

(₹ in Lacs)

Opportunities & Threats

Indian Automotive Industry is one of the largest in the world and also one of the fastest growing globally both in terms of vehicle

production and vehicle sales. Some of the important factors which make India, a favourite destination are:

India holds enormous potential in the automobile sector which includes the automotive and auto ancillary segments, owing to its technological, cost and manpower advantage.

India has a well-developed, globally competitive auto ancillary sector and established automobile testing research and development centers.

Automotive companies can leverage on India's acknowledged skills in information technology.

India enjoys a natural advantage and is among the lowest cost producers of steel in the world.

India is also geographically advantaged to have proximity to other Asian markets and emerging markets of Africa. Additionally, shipments to Europe are relatively cheaper than from countries like Brazil and Thailand.

India is a favorite destination for investments owing to the low skilled labor cost compared to many developing economies in the world.

The Indian automobile sector is expected to hit the fast lane of growth driven by factors like a strong economic rebound, increase in availability of finance and new product launches both by existing domestic and global players and those entering the market.

The Indian automobile sector is expected to hit the fast lane of growth driven by factors like a strong economy, increase in availability of finance and new product launches by existing and Global players including those who have recently entered the market.

It is expected that the auto sector will report a sequential spurt in revenue growth on high volumes and innovative pricing in the near term. The substantial growth in volumes is expected to boost sales growth of the automotive sector.

The key to success in the industry is to improve labour productivity, labour flexibility, and capital efficiency. Having quality manpower, infrastructure improvements, and raw material availability also play a major role. Access to latest and most efficient technology and techniques will bring competitive advantage to the major players. Utilizing manufacturing plants to optimum level and understanding implications from the government policies are the essentials in the Automotive Industry of India.

India manufactures over 17.5 million vehicles (including 2 wheeled and 4 wheeled) and exports about 2.33 million every year. The dominant products of the industry are two wheelers with a market share of over 75% and passenger cars with a market share of about 16%. Commercial vehicles and three wheelers share about 9% of the market between them. About 91% of the vehicles sold are used by households and only about 9% for commercial purposes. The industry has attained a turnover of more than USD 35 billion and provides direct and indirect employment to over 13 million people.

The supply chain of this industry presents its own set of opportunities and threats. The orders of the industry arise from the bottom of the supply chain i. e., from the consumers and go through the automakers and climbs up until the third tier suppliers.

The journey of growth is not a smooth drive but is marred by hurdles and challenges on its way which creep in time and again. The biggest impediments to growth are inadequate infrastructure; technology (availability and cost of implementation) and likely roll back of the fiscal stimulus package are challenges that need to be addressed for the growth to be sustainable.

Rising Interest rates, runaway inflation, rising input costs, shortage in components and increase in the crude oil prices add to the difficulties thus making stupendous growth a distant reality.

Also, the need of the hour is that the Government of India should allocate more towards infrastructure development for the auto, auto component and ancillary manufacturers. Similarly, with improved road infrastructure in the country, the sale of vehicles would also get a thrust. Other fiscal incentives such as tax holidays, exemptions etc. would also help the industry to grow at a faster pace.

The level of success of new launches, rising income levels and availability of finance both in the two and four-wheeler segments are likely to determine the sales trajectory of the auto players in the near future.

However, the effects of the automobile on everyday life have been a subject of controversy. While the introduction of the mass-produced automobile represented a revolution in mobility and convenience, the modern consequences of heavy automotive use contribute to the use of non-renewable fuels, a dramatic increase in the rate of accidental death, social isolation and the disconnection of community, rise in obesity, the generation of air & noise pollution, arguably the leading cause of urban sprawl and facilitate urban decay.

Environmental impact: For much of the early history of the car, no consideration was given to various environmental effects caused by the automobile. Automobiles are a major source of air pollution and noise pollution. With increased road-building came negative effects on habitat for wildlife. New roads built through sensitive habitat can cause the loss or degradation of ecosystems.

To understand, analyze and deal with environmental factors, we can use the "PESTEL" framework that classifies all environmental factors in the following six groups.

Some of the major environmental factors affecting automobile industry in each of these groups are described below.

Political

- Political climate in different countries producing buying automobiles regarding policies on import, export and manufacture of automobiles and automobile components. This will also include policies on allowing setting up of manufacturing plants by foreign companies.
- Stability of governments. This may affect the future conditions in a country.
- Taxation policies.

Economical

- The population figures and automobile buying capacity of people.
- Level of economic activity that affects need for commercial use of automobiles

Socio-cultural

- Lifestyle and preferences of people that impact their choice of types of automobiles.
- Social norms that impact the decision to own and use automobiles versus other means of transport.

Technological

- Technology relating to automobile designs
- Technology of automobile manufacture
- Technological developments that may increase or decrease use of automobiles. For example, Internet increase number of people working from home and thus reduce automobile use for commuting.

(Physical/Geographic) Environmental

- Physical conditions effecting ability to use automobiles of different types. This will also include state infrastructure such as roads for driving vehicles.

Legal

- Legal provision relating to environmental pollution by automobiles.
- Legal provisions relating to safety measures.

Risks & Concerns

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

Macroeconomic policies affecting the auto industry

In most countries, the level of automotive production is closely correlated to domestic or regional automotive sales and production is closely related to disposable income levels, interest rates, finance availability and consumer confidence. Production in particular often has long lead times, so consistent and predictable economic progress is important. Therefore, national macroeconomic and monetary policies which produce stability and consistency in GDP per capita growth are generally very significant factors affecting the level of automotive sales and production.

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

- a. Stable national economic performance;
- b. Consistent national economic and regulatory policies;
- c. Transparent economic and regulatory policies;
- d. Commitment by the government to the auto sector;
- e. Monetary policies which promote low interest rates;
- f. Stability in exchange rate;
- g. Improvement of automobile infrastructure;

- h. Low to moderate inflation.

Microeconomic policies affecting the auto industry

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

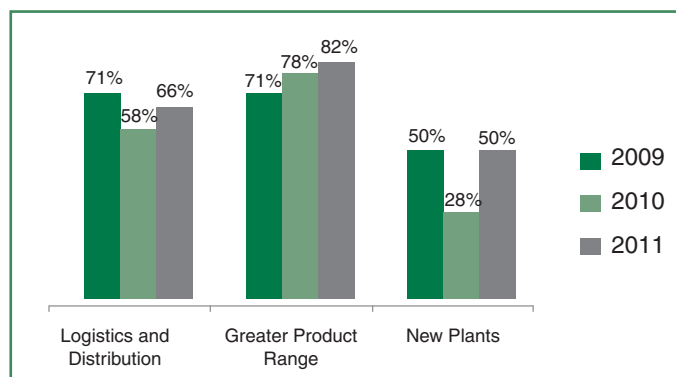
- a. Open trade and investment environment to foster economically rational decisions based on market principles, rather than government policies;
- b. Consistency, transparency and non-discrimination in automotive policies;
- c. Harmonization & Modernization of Custom Procedures;
- d. Harmonization of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

Future Outlook

With the capital markets still recovering, automotive companies are seeking strategic partners to help fund the rising number of technological innovations. These alliances may shift responsibilities, with suppliers investing heavily in product improvements and new manufacturing technologies in order to undertake some assembly tasks that are currently in the scope of OEMs.

Suppliers see new manufacturing technologies as another imperative, which could signal a desire to climb up the value chain and establish themselves as a contract manufactures.

COMPARABLE INVESTMENT STRATEGIES FOR SUPPLIERS



Internal Control Systems and their Adequacy

The Company has an adequate and effective system of internal control implemented by Management having regard to the size and nature of the business activities of the Company to achieve operational efficiency, accuracy, compliance of policies and procedures, laws and regulations and close monitoring. The exercise is carried out across all the location of the Company aimed at promoting effectiveness & efficiency of operations while emphasizing compliance to policies, applicable laws & regulations to achieve business objectives including performance and profitability goals and safeguarding of resources. The Company also carries out management audit which ensures the control and safeguarding of the Company's assets against loss through inefficiency, waste, negligence or fraud. The Company is well structured and policy guidelines are well documented with pre-defined authority.

The Audit Committee of the Company is reviewing the internal controls including the internal audit reports, financial result of the Company at least once in every three months and provides its support to all operational and finance functions of the Company through regular monitoring and suggestions. The company has exhaustive budgetary control system. Actual performance is reviewed with reference to budget by the Management review team on a monthly basis.

Human Resources

JBM is a people centric organization. Our employees are greatest strength and assets; therefore we want them to be at their best. Their competency and trained workforce is the key reason for growth of the company. To enhance the productivity, company has developed their people by providing innovative and professional environment. It has an efficient recruitment policy and human resource management processes, which enables to attract and retain competent & talented employees. It has in place various employee motivation & retention strategies with focus on quality recruitment. When we hire people, we look for positive attitude and exemplary behaviour so that they can imbibe our value system.

To keep ourselves abreast with time and technology, we regularly assess the competencies important for the development of our business and arrange for appropriate training and development programmes to cater different learning needs of our employees in the areas of technology, management, leadership, cultural and other soft skills. The company is constantly working on development of competencies and teamwork of concerned employees at all levels. We are a learning organization. We have an environment, which helps to leverage the knowledge of every employee.

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

The Company had 558 permanent employees as on 31st March 2011. The industrial relations remained peaceful and cordial throughout the year.

Cautionary Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be 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 materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy

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

2. Board of Directors

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

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

During the financial year 2010-11, five board meetings were held on 19th April 2010, 28th May 2010, 11th August 2010, 11th November 2010 and 12th February 2011.

The details of Directors as on 31st March 2011 is as follows:

Name of Directors	Category of Directorship	Promoter / Independent Director	Directorship in other Public Companies (Nos.) *	Committees**		Attendance at Board Meetings		Attendance at last Annual General Meeting
				Member (No.)	Chairman (No.)	No. of Meetings held	No. of Meetings attended	
Mr. S. K. Arya	Non-executive Chairman	Promoter	14	3	1	5	4	Yes
Mr. Ashok Kumar Agarwal	Non-executive Director	Independent	5	3	1	5	2	No
Mr. M.K. Aggarwal	Non-executive Director	Independent	2	1	1	5	5	Yes
Mr. H.R. Saini	Executive Director	Promoter	4	2	-	5	5	Yes
Mr. Nishant Arya	Non-executive Director	Promoter	7	1	-	5	4	Yes

* Excludes directorship of private limited companies, alternate directorship including JBM Auto Ltd.

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

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

Board / Committee Procedure

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

3. Audit Committee

The Committee consists of the following Members:

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

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

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

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

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

During the financial year 2010-11, five Committee meetings were held on 19th April 2010, 28th May 2010, 11th August 2010, 11th Nov 2010, and 12th February 2011. Details of attendance are as under:

S.No.	Name of Director	No. of meetings held during the year	No. of meetings attended
1.	Mr. Ashok Kumar Agarwal	5	2
2.	Mr. M.K. Aggarwal	5	5
3.	Mr. S. K. Arya	5	5

4. Remuneration Committee

The Committee consists of the following Members:

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

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

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

During the financial year 2010-11, One Meeting of the Remuneration Committee was held on 28th May, 2010. Details of attendance are as under :

S.NO.	Name of Director	No. of meetings held during the year	No. of meetings attended
1.	Mr. M.K. Aggarwal	1	1
2.	Mr. S. K. Arya	1	1
3.	Mr. Ashok Kumar Agarwal	1	-

The details of remuneration paid to the Executive Directors and sitting fees paid to other non-executive directors during the financial year 2010-11 are as under: -

(₹ in lacs)

Remuneration paid to Executive Director		Sitting Fee paid to Directors			
Particulars	Mr. H.R. Saini	Name of Director	Board Meeting	Committee Meeting	Total
Salary and other Perquisites/ Allowances	24.20	Mr. S. K. Arya	0.20	0.25	0.45
		Mr. Ashok Kr. Agarwal	0.10	0.10	0.20
Contribution to Provident and other Funds	1.80	Mr. M. K. Aggarwal	0.25	0.25	0.50
		Mr. Nishant Arya	0.20	-	0.20
Total	26.00		0.75	0.60	1.35

5. Subsidiaries

During the financial year 2010-11, one of the Director of the Company has appointed as an independent Director on the Board of Directors of JBM Auto System Pvt. Ltd.

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

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

6. Shareholders/Investors' Grievance Committee

The Committee consists of the following Members:

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

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

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

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

The Company has obtained following Certificates from Practicing Company Secretary:

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

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

The Company has no pending complaints/transfers of shares, excluding cases under objections.

Share holding of Directors

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

7. Annual General Meeting (AGM)

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

AGM for the financial year	Date & Time of AGM	Venue
2009 – 2010	20th September, 2010 at 12.30 P.M	M.P.C.U. Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, Delhi-110054
2008 – 2009	4th September, 2009 at 11.00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi - 110003
2007 – 2008	6th September, 2008 at 12.30 P.M.	M.P.C.U. Shah Auditorium, Shree Delh-i Gujrati Samaj Marg, Civil Lines, Delhi-110054

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

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

2008-2009 - Pursuant to section 372 A of the companies Act, 1956, Investment of the company's funds by acquiring Equity Shares by subscription, purchase or otherwise in JBM Ogihara Automotive India Limited(JOAI) upto ₹10 Crores (Excluding stamp Duty).

2007-2008 - Pursuant to section 372 A of the companies Act, 1956, Investment of the company's funds to acquire Equity Shares by subscription, purchase or otherwise of JBM MA Automotive Pvt. Ltd., Indo Toolings Pvt. Ltd. and Proposed joint venture Company (to be incorporated) (pursuant to joint venture agreement between Ashok Leyland and the Company).

8. Disclosures

- During 2010-2011, other than the transactions entered into in the normal business course and reported as the related party transactions in the annual accounts, the Company had no materially significant related party transactions with its promoters/director/senior management or relatives etc., which could have a potential conflict with the interest of Company at large.
- The Audit Committee is briefed all related party transaction undertaken by the Company.
- The Senior Management has made a disclosure to Board that they did not have personal interest in any material financial and commercial transactions that could result in conflict with the interest of Company at large.
- In the preparation of financial statements for the year 2010-11, the Company has followed Accounting Standard as notified under Companies (Accounting Standard) Rules, 2006 and treatment prescribed therein.
- The Company has a Code of Conduct for its Board and Senior Management (as per Corporate Governance Code) and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.
- There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.
- The Company does not have a formal Whistle Blower Policy.
- The Company is complying with mandatory requirements and partly complies with non-mandatory requirements such as:
 - ▶ re-imbursement of expenses to non-executive chairman;
 - ▶ remuneration Committee of independent & non- executive directors;
 - ▶ though half yearly results with summary of significant events in last six-months are not sent to each household of shareholders, However the quarterly results are posted on the websites of Company, Stock Exchanges and www.sebiedifar.nic.in. and are also published in the Newspapers.
 - ▶ the financial statements of the Company are without qualification except in case of consolidated accounts with subsidiaries and joint ventures.

9. Means of Communication

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

Pursuant to Clause 51 of the Listing Agreement, all data related to quarterly as well as annual financial results, shareholding pattern etc. are hosted on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by SEBI namely www.sebiedifar.nic.in.

10. Management Discussion & Analysis

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

11. General Shareholders' Information

• Date & Venue of AGM (Tentative)

Day, Date & Time	: Thursday, 15th September, 2011 at 12.30 p.m.
Venue	: M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, New Delhi-110054
Date of Book Closure	: Monday, 5th September, 2011 to Thursday, 15th September, 2011 (both days are inclusive)

• Financial calendar (tentative and subject to change)

Financial Year	: 1st April to 31st March
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• Financial reporting for the:

1st Quarter	: July/ August
2nd Quarter	: October / November
3rd Quarter	: January/ February
Annual Results	: April / May

• Listing on Stock Exchange

Presently shares of your Company are listed at:

Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Tel No. 022 - 22721233-34 Fax 022-22722061/ 41/39/37 Security Code: 532605	The National Stock Exchange of India Limited Exchange Plaza, Plot No.- C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-51, Tel No. 022- 26598235/36 (NSE) Fax 022- 26598237/ 66418125/ 126 Security Code: JBMA
ISIN NO. for NSDL & CDSL : INE 927D 01010	

The listing fees have already been paid to BSE and NSE and annual custodian fees has been paid to NSDL and CDSL for the financial year 2011-12.

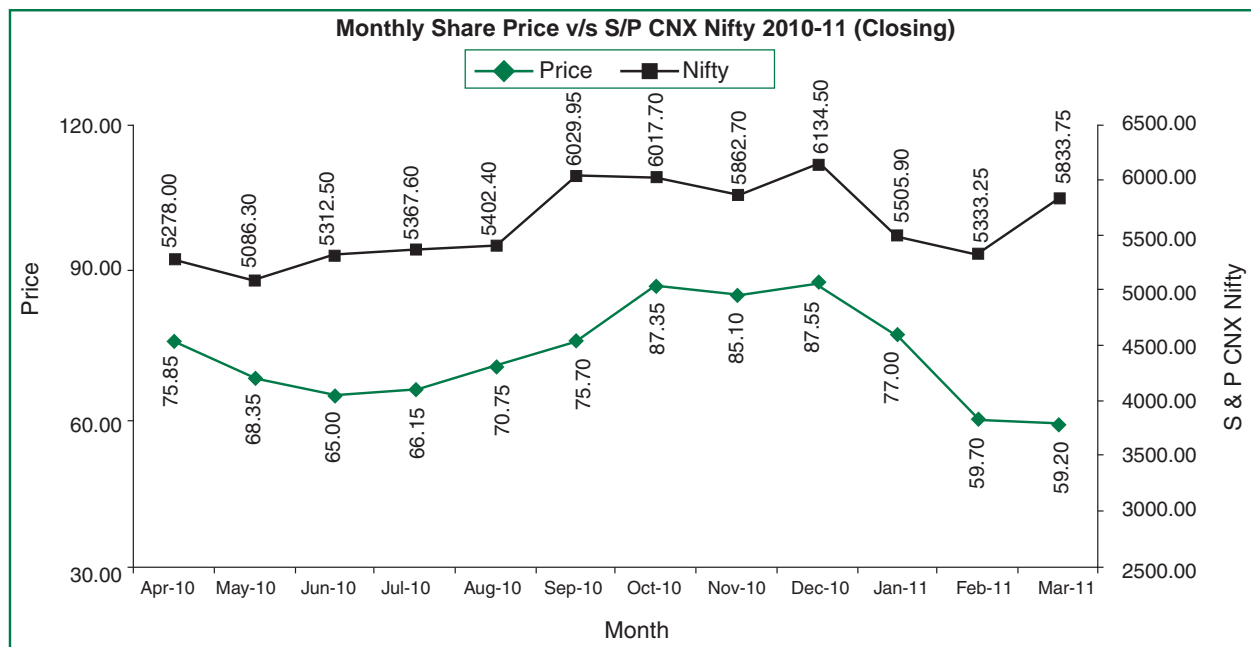
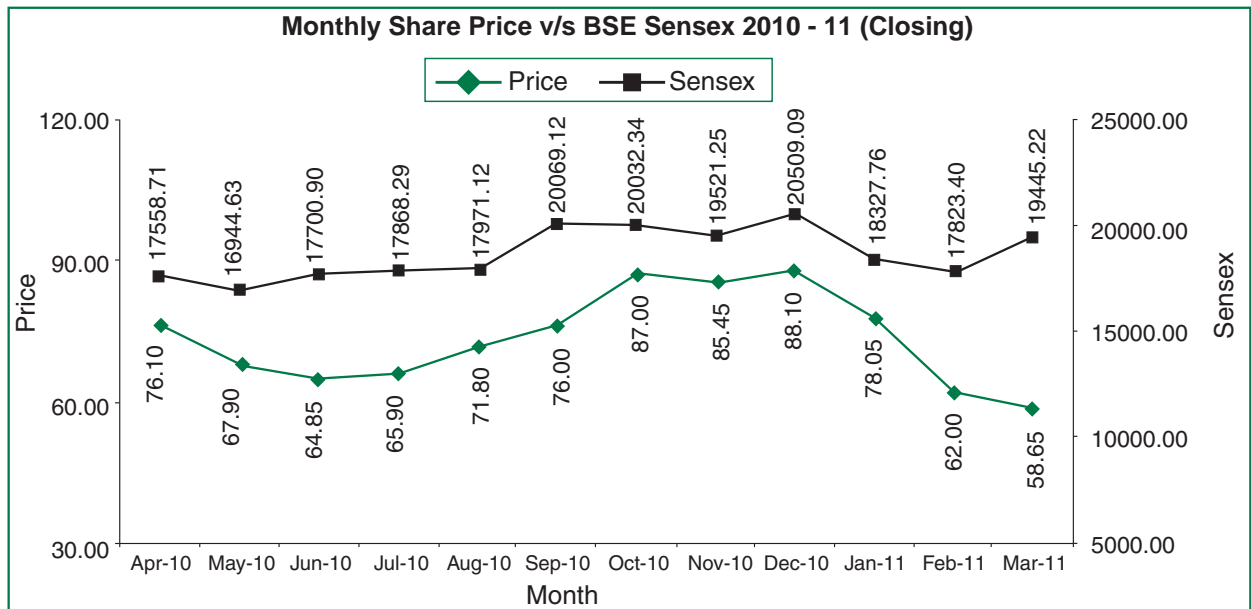
• Stock Market Data

Share Price Movement:

The monthly High/Low Prices and Volume during the financial year 2010-11 is as follows :-

Month	Bombay Stock Exchange Limited			The National Stock Exchange of India Ltd.		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
APR-2010	78.35	67.20	190506	78.45	67.55	210661
MAY-2010	81.90	63.60	257671	82.45	66.05	215235
JUN-2010	70.85	63.10	83642	69.70	62.50	84918
JUL-2010	77.55	63.00	269753	77.40	62.50	420570
AUG-2010	72.75	63.55	167255	75.70	64.60	201126
SEP-2010	79.95	71.10	245986	80.05	70.50	302777
OCT-2010	99.30	75.00	668279	99.40	76.10	845967
NOV-2010	103.80	81.55	502727	104.95	82.35	484776
DEC-2010	93.00	74.00	73859	92.50	72.00	71124
JAN-2011	91.90	71.75	48480	92.25	74.70	58884
FEB-2011	81.10	56.55	43486	79.40	56.60	49125
MAR-2011	65.00	56.00	200457	64.90	55.85	57254
Total			2752101			3002417
Volume as % of capital			26.98%			29.44%

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



- Distribution of Shareholding as on 31st March 2011:

No. of equity shares held	Shareholders		Shares	
	Nos.	Percentage	Nos.	Percentage
1 - 500	6162	94.05%	429923	4.22%
501 - 1000	207	3.16%	159386	1.56%
1001 - 2000	85	1.30%	129694	1.27%
2001 - 3000	34	0.52%	87111	0.85%
3001 - 4000	12	0.18%	43275	0.42%
4001 - 5000	9	0.14%	41059	0.40%
5001 - 10000	13	0.20%	86328	0.85%
10001 - 50000	13	0.20%	293153	2.87%
50001 - 100000	5	0.08%	358446	3.51%
100000 and Above	12	0.18%	8570466	84.03%
Total	6552	100.00%	10198841	100.00%

Category of Shareholders holding shares in a company as on 31st March, 2011

Category	No. of Shareholders	Percentage	Shares Held	Percentage
Physical	2301	35.12%	93671	0.92%
NSDL	2858	43.62%	2316627	22.71%
CDSL	1393	21.26%	7788543	76.37%
Total	6552	100.00%	10198841	100.00

Valuation of Shares: The closing price of the Company's share as at 31st March, 2011 at:

Name of the stock exchange	Share price (Closing)
The Bombay Stock Exchange Limited	58.65
The National Stock Exchange Association Ltd.	59.20

Market Capitalization: Based on the closing quotation of ₹59.20 as at March 31, 2011 at NSE, market capitalization of the Company works out to be ₹6038 lacs.

Shareholding Pattern as on 31st March 2011:

No. of Equity Shares held	Shares held (Nos)	Voting Strength (%)
Promoters including persons acting in concert	6322586	62.00
Mutual Funds and UTI	300	0.01
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	249987	2.45
FII's	120	0.00
Private Corporate Bodies	2366580	23.20
Indian Public	1216949	11.93
NRI's/OCBs	42319	0.41
Total	10198841	100.00

12. Outstanding ADR/GDR/Warrants or any convertible instruments

As on 31st March 2011, the Company has no outstanding GDR/ADR/Warrants/or any other convertible instruments

Addresses:

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

Mr. N.K. Goel Chief Financial Officer & Company Secretary JBM Auto Limited 610, Hemkunt Chamber 89, Nehru Place, New Delhi - 110 019 Tel.: 011-26427101-06 Fax: 011-26511512 E-mail : nkgoel@jbm.co.in	MCS Limited (Unit: JBM Auto Ltd.) F – 65, 1st Floor, Okhla Industrial Area, Phase-I New Delhi - 110020 Tel No. 011-41406149 Fax No. 011-41709881 E-mail : mcsdel@vsnl.com
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Pursuant to SEBI Circular, the Company has created an email ID exclusively for redressal of investor's grievances. The investors can post their grievance to the specific email ID i.e jbminvestor@jbm.co.in

13. Corporate Governance Certificate

The Auditor's certificate on corporate governance is attached.

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

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

To the best of my knowledge and belief and information available with me, I hereby declare that all Board Member and Senior Management Personnel of M/s. JBM Auto Limited have complied with Code of Conduct during the financial year 2010-11 (as applicable on them).

Date : 30th May, 2011

Place : New Delhi

H. R. Saini

Executive Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **JBM Auto Limited** for the year ended on 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 statement of the Company.

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

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

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

For **Mehra Goel & Co.**

Chartered Accountants

Place : New Delhi

Date : 10th August, 2011

Geetika Mehra

Partner

M. No. 510525

CEO AND CFO CERTIFICATION

CEO and CFO Certification

15-04-2011

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

Sub: Annual Certificate of Compliance for FY 2010–11

Sir,

We, S. K. Arya, Chairman & Managing Director and N.K. Goel, CFO & Company Secretary of the Company hereby states that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st march 2011 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.

S.K. ARYA
(Chairman and Managing Director)

N.K. GOEL
CFO & Company
Secretary

AUDITOR'S REPORT

To the Members of JBM Auto Limited

We have audited the attached Balance Sheet of JBM Auto Limited as at March 31, 2011, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test check basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion:-

1. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of audit, we report that in our opinion:-

- i)
 - a) Proper records for fixed assets showing full particulars including quantitative details and situation have been maintained. 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.
 - b) No substantial parts of fixed assets have been disposed off during the year, which have affected the going concern.
- ii)
 - a) The inventory of the Company in its possession has been physically verified by the management at reasonable intervals. Stocks in the possession and custody of third parties and stocks-in-transit as on March 31, 2011 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. The Company is maintaining proper records of inventory.
 - c) 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)
 - a) The company has not granted any loans, secured or unsecured to companies, firms or other parties as covered in the register maintained under section 301 of the Companies Act, 1956.
 - b) The Company has not taken any secured loans from Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

In respect of unsecured loans taken from two parties covered in the register maintained under section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of loans are prima facie not prejudicial to the interest of the Company. The maximum amount outstanding at any time during the year is ₹1480 lacs and year end balance ₹1380 lacs. The principal and interest amount is repayable on demand.
- iv) There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control systems.
- v)
 - a) In our opinion the particulars of contracts or arrangement referred to in Section 301 of the Act have been entered into the register maintained under section 301 of the Companies Act, 1956.
 - b) The transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard that in respect of certain items alternative sources are limited and others are made with reference to price list, quality, delivery schedules and prevailing market prices for such goods and materials or the prices at which transactions for similar goods have been made with other parties.
- vi) The Company has not accepted any deposits during the year covered by Section 58A and section 58AA or any other relevant provisions of the Companies Act, 1956.
- vii) The Company has an adequate internal audit system commensurate with the size and nature of its business.
- viii) On the basis of records produced, we are of the opinion that prima facie, the cost records and accounts prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, have been maintained in respect of a division to which it is applicable. *However, we have not, nor we are required, carried out any detailed examination of such accounts and records.*
- ix)
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it. *However, some delays are noticed in deposit of Tax Deducted at Source and payment of advance tax.*
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at 31-03-2011 for a period of more than six months from the date they become payable.

- c) There are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute except certain demand under Central Excise Act appealed by Company as under: -

Name of the Act	Demand Pertains of the Year	Appeal Pending Before	Amount (₹ in Lacs)*	Nature of Demand
Central Excise Act, 1944	Various years from 1995 to 2001	CESTAT, Delhi	157.04	Excise duty & Penalty
Central Excise Act, 1944	Various years from 2007-08 to 2009-10	CESTAT, Delhi	318.90	Excise Duty & Penalty
Service Tax (Finance Act, 1994)	2003-04	CESTAT, Delhi	4.55	Service Tax & Penalty
		Total	480.49	

* Net of amount paid

- x) The Company has no brought forward losses and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) In our opinion the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not issued any debenture.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable to the Company.
- xiv) The Company is not dealing or trading in shares, securities and debentures.
- xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The term loans have been applied for the purpose for which they were raised.
- xvii) According to the Cash Flow Statement and overall examination of Balance Sheet of the Company, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long term investment, *except ₹ 1883.05 lacs used temporarily 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 Companies Act, 1956.
- 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.

2. We further report that:-

- (i) 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. In our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (ii) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement, dealt with by this report comply with the Accounting Standards referred to in Subsection (3C) of Section 211 of the Companies Act, 1956;
- (iii) On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (iv) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes and the accounting policies thereon give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:-
 - a) in case of Balance Sheet, of the state of the Company Affairs as at March 31, 2011;
 - b) in case of the Profit & Loss Account, of the profit for the year ended on that date; and
 - c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

For MEHRA GOEL & Co.
Chartered Accountants

R.K. MEHRA
Partner
M.No. 6102
FRN.000517N

Place : New Delhi
Dated : 30 May, 2011

BALANCE SHEET AS AT 31 MARCH, 2011

Amount in ₹

	Schedule No.	As at 31 March, 2011	As at 31 March, 2010
SOURCES OF FUNDS			
Shareholders' Funds	1		
Share Capital		151988410	151988410
Reserves and Surplus		890999665	789790158
		1042988075	941778568
Loan Funds	2		
Secured Loans		1720148748	1310663033
Unsecured Loans		261423594	191000000
		1981572342	1501663033
Deferred Tax Liability (Refer Note No. 14)		125837294	117735044
		3150397711	2561176645
APPLICATION OF FUNDS			
Fixed Assets	3		
Gross Block		1692455301	1215116210
Less: Accumulated Depreciation		456310369	392677004
Net Block		1236144932	822439206
Capital Work in Progress		149540499	182332214
		1385685431	1004771420
Investments	4	690837925	662323025
Foreign Currency Monetary item Translation Difference account		-	1024856
Current Assets, Loans and Advances	5		
Inventories		634005318	619549189
Sundry Debtors		1053516024	681709930
Cash and Bank Balances		21688613	5605614
Loans and Advances		426005777	449572952
		2135215732	1756437685
Less: Current Liabilities and Provisions	6	1061341377	863380340
Net Current Assets		1073874355	893057345
		3150397711	2561176645

As per our report attached.

For **MEHRA GOEL & Co.**

Chartered Accountants

S. K. ARYA

Chairman

M. K. AGGARWAL

Director

R.K.MEHRA

Partner

M.No-6102

FRN-000517N

Place : New Delhi

Date : 30 May, 2011

H. R. SAINI

Executive Director

N. K. GOELChief Financial Officer
& Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2011

Amount in ₹

	Schedule No.	Year ended 31 March, 2011	Year ended 31 March, 2010
INCOME	7		
Sales		4049561440	2590299178
Less : Excise duty		409619526	212252459
Net Sales		3639941914	2378046719
Other income		6343232	14481470
Increase/ (Decrease) in Stock	8	(35765543)	177583716
		3610519603	2570111905
EXPENDITURE			
Raw material consumed		2491949596	1733276582
Employees' remuneration and benefits	9	236978298	176615655
Manufacturing, Administrative & Other expenses	10	482570662	361150649
		3211498556	2271042886
Profit before depreciation, Financial Charges & tax		399021047	299069019
Less:			
Financial charges	11	130091391	102073010
Profit before depreciation and tax		268929656	196996009
Less:			
Depreciation		81776446	74606105
Profit before tax		187153210	122389904
Less: Provision for Income Tax			
- Earlier years		110457	50000
- Current year		49375000	47600000
- MAT Adjusted		-	6007067
- Deferred tax		8102250	(13717642)
- Wealth Tax		400	51000
		57,588,107	39990425
Profit after tax		129565103	82399479
Profit Available for Appropriations		129565103	82399479
APPROPRIATIONS			
Proposed Dividend			
- Preference Shares		4000000	1052055
- Equity Shares		20397682	15298261
Dividend Tax			
- Preference Shares		648900	178797
- Equity Shares		3309014	2599940
Transferred to General Reserves		16434983	10000000
Balance carried to Balance Sheet		84774524	53270426
		129565103	82399479
Profit After Tax and Preference Dividend/Dividend Tax		124916203	81168627
Total Number of Equity Shares		10198841	10198841
Basic and Diluted earning Per Share (₹) (Refer Note No. 9)		12.25	7.96
Nominal value of Equity Share (₹)		10	10
Cash Flow Statement	12		
Significant Accounting Policies	13		
Notes on Accounts	14		

As per our report attached.

For **MEHRA GOEL & Co.**
Chartered Accountants

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

R.K.MEHRA

Partner

M.No-6102

FRN-000517N

Place : New Delhi

Date : 30 May, 2011

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Amount in ₹

	As at 31 March, 2011	As at 31 March, 2010
SCHEDULE 1 : SHAREHOLDERS' FUND		
SHARE CAPITAL		
A. AUTHORISED		
1,50,00,000 Equity Shares of ₹10/- each	150000000	150000000
50,00,000 Preference Shares of ₹10/- each	50000000	50000000
	200000000	200000000
B. ISSUED, SUBSCRIBED AND PAID UP		
1,01,98,841 Equity Shares of ₹10/- each, fully paid up	101988410	101988410
50,00,000 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each [Redeemable after 6 years from the date of issue i.e. 26th December, 2009]	50000000	50000000
	151988410	151988410
RESERVES AND SURPLUS		
A. GENERAL RESERVE		
As per last Balance Sheet	11065017	1065017
Add: Transferred from Current year's Profit & Loss Account	16434983	10000000
	27500000	11065017
B. SECURITIES PREMIUM ACCOUNT		
As per last Balance Sheet	350567306	100567306
Add: Received during the year	-	250000000
	350567306	350567306
C. PROFIT & LOSS ACCOUNT		
As per last Balance Sheet	428157835	374887409
Add: Profit/(Loss) during the year	84774524	53270426
	512932359	428157835
	890999665	789790158
SCHEDULE 2 : LOAN FUNDS		
A. SECURED LOANS		
Working Capital Loans from Banks :		
- Cash Credit*	956952127	527230915
- Buyers credit / External Commercial Borrowing**	153353891	199968040
Term Loan from Banks :		
- Foreign Currency Loans***	5610596	95660609
- Other Term Loan****	601487338	486700000
Vehicle Loan from banks*****	2744796	1103469
	1720148748	1310663033
B. UNSECURED LOANS		
- Working Capital Loan From Bank	70423594	-
- From Body Corporate	191000000	191000000
	261423594	191000000

* Secured by hypothecation on pari passu interse between banks by way of first charge on current assets and by way of second charge on entire fixed assets both present and future. Facility of ₹200 Lacs is to be secured by exclusive charge on current assets and second chage on the moveable fixed assets at Sanand unit, further secured by second paripassu charge on immovable property at Nashik. The charge on working capital loan of ₹1696.01 Lacs is yet to be created.

** Buyers credit / External Commercial Borrowings are secured by guarantee of indian Banks.

*** Secured by first pari passu charge on all fixed assets both moveable and immovable and second charge on all current assets.

**** Term Loan of ₹1147.87 Lacs is to be secured by first pari passu charge on the immovable property situated at Nashik unit and by first pari passu charge on the moveable fixed assets including plant & machinery of Sanand unit. The Term Loan of ₹4867.00 Lacs is secured by first pari passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, subleased by Tata Motors Limited & on the moveable fixed assets including plant & machinery of Sanand unit.

***** Secured by hypothecation of specific Vehicles.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 3 : FIXED ASSETS

	Gross Block				Depreciation			Net Block		Amount in ₹
Description	As at 1 April, 2010	Additions during the year	Sale/ Adjustment during the year	Total as at 31 March, 2011	As at 1 April, 2010	For the year	Written Back/ Adjustment on sales	Total as at 31 March, 2011	As at 31 March, 2011	
TANGIBLE ASSETS										
Land (Freehold)	25492881	-	-	25492881	-	-	-	-	25492881	25492881
Land (Lease Hold)	245282067	205988	-	245488055	5267313	983222	-	6250535	239237520	240014754
Building	94319072	96518996	577320	190260748	18874155	4885432	577320	23182267	167078481	75444917
Plant & Machinery	778536675	373068131	13522871	1138081935	329960136	68142643	9376821	388725938	749355997	448576539
Furniture & Fixtures, Office Equipments	41067075	13245129	8256259	46055945	24012412	3597705	6937228	20672889	25383056	17054662
Vehicles	21100294	4349760	4373638	21076416	5984743	1941853	1251722	6674874	14401542	15115551
INTANGIBLE ASSETS										
Computer Software	9318146	16681195	-	25999321	8578245	2225591	-	10803866	15195455	739901
Total	1215116210	504069199	26730088	1692455301	392677004	81776446	18143091	456310369	1236144932	822439206
PREVIOUS YEAR	1203087876	165668056	153639723	1215116210	319829624	74606105	1758726	392677004	149540499	182332214
Capital Work in Progress {Including advance for capital goods, unsecured considered good ₹64763474; (P.Y ₹66978748)}										1004771420

NOTES :

- Adjustment of fixed assets includes loss on Foreign Currency Fluctuation of ₹14,00,190/- (P.Y.: Foreign Currency Fluctuation Gain ₹70,63,250/-)
- Addition to Fixed Assets/CWIP includes Borrowing Cost of ₹3,06,22,033 /- (P.Y.: ₹10,40,072/-)
- The Lease hold Land at Faridabad is yet to be registered in the name of the Company. The Company has obtained "No Objection Certificate" from lessor to get registration of same in the name of the Company.
- Lease hold land includes land at Singur in West Bengal and Land at Bhiwadi in Rajasthan which are yet to be registered in the name of the company.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Amount in ₹

	As at 31 March, 2011	As at 31 March, 2010
SCHEDULE 4 : INVESTMENTS		
LONG TERM INVESTMENTS		
NON TRADE-UNQUOTED		
JOINT VENTURES		
3,04,49,600 Equity Shares of ₹10/- each fully paid up of JBM MA Automotive Pvt Ltd.	304496000	304496000
2,00,000 Equity Shares of ₹10/ each fully paid up of INDO Tooling Pvt. Ltd	2000000	2000000
SUBSIDIARIES		
89,75,990 (P.Y. 41,63,260) Equity Share of ₹10/- each fully paid up of JBM Ogihara Automotive India Ltd	89759900	41632600
1,83,90,000 Equity Shares of ₹10/- each fully paid up of JBM Auto System Pvt. Ltd.	294582025	294582025
SHARE APPLICATION MONEY:		
- JBM Ogihara Automotive India Ltd	-	19567400
- Indo tooling Pvt. Ltd.	-	45000
	690837925	662323025
SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES		
INVENTORIES		
(As taken, valued and certified by the Management)		
Raw material	298640937	246060788
Work in process	290219200	336131748
Stores & spares	11468955	13827432
Scrap	7823254	1593984
Finished Goods	25852972	21935237
	634005318	619549189
SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for more than six months		
- Considered good	200447698	215376384
- Considered doubtful	708361	-
	201156059	215376384
Less: provision for doubtful debts	708361	-
	200447698	215376384
Other debts, considered good	853068326	466333546
	1053516024	681709930
CASH & BANK BALANCES		
Cash on hand	631310	542315
Balances with Scheduled Banks		
- In current account	16466321	947504
- In Fixed Deposit account *	4226418	3810074
- In Unpaid Dividend account	364564	305721
	21688613	5605614
*Under Bank's lien and includes Interest Accrued ₹2,79,074 (P.Y. ₹1,42,858) there on		

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Amount in ₹	
	As at 31 March, 2011	As at 31 March, 2010
LOANS & ADVANCES		
(Unsecured ,considered good)		
Advances recoverable in cash or in kind or for value to be received (Refer Note No. 5)	238379541	221842105
Advance to suppliers		
- Considered good	68877270	77531959
- Considered doubtful	42420	93420
Less: Provision for doubtful advance	(42420)	(93420)
Security deposits	12477400	6811415
Balance with excise authorities	763365	67342
Balance of Modvat/ Cenvat	99716472	135940048
Sales Tax/VAT Recoverable	4751820	7380083
Advance income tax (Net of provision)	1039909	-
	426005777	449572952
SCHEDULE 6 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry creditors (Refer Note No. 3)	601842754	480252111
Advance from customers	339949460	242314786
Other liabilities	68728062	94003614
Interest accrued but not due on loans	22100941	13366995
Unclaimed Dividend	364564	300762
	1032985781	830238268
PROVISIONS		
Proposed Dividend		
- Preference Shares	4000000	1052055
- Equity Shares	20397682	15298261
Dividend Tax	3957914	2778736
Income tax (Net of Advance Tax)	-	14013020
	1061341377	863380340

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Amount in ₹	
	Year ended 31 March, 2011	Year ended 31 March, 2010
SCHEDULE 7 : SALES & OTHER INCOME		
SALES		
Finished goods	3710749830	2387691087
Other sales	279283428	166925508
Job Work/ Other Receipts	59528182	35682583
	4049561440	2590299178
OTHER INCOME		
Miscellaneous Income	5982079	6204830
Profit on Sale of Fixed Assets (Net)	-	7997907
Interest {TDS ₹30912/- (P.Y.: ₹28469/-)}	361153	278733
	6343232	14481470
SCHEDULE 8 : INCREASE/(DECREASE) IN STOCKS		
OPENING STOCKS :		
Work in process	336131748	179012612
Finished goods	21935237	-
Scrap	1593984	3064641
	359660969	182077253
LESS : CLOSING STOCKS :		
Work in process	290219200	336131748
Finished Goods	25852972	21935237
Scrap	7823254	1593984
	323895426	359660969
Increase/(Decrease) in stocks	(35765543)	177583716
SCHEDULE 9 : EMPLOYEES' REMUNERATION & BENEFITS		
Salaries & wages	214021564	162754851
Contribution to ESI, PF and other funds	10657394	8799361
Staff welfare	12299340	5061443
	236978298	176615655

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Amount in ₹	
	Year ended 31 March, 2011	Year ended 31 March, 2010
SCHEDULE 10 : MANUFACTURING, ADMINISTRATIVE & OTHER EXPENSES		
Stores consumed	54486357	43351098
Manufacturing expenses	137791926	108659666
Power & fuel	50112568	38634734
Packing Material	63725180	45121202
Machinery repairs and maintenance	22717983	16063284
Travelling & conveyance	23636212	15370281
Communication expenses	3293078	3512263
Printing & stationery	3531071	3115570
Rent (including land lease rent)	4023789	3251149
Rates & taxes	3876694	2821495
Insurance	882039	1741066
Repair & maintenance		
- Building	3205683	1434945
- Others	10442010	8616938
Auditors' remuneration		
Audit fee	950000	800000
Tax audit fees	350000	300000
Others	500000	400000
Legal & professional	2747153	3236687
Directors' Sitting Fees	135000	135000
Vehicle running & maintenance	3457750	4516966
Business promotion/entertainment	922023	2814645
Bad Debts written off	634245	4005406
Loss on sale of assets/written off (Net)	2885771	-
Provision for Bad & Doubtful Debts	708361	-
Freight & Forwarding charges	70533639	44960869
Bank charges [includes ₹3921018/- as Foreign Exchange Fluctuation Expense/ (Income) {P.Y. ₹(4244025/-)}]	10249532	3527789
Miscellaneous expenses *	6772598	4759596
	482570662	361150649
* Includes ₹7,29,427/- (P.Y. ₹5,24,249/-) on account of Excise Duty Provision on change in stock of Scrap.		
SCHEDULE 11 : FINANCIAL CHARGES		
Interest to Banks		
- on term loans	20132546	13923771
- on others	106493254	95989847
Exchange fluctuation	3465591	(7840608)
	130091391	102073010

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	Year ended 31 March, 2011		Year ended 31 March, 2010	
SCHEDULE 12 : CASH FLOW STATEMENT				
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit before tax and extraordinary items		1,871.53		1,223.90
Adjustment for :				
Depreciation	817.76		746.06	
Financial Charges	1,266.26		1,099.14	
Exchange Rate Fluctuation	(74.70)		-	
Interest income	(3.61)		(2.79)	
Loss on sale of assets (Net)	28.86		(79.98)	
Bad Debts/Provision for Doubtful Debts	13.43		40.05	
		2,048.00		1,802.48
Operating Profit before Working Capital Changes		3,919.53		3,026.38
Adjustment for :				
Trade and other receivables	(3,410.71)		(1,328.61)	
Inventories	(142.51)		(1,665.74)	
Trade payables and other liabilities	1,857.10	(1,696.12)	1,181.72	(1,812.63)
Cash Generated From Operations		2,223.41		1,213.75
Direct taxes paid (Net)	(645.39)	(645.39)	(405.23)	(405.23)
Net Cash From Operating Activities		1,578.02		808.53
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets/CWIP	(4,325.57)		(717.99)	
Proceeds from sale of fixed assets	57.01		1,598.79	
Interest received	3.61		2.79	
Purchase of Investment	(285.15)		(4,818.23)	
Net Cash used in Investing Activities		(4,550.10)		(3,934.64)
C. Cash Flow From Financing Activities				
Proceeds From Issue of Share Capital	-		3,000.00	
Repayment of long term loans	(1,082.01)		(3,998.89)	
(Increase)/Decrease in Foreign Currency Monetary item translation difference a/c	10.24		10.25	
Proceeds from long term loans	1,449.29		5,102.00	
Increase/(Decrease) in Short Term Loans	4,535.31		116.74	
Interest Paid	(1,588.63)		(1,108.95)	
Dividend Paid	(191.29)		-	
Net cash flow from financing activities		3,132.91		3,121.15
Net Increase in Cash and Bank balance		160.83		(4.97)
Cash and cash equivalents (Opening Balance)		56.06		61.02
Cash and cash equivalents (Closing Balance)		216.89		56.06

NOTES:

- 1 Trade and other receivables include loans and advances.
- 2 The previous year figures have been regrouped/ rearranged wherever considered necessary.
- 3 Cash and Cash equivalents consist of Cash in hand, balance with banks and ₹3.65 lacs (Previous Year ₹3.06 lacs) in respect of unclaimed dividend, the balance of which is not available to the company.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention, in accordance with applicable Accounting Standards and provisions of the Companies Act, 1956 as adopted consistently by the Company.

2. Use of Estimates

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

3. Recognition of Income/Expenditure

All income & expenditure having a material bearing on the financial statement is accounted for on accrual basis and provision is made for all known losses and liabilities.

4. Sales

Sales includes trial run sales and are net of discounts and includes excise duty but excludes sales tax.

5. Fixed Assets

Fixed assets are stated at cost, net of modvat/ cenvat/ vat less accumulated depreciation. Cost of fixed assets comprises purchase price, duties, levies, borrowing cost and any directly attributable cost of bringing the assets to its working condition for its intended use. Adjustment arising from exchange rate variation relating to long term monetary item attributable to the depreciable fixed assets are capitalised

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

Advance paid towards the acquisition of fixed assets, and the cost of assets not ready to put to use before the year end, are disclosed under capital work-in-progress.

6. Intangible Assets

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

7. Impairment of Assets

Carrying amount of cash generating units/ assets is reviewed for impairment. Impairment, if any, is recognized where the carrying amount exceeds the recoverable amount being the higher of net realizable price and value in use.

8. Depreciation

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

9. Inventory

Inventories are valued at lower of Cost and Net Realizable Value. The cost of raw material is determined by using First In First Out (FIFO) Method. However, Scrap is valued at net realizable value. Cost of Finished Goods and Work in Process includes cost of conversion and other costs incurred in bringing the inventory to its present location and condition

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

10. Investment

Investments are classified into current and long-term investments. Current investments are stated at lower of cost or market value. Long-term 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.

11. Dividend

Dividend on investments is accounted for as and when the same is received

12. Foreign Exchange Transactions

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

- a) Exchange differences relating to long term monetary items attributable to depreciable fixed assets are capitalized; and
- b) Exchange differences relating to long term monetary item not attributable to depreciable fixed assets are transferred to "Foreign Currency Monetary Item Translation Difference Account" and amortised over its tenor till maturity or March 31, 2012, whichever is earlier.

13. Borrowing Cost

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

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

15. Claims

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

16. Excise Duty

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

17. Income Tax

Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowances or otherwise, provision is made when the said liabilities are accepted by the Company.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

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

In accordance with Accounting Standard 22 – Accounting for Taxes on Income, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and the tax laws that have been enacted or substantively enacted as of the balance sheet date.

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

18. Proposed Dividend

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

19. Provision and Contingent Liability

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

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

20. Financial Derivatives Transactions

In respect of the financial derivative contracts the premium/ interest paid and profit/loss on settlement is charged to profit and loss account. The contracts entered into are marked to market at the year-end and the resultant profit /loss is charged to profit and loss account, except where these relate to fixed assets in which case it is adjusted to the cost of fixed assets.

SCHEDULE 14: NOTES TO ACCOUNTS

1. Contingent liabilities:-

		₹ in lacs	
Sr. No.	Particulars	2011	2010
i)	Letter of Credit outstanding	1189.62	1234.84
ii)	Guarantees issued by the Bank on behalf of the Company	1009.91	374.61
iii)	Claims against the Company not acknowledged as debt	480.49	474.41

- Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹530.64 Lacs (Previous year ₹1468.01 Lacs).
- In terms of Section 22 of Micro, Small & Medium Enterprises Development Act 2006, the outstanding to these enterprises are required to be disclosed. However, these enterprises are required to get registered under the Act. On communicating with them no enterprise has filed any registration certification with the Company. Hence, the disclosure of required information is not applicable.
- The Company has taken land on lease for a period of 35 years, admeasuring 9.579 acre under an agreement commencing w.e.f. 5th May, 2009 with Tata Motors Ltd. on an annual rent payable from the 3rd year onwards. The lease rent paid will be charged to revenue in the year of payment. The lease rent as stipulated in the agreement shall increase periodically.
- Advance recoverable in cash or in kind for value to be received includes Singur project relocation cost, which shall be recovered from Tata Motors Ltd. by way of amortization in sales commencing from January, 2012.
- First phase of Sanand project of company commenced commercial production from 15th September 2010 and second phase was commissioned on 1st March 2011.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

The pre-operative expenses have been capitalized as per the details hereunder:-

₹ in lacs

Expenditure	Sanand		
	Phase I	Phase II	Total
Manufacturing Expenses	16.64	-	16.64
Employee Cost	161.20	26.31	187.51
Administrative Expenses	35.33	10.82	46.15
Interest and Bank Charges	163.13	89.41	252.54
Total	376.30	126.54	502.84

7. The Company is in the process of expansion at its existing location at Faridabad and Greater Noida. The following pre-operative expenses have been capitalized and being carried forward under Capital work in progress.

₹ in lacs

Expenditure	CWIP	Total
Manufacturing Expenses	0.43	0.43
Employee Cost	50.51	50.51
Interest and Bank Charges	53.68	53.68
Total	104.62	104.62

8. Statement on Assets, Liabilities, Income & Expenses of Joint Ventures

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

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

₹ in lacs

Particulars	Year ended 31 March, 2011	Year ended 31 March, 2010
Details of Assets		
Fixed Assets – Gross Block	9947.99	9702.91
Accumulated Depreciation	1393.78	697.16
Net Block	8554.21	9005.75
Capital Work-in-Progress	653.68	140.14
Investments	300.00	300.00
Inventories	1167.21	747.06
Sundry Debtors	1397.88	639.38
Cash and Bank Balances	184.94	416.94
Loans and Advances	1520.12	2147.61
Details of Liabilities		
Secured Loans	5201.16	4913.98
Unsecured Loans	205.86	-
Deferred Credits	1965.79	1988.40
Current Liabilities	3607.12	3513.94
Details of Income		
Sales (Net)	8243.07	11180.52
Income from services/other Income	14.46	37.59
Details of Expenses		
Consumption of Raw Material and Components	5671.52	9463.11
Employees Remuneration and Benefits	508.46	292.47

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

Particulars	Year ended 31 March, 2011	Year ended 31 March, 2010
Manufacturing Administrative and other Expenses	935.47	799.65
Selling and Distribution Expenses	147.88	138.36
Financial Expenses	573.48	465.34
Depreciation	696.66	598.86
(Increase)/Decrease to Work in progress and Finished Goods	(89.54)	(146.94)
Tax Expense	(63.64)	(112.15)
Details of Contingent Liabilities		
Capital commitments	464.13	910.56
Outstanding commitments under letter of credit	-	642.50

Notes:

- The assets & liabilities and Income & Expenditure given above are on the basis of unaudited financial results of JBM MA Automotive Pvt. Ltd. and of Indo Tooling Pvt. Ltd.
- The above data is furnished in accordance with AS-27 on "Financial Reporting of Interests in Joint Ventures" as notified under Companies (Accounting Standards) Rules, 2006.

9. Earning per share

	Particulars	Year ended 31 March, 2011	Year ended 31 March, 2010
a)	Profit after tax as per Profit & Loss account (₹in lacs)	1295.65	823.99
b)	Preference dividend and dividend tax thereon (₹in lacs)	46.49	12.31
c)	Net profit available for equity share holders (₹in lacs)	1249.16	811.68
	Total Equity Shares (No's)	10198841	10198841
	Basic/Diluted Earnings per Share (₹)	12.25	7.96

10. Managerial Remuneration

A. Remuneration paid to Executive Directors: -

₹ in lacs

Particulars	2011	2010
Salary	15.50	21.15
Contribution to Provident Fund	1.80	2.23
Other Perquisites/Allowances	8.70	12.44
Total	26.00	35.82

Note : Provisions for / contribution to employee retirement / post retirement and other employee benefits which are based on actuarial valuations done on an overall company basis, hence, could not be included in above.

- The company has been advised that the computation of net profit for the purpose of remuneration to directors under Sec 349 of the Companies Act, 1956 need not be enumerated, since no commission has been paid to directors. Only fixed monthly remuneration has been paid to the directors as per schedule XIII of the Companies act, 1956.

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

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

- i. Forward exchange contracts remaining outstanding as on 31.03.2011

Nos of Contracts		Equivalent JPY (JPY in lacs)		INR Equivalents (₹ in lacs)	
2011	2010	2011	2010	2011	2010
9	4	2547.08	3619.46	1413.57	1764.21

Nos of Contracts		Equivalent USD (USD in lacs)		INR Equivalents (₹ in lacs)	
2011	2010	2011	2010	2011	2010
5	-	16.54	-	758.64	-

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

Liabilities	Amount in lacs	
	As at 31 March, 2011	As at 31 March, 2010
In Euros	0.07	8.89
(Equivalent approximate in INR)	4.73	541.05
In US Dollar	19.79	34.33
(Equivalent approximate in INR)	890.37	1559.07
In SEK	0.89	3.81
(Equivalent approximate in INR)	6.42	24.03
Assets		
In Euros	7.98	9.66
(Equivalent approximate in INR)	505.01	580.89
In US Dollar	0.20	0.88
(Equivalent approximate in INR)	9.11	40.05

12. Retirement Benefits

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

A. Provident Fund

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

	₹ in lacs	
	2011	2010
Employer's Contribution to Provident Fund*	88.43	77.93

B. State Plans

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

	₹ in lacs	
	2011	2010
Employer's contribution to Employee State Insurance*	17.53	8.87
Employer's contribution to Welfare Fund*	0.61	0.39

*included in contribution to Provident and other funds under Employee Remuneration and Benefits (Refer schedule 9).

C. Defined Benefit Plans

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

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

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.

		2011		2010	
		Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
i)	Actuarial Assumptions				
	Discount Rate (per annum)	8.50%	8.50%	8.50%	8.50%
	Rate of increase in compensation levels	5%	5%	5%	5%
	Rate of return on plan assets	N.A	9.15%	N.A	9.15%
	Expected Average remaining working lives of employees (years)	23.88	23.88	23.52	23.52

₹ in lacs

ii)	Change in the obligation during the year ended 31 March, 2011				
	Present value obligation as at 31 March, 2010	35.78	91.16	51.02	94.28
	Interest cost	2.49	7.02	3.48	7.87
	Past Service cost	-	-	-	-
	Current service cost	19.78	16.72	14.06	13.63
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Benefit paid	(24.92)	(8.95)	(20.06)	(3.46)
	Actuarial (gain)/loss on Obligations	.20	15.67	(12.72)	(21.16)
	Present value obligation as at 31 March, 2011	33.33	121.62	35.78	91.16
iii)	Change in fair value plan Assets				
	Fair value of Plan Assets as at 31 March, 2010	-	120.87	-	80.85
	Expected return on Plan Assets	-	11.96	-	8.81
	Contributions	-	38.30	-	34.54
	Withdrawals	-	(2.46)	-	(3.46)
	Actuarial gain/(loss) on Obligations	-	(1.76)	-	0.13
	Fair value of Plan Assets as at 31 March, 2011	-	166.91	-	120.87
iv)	Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets				
	Present value obligation as at 31 March, 2011	33.33	121.62	35.78	91.16
	Fair value of Plan Assets as at 31 March, 2011	-	166.91	-	120.87
	Funded Status		45.29	-	29.71
	Present value of unfunded obligation as at 31 March, 2011	-	-	-	-
	Unfunded Actuarial (gains)/Losses	-	-	-	-
	Unfunded Net Asset/(Liability) recognized in Balance Sheet	(33.33)	-	(35.78)	-
v)	Expenses recognized in Profit and Loss Account				
	Current service cost	19.78	16.72	14.06	13.63
	Past Service cost	-	-	-	-
	Interest cost	2.49	7.01	3.48	7.87
	Expected return on Plan Assets	-	(11.96)	-	(8.81)

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

		2011		2010	
		Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Net Actuarial (gain)/loss recognized during the year	0.20	17.43	(12.72)	(21.29)
	Total Expense recognized in Profit and Loss Account	22.47	29.20	4.82	(8.60)

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

13. Segment Information

i) Primary Segment Reporting

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

- (a) **Sheet Metal Components, Assemblies & Sub-assemblies** - Segment manufactures components etc.
- (b) **Tool, Dies & Moulds**: Segment manufactures Dies for Sheet Metal Segment or sells Dies.
- (c) **Special Purpose Vehicle**: Segment assembles and fabricates bodies of heavy vehicles

B. Inter Segment Transfer Pricing

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

ii) Segment Revenues, Results and other information:

₹ in lacs

	Sheet Metal Components, Assemblies & sub-assemblies		Tools, Dies & Moulds		Special Purpose Vehicle		Total of Reportable Segments	
	2011	2010	2011	2010	2011	2010	2011	2010
External Sales	30436.62	18261.59	5135.43	3971.73	827.37	1547.15	36399.42	23780.47
Inter Segment Sales	26.36	24.14	15.05	17.19	-	-	41.41	41.33
Other Income	31.00	137.30	25.97	-	6.46	7.52	63.43	144.81
Segment Revenues	30493.98	18423.03	5176.45	3988.92	833.82	1554.66	36504.26	23966.61
Segment Results	2630.33	1855.84	1009.49	864.70	(84.81)	(141.16)	3555.02	2579.39
Segment Assets	23586.86	13481.26	7246.52	6556.14	1377.33	1347.41	32210.70	21384.80
Segment Liabilities	5074.49	3850.98	4604.73	1845.15	307.44	210.19	9986.66	5906.32
Capital Expenditure	4661.81	1480.99	50.73	168.50	0.24	7.19	4712.77	1656.68
Depreciation/Amortisation	679.59	564.07	122.09	162.83	16.08	19.16	817.76	746.06

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Reconciliation of Reportable Segment with the Financial Statements:

₹ in lacs

	Revenues		Results/Net Profit		Assets		Liabilities	
	2011	2010	2011	2010	2011	2010	2011	2010
Total Reportable Segments	36504.26	23966.61	3555.02	2579.39	32210.70	21384.80	9986.66	5906.32
Inter segment sales/ Adjustments	(41.41)	(41.33)	-	-	-	-	-	-
Corporate unallocated/ Others (Net)	-	-	(1683.49)	(1355.49)	9906.69	12860.76	20442.47	17744.12
Interest Expenses	-	-	-	-	-	-	-	-
Taxes/Deferred Tax	-	-	(575.88)	(399.90)	-	-	1258.37	1177.35
As per Financial statements	36462.85	23925.28	1295.65	823.99	42117.39	34245.57	31687.51	24827.79

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

14. Deferred Tax:

Major components of deferred tax assets and liability arising on account of timing difference as at 31st March 2011 are as under:

₹ in lacs

Particulars	2011		2010	
	Asset	Liability	Asset	Liability
- Difference between WDV as per Companies Act, 1956 & WDV as per Income Tax Act, 1961.	-	999.24	-	719.69
- Disallowance under Section 43B of the Income Tax Act, 1961.	-	261.43	-	454.26
- Provision for doubtful debts	2.30	-	-	-
- Foreign currency monetary item translation difference account	-	-	-	3.40
Total	2.30	1260.67	-	1177.35
Net Deferred Tax Assets/Liabilities	-	1258.37	-	1177.35
Opening Deferred tax (Liability)/Assets	-	(1177.35)	-	(1314.53)
Less Closing Deferred tax (Liability)/Assets	-	(1258.37)	-	(1177.35)
Deferred Tax Charge/(Credit)	-	81.02	-	(137.18)

15. A. Product, Capacity and Production:

Product	Licensed Capacity	Installed Capacity (Per Annum)	Actual Production (Nos.)
Components, Assemblies, Sub-assemblies	N.A.	50000 MT (30000 MT)	25077963* (23987819)*
Special Purpose Vehicles	N.A.	N.A.	311 (2865)
Tools, Dies and Moulds	N.A.	N.A.	564** (7816)**

* Includes 960838 (P.Y. 1457708) components produced on Job Work

** Includes 43 (P.Y. 7275) Tools produced on Job Work

Note: Figures in brackets represents previous year's nos

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

B. Opening, Closing Stock and Sales

Products	Opening Stock		Closing Stock		Sales	
	Qty. (Nos.)	Value (₹ in lacs)	Qty. (Nos.)	Value (₹ in lacs)	Qty. (Nos.)	Value (₹ in lacs)
Finished Goods						
Components, Assemblies and Sub-assemblies	84379	184.58	141592 (84379)	258.53 (184.58)	25020750 (23903440)	31284.11* (18393.37)*
Tools, Dies and Moulds	-	-	-	-	564 (7816)	5512.01** (4196.40)**
Special Purpose Vehicles	129	34.77	- (129)	- (34.77)	440 (2736)	906.66** (1643.97)**
Others	-	-	-	-	-	2792.83 (1669.26)

* Includes 960838 (P.Y. 1457708) nos of Components produced on Job Work for ₹401.79 (P.Y. ₹330.92) Lacs

** Includes 43 (P.Y. 7275) nos of Tools produced on Job Work for ₹187.44 (P.Y. ₹15.20) Lacs

Note: Figures in brackets represents previous year's amounts/nos

C. Consumption of Raw Material

₹ in lacs					
	Particulars	2011		2010	
		Qty.	Value	Qty.	Value
1.	Component (Nos.)	54142679	4687.13	25129806	2193.65
2.	Metal Sheet (MT)	37648	17755.35	27564	11601.23
3.	Die Material	-	2289.28	-	3288.44
4.	Others	-	187.74	-	249.45
	Total		24919.50		17332.77

D. CIF Value of Imports

₹ in lacs			
	Particulars	2011 Value	2010 Value
1.	Raw Material	8.51	227.48
2.	Repair & Maintenance (Plant & Machinery)	17.71	8.55
3.	Capital Goods	87.04	-

E. Value of Imported and Indigenous Raw Material, Components and Spares Consumed

₹ in lacs					
	Particulars	2011		2010	
		Value	% age	Value	% age
a)	Raw Material & Components				
	- Imported	495.93	1.99%	238.32	1.37%
	- Indigenous	24423.57	98.01%	17094.45	98.63%
	Total	24919.50	100.00%	17332.77	100.00%
b)	Stores & Spares				
	- Imported	0.78	0.14%	-	-
	- Indigenous	544.08	99.86%	433.51	100.00%
	Total	544.86	100.00%	433.51	100.00%

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

F. Expenditure Incurred in Foreign Currency

₹ in lacs

	Particulars	2011	2010
1.	Travelling	31.37	16.24
2.	Repair & Maintenance (Plant & Machinery)	-	9.02
3.	Interest on ECB's	33.21	81.36
4.	Interest on Term Loan	77.32	171.56
5.	Job Work Charges	1.61	2.07
6.	Freight, Warehouse & Other Charges	11.75	12.76
7.	Professional & technical Fees	-	1.00
8.	Design & Drawing Charges	-	67.16

G. Earnings in Foreign Currency

₹ in lacs

	Particulars	2011	2010
1.	FOB value of Exports	1441.73	481.26

16. Statement of Transactions with Related Parties

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

₹ in lacs

	2010-2011					2009-2010				
	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total
Purchase of capital goods										
Jay Bharat Maruti Ltd.	-	-	-	-	-	-	446.27	-	-	446.27
Neel Metal Products Ltd.	-	200.21	-	-	200.21	-	-	-	-	-
JBM MA Automotive P. Ltd.	-	-	0.93	-	0.93	-	-	-	-	-
Total	-	200.21	0.93	-	201.14	-	446.27	-	-	446.27
Sale of Goods & Job work										
Neel Metal Products Ltd.	-	1826.79	-	-	1826.79	-	1625.23	-	-	1625.23
Jay Bharat Maruti Ltd.	-	1868.35	-	-	1868.35	-	606.45	-	-	606.45
JBM Industries Ltd.	-	439.26	-	-	439.26	-	328.20	-	-	328.20
JBM Ogihara Automotive India Ltd.	1262.34	-	-	-	1262.34	0.39	-	-	-	0.39
JBM Auto System P. Ltd	444.48	-	-	-	448.38	1855.52	-	-	-	1855.52
JBM MA Automotive P. Ltd.	-	-	313.25	-	313.25	-	-	426.76	-	426.76
Others	-	8.32	-	-	8.32	-	23.34	-	-	23.34
Total	1706.82	4142.72	313.25	-	6166.69	1855.91	2583.22	426.76	-	4865.89

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	2010-2011					2009-2010				
	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total
Sale of Capital goods										
JBM MA Automotive P. Ltd.	-	-	-	-	-	-	-	1379.00	-	1379.00
JBM Industries Ltd.	-	15.54	-	-	15.54	-	1.33	-	-	1.33
Total	-	15.54	-	-	15.54	-	1.33	1379.00	-	1380.33
Purchase of the goods										
Neel Metal products Limited	-	3620.55	-	-	3620.55	-	3727.73	-	-	3727.73
Jay Bharat Maruti Ltd.	-	500.18	-	-	500.18	-	657.96	-	-	657.96
JBM Industries Ltd.	-	101.58	-	-	101.58	-	111.10	-	-	111.10
JBM MA Automotive P. Ltd.	-	-	30.25	-	30.25	-	-	58.76	-	58.76
Others	-	8.97	-	-	8.97	-	2.06	-	-	2.06
Total	-	4231.28	30.25	-	4261.53	-	4498.85	58.76	-	4557.61
Interest paid										
JBM Industries Ltd.	-	12.78	-	-	12.78	-	35.15	-	-	35.15
Neel Metal Products Ltd.	-	147.93	-	-	147.93	-	136.31	-	-	136.31
Others	-	-	-	-	-	-	8.41	-	-	8.41
Total	-	160.71	-	-	160.71	-	179.87	-	-	179.87
Others Expenses										
JBM Industries Ltd.	-	-	-	-	-	-	12.00	-	-	12.00
Gurera Industries Ltd.	-	17.04	-	-	17.04	-	3.00	-	-	3.00
Neel Metal Products Ltd.	-	32.15	-	-	32.15	-	16.99	-	-	16.99
JBM Industries limited	-	12.00	-	-	12.00	-	12.00	-	-	12.00
Total	-	61.19	-	-	61.19	-	43.99	-	-	43.99
Managerial Remuneration										
Mr. H. R. Saini	-	-	-	26.00	26.00	-	-	-	20.10	20.10
Ms. Esha Arya	-	-	-	-	-	-	-	-	15.72	15.72
Total	-	-	-	26.00	26.00	-	-	-	35.82	35.82
Security Deposits										
JBM Industries Ltd.	-	10.50	-	-	10.50	-	10.50	-	-	10.50
Gurera Industries Ltd.	-	9.00	-	-	9.00	-	9.00	-	-	9.00
Total	-	19.50	-	-	19.50	-	19.50	-	-	19.50
EMI of Car Loan										
Jay Bharat Maruti Ltd.	-	19.01	-	-	19.01	-	21.68	-	-	21.68
Total	-	19.01	-	-	19.01	-	21.68	-	-	21.68
Investment										
JBM MA Automotive Pvt. Ltd.	-	-	-	-	-	-	-	1244.96	-	1244.96
Indo-Tooling Pvt. Ltd.	-	-	-	-	-	-	-	15.45	-	15.45
JBM Ogihara Automotive India Ltd.	285.60	-	-	-	285.60	612.00	-	-	-	612.00
Total	285.60	-	-	-	285.60	612.00	-	1260.41	-	1872.41
Loan										
Neel Metal Products Ltd	-	1230.00	-	-	1230.00	-	1230.00	-	-	1230.00
JBM Industries Ltd.	-	150.00	-	-	150.00	-	-	-	-	-
Total	-	1380.00	-	-	1380.00	-	1230.00	-	-	1230.00

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	2010-2011					2009-2010				
	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total	Subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures	Key Management personnel and their relatives	Total
Amount Recoverable										
JBM Industries Ltd.	-	170.31	-	-	170.31	-	102.54	-	-	102.54
Neel Industries Private Limited	-	148.89	-	-	148.89	-	-	-	-	-
JBM Auto System Pvt. Ltd.	831.51	-	-	-	831.51	621.06	-	-	-	621.06
JBM MA Automotive Pvt. Ltd.	-	-	1569.65	-	1569.65	-	-	1407.45	-	1407.45
Indo-Tooling Pvt. Ltd.	-	-	1.52	-	1.52	-	-	5.08	-	5.08
JBM Ogihara Automotive India Ltd.	23.34	-	-	-	23.34	0.48	-	-	-	0.48
Gurera Industries Ltd.	-	10.27	-	-	10.27	-	0.16	-	-	0.16
Total	854.85	329.47	1571.17	-	2755.49	621.54	102.70	1412.53	-	2136.77
Amount Payable										
Neel Metal Products Ltd.	-	2039.37	-	-	2039.37	-	788.36	-	-	788.36
Jay Bharat Maruti Ltd.	-	460.87	-	-	460.87	-	513.58	-	-	513.58
JBM Industries Ltd.	-	-	-	-	-	-	8.50	-	-	8.50
Total	-	2500.24	-	-	2500.24	-	1310.44	-	-	1310.44
Advance Recieved										
JBM Ogihara Automotive India Ltd.	-	-	-	-	-	709.50	-	-	-	-
Total	-	-	-	-	-	709.50	-	-	-	-

17. Debtors and Creditors Balances are subject to confirmation.

18. Previous year figures have been regrouped and/ or rearranged wherever considered necessary.

As per our report attached.

For **MEHRA GOEL & Co.**
Chartered Accountants

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

R.K.MEHRA

Partner

M.No-6102

FRN-000517N

Place : New Delhi

Date : 30 May, 2011

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

SUMMARY OF FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

₹ in lacs											
Sr. No.	Name of Subsidiary Company	Capital	Reserves	Total Assets	Total Liabilities	Investment	Turnover/ Total Income	Profit Before Taxation	Provision For Taxation	Profit After Tax	Proposed Dividend
1	JBM Auto System Pvt. Ltd.	2489.00	5034.31	16520.56	16520.56	220.00	29562.66	2207.09	744.31	1462.78	-
2	JBM Ogihara Automotive India Ltd.	1760.00	(150.85)	5040.11	5040.11	-	1,001.36	(150.85)	-	(150.85)	-

STATEMENT PURSUANT TO SECTION 212 (1) (E) OF COMPANIES ACT, 1956

Sr. No.	Particulars	JBM Auto System Pvt. Ltd.	JBM Ogihara Automotive India Ltd.
1	Financial year of the subsidiary company ended on	31 March, 2011	31 March, 2011
2	The extent of holding company's interest in the subsidiary at the end of the financial year 31.03.2011		
	- No. of Shares	18390000	8975990
	- Face value of Share	10	10
	- Percentage of Holding Company's interest in the total share capital of the subsidiary	73.89%	51.00%
3	Net aggregate amount of profit/(losses) of the subsidiary company not dealt with in the Company's accounts so far as it concerns the members of the company :		
	- For the financial year ended 31.03.2011 (₹ Lacs)	1462.78	(150.85)
	- For all the previous financial years of the subsidiary (₹ Lacs)	1916.69	(161.54)
4	Net aggregate amount of profit/(losses) of the subsidiary company dealt with in the Company's accounts so far as it concerns the members of the company :		
	- For the financial year ended 31.03.2011 (₹ Lacs)	NIL	NIL
	- For all the previous financial years of the subsidiary (₹ Lacs)	NIL	NIL

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

Place : New Delhi
Date : 30 May, 2011

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

OUR FACILITIES



AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of JBM Auto Limited

We have audited the attached consolidated Balance Sheet of JBM Auto Limited, its subsidiaries and joint ventures (collectively the group) as at March 31, 2011, and the Consolidated Profit & Loss Account and the Consolidated Cash Flow statement for the year ended on the date annexed thereto.

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. The financial statements of subsidiaries namely JBM Ogihara Automotive India Ltd. and JBM Auto System Pvt. Ltd. have been incorporated on the basis of unaudited accounts. The financial statements of the subsidiaries reflect Total Assets of ₹21560.67 lacs as at March 31, 2011, and Total Revenue of ₹30564.02 lacs and Net Cash flows of ₹(286.39) lacs for the year ended on that date. In Our opinion so far as relates to the amount included in respect of the subsidiaries, is based solely on the unaudited financial statements of the subsidiary.
3. We did not audit the financial statements of joint ventures, whose financial statements reflect Total Assets of ₹27926.58 lacs as at March 31, 2011, and Total Revenue of ₹16515.06 lacs, Total Expenditure of ₹16760.57 lacs for the year ended on that date. Our opinion, in so far as it relates to the amount included in respect of these joint ventures, is based on the unaudited financial statements.
4. *In absence of Actuarial valuation, as required by AS-15 (Revised) notified under Companies (Accounting Standard) Rules 2006, subsidiaries have made provision for Post employment benefits and other long term employee benefits on estimation basis, and Joint ventures have not provided for Post employment benefits, the effect of the same cannot be ascertained.*
5. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and (AS) 27, Financial Reporting of Interest in Joint Venture as notified in Companies (Accounting Standard) Rules , 2006.
6. *Subject to our comments in Para 2, 3, and 4 above and Note No.2 of Notes to Accounts to consolidated financial statements of the company and on the basis of the information and explanation given to us and on the consideration of separate individual unaudited financial statements of its subsidiaries and joint ventures, we are of the opinion that said consolidated accounts give a true and fair view in conformity with the accounting principles generally accepted in India:*
 - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the group as at 31st March, 2011;
 - (b) in the case of Consolidated Profit and Loss Account, of the Consolidated Profit of the group for the year ended on that date; and
 - (c) in the case of Consolidated Cash Flow statement, of the consolidated Cash Flow of the group for the year ended on that date.

For **MEHRA GOEL & Co.**
Chartered Accountants

Place : New Delhi
Dated : 30th May, 2011

R.K. Mehra
Partner
M.No: 6102
FRN.000517N

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2011

Amount in ₹

	Schedule No.	As at 31 March, 2011	As at 31 March, 2010
SOURCES OF FUNDS			
Shareholders' Funds	1		
Share Capital		151988410	151988410
Reserves and Surplus		1045478460	842083794
		1197466870	994072204
Minority Interest		308569180	225774137
Loan Funds	2		
Secured Loans		2623453776	1882060545
Unsecured Loans		315660783	191000000
Deferred Credits		256765982	300544008
		3195880541	2373604553
Deferred Tax Liability (Refer Note No. 17)		133284921	109607498
		4835201512	3703058392
APPLICATION OF FUNDS			
Fixed Assets	3		
Gross Block		5055995115	3962752004
Less: Accumulated Depreciation		1991955513	1801355996
Net Block		3064039602	2161396008
Capital Work in Progress		412779114	360857341
		3476818716	2522253349
Investments	4	52000000	30000000
Goodwill		7693130	-
Deferred Tax Asset (Refer Note No. 17)		18525094	-
Foreign Currency Monetary item Translation Difference account		-	1024856
Current Assets, Loans and Advances	5		
Inventories		1092234595	916085322
Sundry Debtors		1385013403	801039471
Cash and Bank Balances		106366219	142122262
Loans and Advances		689668429	860198038
		3273282646	2719445093
Less: Current Liabilities and Provisions	6	1993118074	1569664913
Net Current Assets		1280164572	1149780180
		4835201512	3703058392

As per our report attached.

For **MEHRA GOEL & Co.**
Chartered Accountants

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

R.K.MEHRA

Partner

M.No-6102

FRN-000517N

Place : New Delhi

Date : 30 May, 2011

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2011

Amount in ₹

	Schedule No.	Year ended 31 March, 2011	Year ended 31 March, 2010
INCOME	7		
Sales		8194980102	4488586341
Less : Excise duty		884441480	341706777
Net Sales		7310538622	4146879564
Other income		23827994	18542088
Increase/ (Decrease) in Stock	8	(6673024)	200446248
		7327693592	4365867900
EXPENDITURE			
Raw material consumed		5219083248	3037320133
Employees' remuneration and benefits	9	469689068	273593918
Manufacturing, Administrative & Other expenses	10	838029769	558139275
Preliminary Expenses Written off			27212
		6526802085	3869080538
Profit before depreciation, Financial Charges & tax		800891507	496787362
Less:			
Financial charges	11	200187223	135985433
Profit before depreciation and tax		600704284	360801929
Less:			
Depreciation		226561739	209470549
Profit before tax		374142545	151331380
Less: Provision for Income Tax			
- Earlier years		110457	50000
- Current year		117913000	60069000
- MAT Adjusted		-	6007067
- Deferred tax		7631331	(9424001)
- Wealth Tax		400	51000
		125,655,188	56753066
Profit after tax		248487357	94578314
Share of (Profit)/Loss transferred to Minority Interest		(33305044)	(11329794)
Adjustment on Consolidation		-	(2021404)
Profit Available for Appropriations		215182313	81227116
APPROPRIATIONS			
Proposed Dividend			
- Preference Shares		4000000	1052055
- Equity Shares		20397682	15298261
Dividend Tax			
- Preference Shares		648900	178797
- Equity Shares		3309014	2599939
Transferred to General Reserves		16434983	10000000
Balance carried to Balance Sheet		170391734	52098064
		215182313	81227116
Profit After Tax and Preference Dividend/Dividend Tax		210533413	79996265
Total Number of Equity Shares		10198841	10198841
Basic and Diluted earning Per Share (₹) (Refer Note No. 12)		20.64	7.84
Nominal value of Equity Share (₹)		10	10
Cash Flow Statement	12		
Significant Accounting Policies	13		
Notes on Accounts	14		

As per our report attached.
For **MEHRA GOEL & Co.**
Chartered Accountants

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

R.K.MEHRA
Partner
M.No-6102
FRN-000517N
Place : New Delhi
Date : 30 May, 2011

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Amount in ₹	
	As at 31 March, 2011	As at 31 March, 2010
SCHEDULE 1 : SHAREHOLDERS' FUND		
SHARE CAPITAL		
A. AUTHORISED		
1,50,00,000 Equity Shares of ₹10/- each	150000000	150000000
50,00,000 Preference Shares of ₹10/- each	50000000	50000000
	200000000	200000000
B. ISSUED, SUBSCRIBED AND PAID UP		
1,01,98,841 Equity Shares of ₹10/- each, fully paid up	101988410	101988410
50,00,000 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each [Redeemable after 6 years from the date of issue i.e. 26th December, 2009]	50000000	50000000
	151988410	151988410
RESERVES AND SURPLUS		
A. GENERAL RESERVE		
As per last Balance Sheet	11065017	1065017
Add: Transferred from Current year's Profit & Loss Account	16434983	10000000
	27500000	11065017
B. SECURITIES PREMIUM ACCOUNT		
As per last Balance Sheet	350567306	100567306
Add: Received during the year	-	250000000
	350567306	350567306
C. PROFIT & LOSS ACCOUNT		
As per last Balance Sheet	364345881	312247817
Previous year adjustment in profits of Subsidiary and Joint Ventures	8874819	-
Add: Profit/(Loss) during the year	170391734	52098064
Add: Transfer to Goodwill	7693130	-
	551305564	364345881
D. CAPITAL RESERVE		
As per last Balance Sheet	116105590	-
Add: On Consolidation of Subsidiaries	-	116105590
	116105590	116105590
	1045478460	842083794
SCHEDULE 2 : LOAN FUNDS		
A. SECURED LOANS		
Working Capital Loans from Banks :		
- Cash Credit*	1004120518	527230915
- Buyers credit / External Commercial Borrowing**	258082573	298515552
Term Loan from Banks :		
- Foreign Currency Loans***	5610596	95660609
- Other Term Loan****	1127895293	929550000
- Short Term Loan****	225000000	300000000
Vehicle Loan from banks*****	2744796	1103469
	2623453776	1882060545
B. UNSECURED LOANS		
-Working Capital Loan From Bank	124660783	-
-From Body Corporate	191000000	191000000
	315660783	191000000

* Includes ₹9569.52 Lacs (P.Y. ₹5272.31 Lacs) secured by hypothecation on pari passu interse between banks by way of first charge on current assets and by way of second charge on entire fixed assets both present and future. Facility of ₹200 Lacs is to be secured by exclusive charge on current assets and second charge on the moveable fixed assets at Sanand unit, further secured by second pari passu charge on immovable property at Nashik. The charge on working capital loan of ₹1696.01 Lacs is yet to be created.

** Includes ₹1533.54 Lacs (P.Y. ₹1999.68 Lacs) Buyers credit / External Commercial Borrowings are secured by guarantee of indian Banks.

*** Secured by first pari passu charge on all fixed assets both moveable and immovable and second charge on all current assets.

**** Includes ₹6014.87 Lacs (P.Y. ₹4867.00 Lacs), Term Loan of ₹1147.87 Lacs is to be secured by first pari passu charge on the immovable property situated at Nashik unit and by first pari passu charge on the moveable fixed assets including plant & machinery of Sanand unit. The Term Loan of ₹4867.00 Lacs is secured by first pari passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, subleased by Tata Motors Limited & on the moveable fixed assets including plant & machinery of Sanand unit.

***** Secured by hypothecation of specific Vehicles.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 3 : FIXED ASSETS

Amount in ₹

Description	Gross Block				Depreciation			Net Block	
	As at 1 April, 2010	Additions during the year	Sale/ Adjustment during the year	Total as at 31 March, 2011	As at 1 April, 2010	For the year*	Written Back/ Adjustment on sale	As at 31 March, 2011	As at 31 March, 2010
TANGIBLE ASSETS									
Land (Freehold)	25492881	-	-	25492881	-	-	-	25492881	25492881
Land (Lease Hold)	385124660	65711886	-	450836547	12690283	4273112	-	433873152	372434377
Building	382800125	275636364	577320	657859169	72241939	19986154	577320	566208397	310558186
Plant & Machinery	3078060996	929979288	204720562	3803319722	1664940997	190983361	25179606	1972574968	1413119998
Furniture & Fixtures, Office Equipments	51778014	17308000	8256259	60829754	32377632	4382103	6937228	31007248	15831538
Vehicles	30630457	7394738	6213474	31811721	10504846	4655686	3268069	19919258	20125611
INTANGIBLE ASSETS									
Computer Software	8864872	16980449	-	25845321	8600299	2281323	-	14963698	3833418
Total	3962752004	1313010725	219767615	5055995115	1801355996	226561739	35962223	3064039602	2161396008
Previous Year	3605161293	512722325	155131614	3962752004	1595424224	209741829	3810059	412779114	360857341
Capital Work in Progress [Including advance for capital goods, unsecured considered good ₹180731610; (P.Y ₹105727435)]									2522253349

NOTES :

- Adjustment of fixed assets includes gain on Foreign Currency Fluctuation of ₹75,88,836/- (P.Y: Foreign Currency Fluctuation Gain ₹70,63,250/-)
- Addition to Fixed Assets/CWIP includes Borrowing Cost of ₹3,06,22,033/- (P.Y: ₹10,40,072/-)
- The Lease hold Land at Faridabad is yet to be registered in the name of the Company. The Company has obtained "No Objection Certificate" from lessor to get registration of same in the name of the Company.
- Lease hold land includes land at Singur in West Bengal and Land at Bhiwadi in Rajasthan which are yet to be registered in the name of the company.

* Depreciation for the year includes ₹24,92,432/- (Previous year ₹2,71,280/-) transferred to pre-operative expenses.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Amount in ₹

	As at 31 March, 2011	As at 31 March, 2010
SCHEDULE 4 : INVESTMENTS		
LONG TERM INVESTMENTS		
NON TRADE-UNQUOTED		
267,000 Equity Shares of ₹10/- each fully paid up in Pitampura Auto Cluster Limited	1335000	1335000
37,33,000 4% Cumulative Redeemable Preference Shares of ₹10/- each fully paid up of Pitampura Auto Cluster Limited	18665000	18665000
SHARE APPLICATION MONEY		
- Pitampura Auto Cluster Limited	10000000	10000000
- Yorozu Corporation	22000000	-
	52000000	30000000
SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES		
INVENTORIES		
(As taken, valued and certified by the Management)		
Raw material	677181599	494918278
Work in process	342591908	368882656
Stores & spares	15255253	14649044
Scrap	9258949	4688845
Finished Goods	47946886	32946499
	1092234595	916085322
SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for more than six months		
- Considered good	208766142	218149060
- Considered doubtful	708361	-
	209474503	218149060
less-provision for doubtful debts	708361	-
	208766142	218149060
Other debts, considered good	1176247261	582890411
	1385013403	801039471
CASH & BANK BALANCES		
Cash on hand	717443	683167
Balances with Scheduled Banks		
- In current account	101057794	113354550
- In Fixed Deposit account *	4226418	27778824
- In Unpaid Dividend account	364564	305721
	106366219	142122262
*Under Bank's lien and includes Interest Accrued ₹2,79,074 (P.Y. ₹1,42,858) there on		
LOANS & ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received (Refer Note No. 8)	304539851	264476185
Advance to suppliers		
- Considered good	85937965	190946928
- Considered doubtful	42420	93420
Less: Provision for doubtful advance	(42420)	(93420)
Security deposits	17262850	8558837
Balance with excise authorities	138898516	166410856
Balance of Modvat/ Cenvat	118788058	206868961
MAT Credit Available	-	313
Advance income tax	19489369	14806701
Sales Tax/VAT Recoverable	4751820	8129257
	689668429	860198038

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Amount in ₹

	As at 31 March, 2011	As at 31 March, 2010
SCHEDULE 6 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry creditors	1316425434	912260313
Advance from customers	371743196	366666167
Other liabilities	251661757	242624363
Interest accrued but not due on loans	23888527	14671236
Unclaimed Dividend	364564	300762
	1964083478	1536522841
PROVISIONS		
Proposed Dividend		
- Preference Shares	4000000	1052055
- Equity Shares	20397682	15298262
Dividend Tax	3957914	2778736
Income Tax	679000	14013020
	1993118074	1569664913

Amount in ₹

	Year ended 31 March, 2011	Year ended 31 March, 2010
SCHEDULE 7 : SALES & OTHER INCOME		
SALES		
Finished goods	7277784086	4031020327
Other sales	858227716	418657408
Job Work/ Other Receipts	58968300	38908606
	8194980102	4488586341
OTHER INCOME		
Miscellaneous Income	18878321	7197107
Profit on Sale of Fixed Assets (Net)	1618452	4237053
Rental Income (TDS - Nil { P.Y.-₹149329/-})	-	2912000
Interest (TDS ₹57458/- {P.Y. ₹1193217/-})	3331221	4195928
	23827994	18542088
SCHEDULE 8 : INCREASE/(DECREASE) IN STOCKS		
OPENING STOCKS* :		
Work in process	368592051	195579719
Finished goods	33189871	6928870
Scrap	4688845	3563163
	406470767	206071752
LESS : CLOSING STOCKS :		
Work in process	342591908	368882656
Finished Goods	47946886	32946498
Scrap	9258949	4688845
	399797743	406517999
INCREASE/(DECREASE) IN STOCKS	(6673024)	200446248
* includes ₹(47233)(P.Y ₹nil) on account of difference of Unaudited and Audited Financial statements of Subsidiaries and Joint Ventures of Previous year		

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Amount in ₹	
	Year ended 31 March, 2011	Year ended 31 March, 2010
SCHEDULE 9 : EMPLOYEES' REMUNERATION & BENEFITS		
Salaries & wages	402396011	245677376
Contribution to ESI, PF and other funds	23106961	15524978
Staff welfare	44186096	12391564
	469689068	273593918
SCHEDULE 10 : MANUFACTURING, ADMINISTRATIVE & OTHER EXPENSES		
Stores consumed	112686121	64721808
Manufacturing expenses	236163589	149195636
Power & fuel	118184977	77382481
Royalty & Technical Fees	2330363	-
Packing Material	67400364	45121202
Machinery repairs and maintenance	66352787	45914180
Travelling & conveyance	35952929	20812266
Communication expenses	5396085	5162694
Printing & stationery	6477391	4378668
Rent (including land lease rent)	6110654	3429108
Rates & taxes	9160149	8503908
Insurance	3120369	3437137
Repair & maintenance		
- Building	5003627	1443595
- Others	13222236	27229172
Auditors' remuneration		
Audit fee	2067844	1474508
Tax audit fees	350000	300000
Others	637090	400000
Legal & professional	8094686	6286772
Directors' Sitting Fees	135000	135000
Vehicle running & maintenance	3457750	4516966
Business promotion/entertainment	2249931	3397719
Bad Debts written off	1303962	4005406
Loss on sale of assets/written off (Net)	2885771	(88548)
Provision for Bad & Doubtful Debts	708361	-
Freight & Forwarding charges	99190563	62207235
Bank charges [includes ₹3921018/- as Foreign Exchange Fluctuation Expense/ (Income) {P.Y. ₹4244025/-}]	11286293	9471344
Miscellaneous expenses*	18100877	9301018
	838029769	558139275
*Includes ₹7,29,427/- (P.Y. ₹5,24,249/-) on account of Excise Duty Provision on change in stock of Scrap.		
SCHEDULE 11 : FINANCIAL CHARGES		
Interest to Banks		
- on term loans	77706358	56950371
- on others	119000435	93905836
Exchange fluctuation	3480430	(16456766)
Buyer's credit commission	-	1585992
	200187223	135985433

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

₹ in lacs

	Year ended 31 March, 2011	Year ended 31 March, 2010
SCHEDULE 12 : CASH FLOW STATEMENT		
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extraordinary items	3,741.43	1513.31
Adjustment for :		
Depreciation	2,265.62	2,094.71
Exchange Rate Fluctuation	(74.70)	-
Financial Charges	1,967.07	1,480.70
Interest income	(33.31)	(41.96)
Previous year adjustment in profits of Subsidiary and joint ventures	63.96	-
(Profit)/Loss on sale of assets (Net)	28.85	(123.24)
Bad Debts/Provision for Doubtful Debts	13.04	40.05
	4,230.53	3,450.27
Operating Profit before Working Capital Changes	7,971.96	4,963.58
Adjustment for :		
Trade and other receivables	(4,025.95)	(3,131.70)
Inventories	(1,759.44)	(46.25)
Trade payables and other liabilities	4,100.40	63.80
	(1,684.99)	(3,114.14)
CASH GENERATED FROM OPERATIONS	6,286.95	1,849.44
Direct taxes paid (Net)	(1,360.41)	(660.13)
NET CASH FROM OPERATING ACTIVITIES	4,926.54	1,189.31
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(13,262.12)	(4,847.76)
Proceeds from sale of fixed assets	1,809.20	1,636.45
Interest received	33.31	41.96
Purchase of Investment	(220.00)	(100.00)
NET CASH USED IN INVESTING ACTIVITIES	(11,639.61)	(3,269.35)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	2,543.65
Repayment of Long Term Loans	(1,082.01)	(3,998.89)
Proceeds from Issue of Shares to Minority	494.90	500.00
Acquisition of shares in subsidiary from minority	-	(2,945.82)
(Increase)/Decrease in Foreign Currency Monetary item translation difference a/c	10.25	10.25
Proceeds from Long term loans	2,284.87	5,362.57
Increase/(Decrease) in Short Term loans	7,123.39	1,402.22
Interest paid	(2,284.60)	(1,504.11)
Dividend Paid	(191.29)	-
NET CASH FLOW FROM FINANCING ACTIVITIES	6,355.51	1,369.88
NET INCREASE IN CASH AND BANK BALANCE	(357.56)	(710.16)
Cash and cash equivalents (Opening Balance)	1,421.22	2,131.38
Cash and cash equivalents (Closing Balance)	1,063.66	1,421.22

NOTES:

- 1 Trade and other receivables include loans and advances.
- 2 The previous year figures have been regrouped/ rearranged wherever considered necessary.
- 3 Cash and Cash equivalents consist of Cash in hand, balance with banks and ₹3.65 lacs (Previous Year ₹3.06 lacs) in respect of unclaimed dividend, the balance of which not available to the Company.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF CONSOLIDATION

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

A. BASIS OF ACCOUNTING

- i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2011.
- ii. The financial statements of the Company and subsidiary companies have been prepared in accordance with the applicable Accounting Standards and generally accepted accounting principles.

B. PRINCIPALES OF CONSOLIDATION

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

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

C. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under “Significant Accounting Policies” as given in the respective Financial Statements of the Company, Subsidiaries and its Joint Venture.

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 14: NOTES TO ACCOUNTS

1. (i) The subsidiaries considered in the consolidated financial statements are:

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

- (ii) The Joint ventures considered in consolidated financial statements are:

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
JBM MA Automotive Private Limited	India	50.00 %
Indo Tooling Private Limited	India	50.00 %

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

Particulars	Name of Joint venture/ Subsidiaries	Accounting Policies	
		JBM Auto Ltd.	Subsidiaries/Joint Venture
DEPRICIATION			
Building	JBM Auto System Pvt. Ltd	Depreciation is provided on straight line method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956 except in case of pallets on which depreciation is provided @ 12.5% p.a., as per management's estimate.	Depreciated @5.00% p.a.
Plant & Machinery			Depreciated @ 12.50% p.a.
Computer			Amortised over three years.
Office Equipment			Depreciated @ 33.33% p.a Straight Line Method.
Furniture & Fixture			Depreciated @ 33.33% p.a Straight Line Method.
Vehicle			Depreciated @ 33.33% p.a Straight Line Method.
Tools & Dies			Depreciated over the Estimated Useful life
Software	JBM Auto System Pvt. Ltd	Software is amortized @ 33.33% p.a.	Software is charged to revenue in the year of purchase
Computer	INDO Tolling Pvt. Ltd.	As per Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.	Depreciated @ 20.00% p.a.
Software	INDO Tolling Pvt. Ltd.	Software is amortized @ 33.33% p.a.	Software is depreciated over the usefull life or where is integral to the computer system over period of life to the computer system
Vehicle	JBM MA Automotive Pvt. Ltd	As per Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.	Depreciated @ 25.00 % p.a.
INVENTORY			
	JBM MA Automotive Pvt. Ltd	Inventories are valued at the lower of Cost as per FIFO Method or NRV.	Inventories are valued at the lower of Weighted Average Cost or NRV
Employee Benefits			
	JBM MA Automotive Pvt. Ltd And Indo Tolling Pvt. Ltd.	Post employment benefits are provided every year.	Post employment benefits have not been provided.

- The effect of above different accounting policies could not be ascertained on Profit & Loss Account.
- Previous year figures include financial statements of one subsidiary JBM Oghiara Automotive India Limited prepared and consolidated for 13 months from March 2009 to 31st March 2010.
 - In respect of jointly controlled Entities, the Company's share of Assets, Liabilities, income and expenditure of the joint venture companies are as follows:-

(₹ in lacs)

Particulars	2011	2010
Assets		
Long term Assets	9507.89	9445.89
Current Assets	4270.15	3950.97
P & L A/c (Dr.)	427.11	-
Deferred Tax Asset	185.25	114.99
Liabilities		
Loans (Secured & Unsecured)	5407.02	6902.38
Deferred Credits	1965.79	-
Current Liabilities and Provisions	3607.12	3513.94
Deferred Tax Liabilities	-	0.24
Income	8257.53	11218.11
Expenses	8380.29	11757.78

5. Contingent liabilities:-

(₹ in lacs)

	2011	2010
i) Letter of Credit outstanding	1189.62	1234.84
ii) Guarantees issued by the Bank on behalf of the Company	1009.91	374.61
iii) Claims against the Company not acknowledged as debt	486.74	1116.91

- Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹3780.36 lacs (P.Y. ₹2453.58 Lacs).
- The Company has taken land on lease for a period of 35 years, admeasuring 9.579 acre under an agreement commencing w.e.f. 5th May 2009 with Tata Motors Ltd. on an annual rent payable from the 3rd year onwards. The lease rent paid will be charged to revenue in the year of payment. The lease rent as stipulated in the agreement shall increase periodically.
- Advance recoverable in cash or in kind for value to be received includes Singur project relocation cost, which shall be recovered from Tata Motors Ltd. by way of amortization in sales commencing from January, 2012.
- Previous year figures have been regrouped and/ or rearranged wherever considered necessary
- First phase of Sanand project of company commenced commercial production from 15th September 2010 and second phase was commissioned on 1st March 2011.

The pre-operative expenses have been capitalized as per the details hereunder:-

(₹ in lacs)

Expenditure	Sanand		
	Phase I	Phase II	Total
Manufacturing Expenses	16.64	-	16.64
Employee Cost	161.20	26.31	187.51
Administrative Expenses	35.33	10.82	46.15
Interest and Bank Charges	163.13	89.41	252.54
Total	376.30	126.54	502.84

- The Company is in the process of expansion at its existing location at Faridabad and Greater Noida. The following pre-operative expenses have been capitalized and being carried forward under Capital work in progress.

(₹ in lacs)

Expenditure	Amount
Manufacturing Expenses	0.43
Employee Cost	50.51
Interest and Bank Charges	53.68
Total	104.62

12. Earning per share

Particulars	2011	2010
a) Profit after tax as per Profit & Loss account (₹ In Lacs)	2151.82	812.27
b) Preference dividend and dividend tax thereon (₹ In Lacs)	46.49	12.31
c) Net profit available for equity share holders (₹ In Lacs)	2105.33	799.96
Total Equity Shares (No's)	10198841	10198841
Basic/Diluted Earnings per Share (₹)	20.64	7.84

13. Managerial Remuneration

A. Remuneration paid to Executive Directors: -

(₹ in lacs)

	2011	2010
Salary	67.28	40.47
Contribution to Provident Fund	1.80	5.04
Other Perquisites/Allowances	17.19	16.31
Bonus/Commission	5.00	5.00
Total	91.27	66.82

Note : Provisions for / contribution to employee retirement / post retirement and other employee benefits which are based on actuarial valuations done on an overall company basis, hence, could not be included in above.

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

i. Forward exchange contracts remaining outstanding as on 31.03.2011

Nos of Contracts		Equivalent Foreign Currency (In Lacs)		INR Equivalents (₹ In Lacs)	
2011	2010	2011	2010	2011	2010
9	4	2547.08	3619.46 JPY	1413.57	1764.21
5	2	16.54	1.86 Euro	758.64	116.17

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

	As at March 31, 2011 (Amount in Lacs)	As at March 31, 2010 (Amount in Lacs)
Liabilities		
In Euros	.07	40.62
(Equivalent approximate in INR)	4.73	2461.07
In US Dollar	20.75	65.25
(Equivalent approximate in INR)	934.10	2951.68
In SEK	0.89	3.81
(Equivalent approximate in INR)	6.42	24.03
In GBP	-	0.20
(Equivalent approximate in INR)	-	13.73
In JPY	55.74	-
(Equivalent approximate in INR)	30.10	-
Assets		
In Euros	7.98	9.69
(Equivalent approximate in INR)	505.01	582.69
In US Dollar	.20	0.88
(Equivalent approximate in INR)	9.11	40.05

15. Retirement Benefits

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

A. Provident Fund

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

(₹ in lacs)

	2011	2010
Employer's Contribution to Provident Fund*	175.93	121.58

B. State Plans

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

(₹ in lacs)

	2011	2010
Employer's contribution to Employee State Insurance*	54.22	15.66
Employer's contribution to Welfare Fund*	0.92	0.48

*included in contribution to Provident and other funds under Employee Remuneration and Benefits (Refer schedule 9).

C. Defined Benefit Plans

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

b) Leave Encashment/ Compensated Absence

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

		2011		2010	
		Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
i) Actuarial Assumptions					
	Discount Rate (per annum)	8.50%	8.50%	8.50%	8.50%
	Rate of increase in compensation levels	5%	5%	5%	5%
	Rate of return on plan assets	N.A	9.15%	N.A	9.15%
	Expected Average remaining working lives of employees (years)	23.88	23.88	23.52	23.52

₹ in lacs

ii) Change in the obligation during the year ended 31 March, 2011					
	Present value obligation as at 31 March, 2010	35.78	91.16	51.02	94.28
	Interest cost	2.49	7.02	3.48	7.87
	Past Service cost	-	-	-	-
	Current service cost	19.78	16.72	14.06	13.63
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Benefit paid	(24.92)	(8.95)	(20.06)	(3.46)
	Actuarial (gain)/loss on Obligations	.20	15.67	(12.72)	(21.16)
	Present value obligation as at 31 March, 2011	33.33	121.62	35.78	91.16
iii) Change in fair value plan Assets					
	Fair value of Plan Assets as at 31 March, 2010	-	120.87	-	80.85
	Expected return on Plan Assets	-	11.96	-	8.81
	Contributions	-	38.30	-	34.54
	Withdrawals	-	(2.46)	-	(3.46)
	Actuarial gain/(loss) on Obligations	-	(1.76)	-	0.13
	Fair value of Plan Assets as at 31 March, 2011	-	166.91	-	120.87
iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets					
	Present value obligation as at 31 March, 2011	33.33	121.62	35.78	91.16
	Fair value of Plan Assets as at 31 March, 2011	-	166.91	-	120.87
	Funded Status		45.29	-	29.71
	Present value of unfunded obligation as at 31 March, 2011	-	-	-	-
	Unfunded Actuarial (gains)/Losses	-	-	-	-
	Unfunded Net Asset/(Liability) recognized in Balance Sheet	(33.33)	-	(35.78)	-
v) Expenses recognized in Profit and Loss Account					

		2011		2010	
		Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Current service cost	19.78	16.72	14.06	13.63
	Past Service cost	-	-	-	-
	Interest cost	2.49	7.01	3.48	7.87
	Expected return on Plan Assets	-	(11.96)	-	(8.81)
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Net Actuarial (gain)/loss recognized during the year	0.20	17.43	(12.72)	(21.29)
	Total Expense recognized in Profit and Loss Account	22.47	29.20	4.82	(8.60)

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

As the Subsidiaries have provided for long term employee benefits on estimation basis and Joint ventures have not provided for long term employee benefits. Hence, detailed disclosure breakup is not available, the information given above are for the parent company.

16. Segment Information

i) Primary Segment Reporting

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

- Sheet Metal Components, Assemblies & Sub-assemblies - Segment manufactures components etc.
- Tool, Dies & Moulds: Segment manufactures Dies for Sheet Metal Segment or sells Dies.
- Special Purpose Vehicle: Segment assembles and fabricates bodies of heavy vehicles

B. Inter Segment Transfer Pricing

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

ii) Segment Revenues, Results and other information:

(₹ In Lacs)

	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Special Purpose Vehicle		Total of Reportable Segments	
	2011	2010	2011	2010	2011	2010	2011	2010
External Sales	66831.39	35893.04	5446.63	4028.61	827.37	1547.15	73105.39	41468.80
Inter Segment Sales	26.36	24.14	15.05	17.19	-	-	41.41	41.33
Other Income	231.82	177.68	-	-	6.46	7.52	238.28	185.42
Segment Revenues	67089.57	36095.06	5461.68	4045.82	833.82	1554.66	73385.08	41695.55
Segment Results	5157.86	2596.73	1052.67	838.51	(84.81)	(141.16)	6125.72	3294.08
Segment Assets	49133.34	30482.60	7680.59	6959.45	1377.33	1347.41	58191.26	38789.47
Segment Liabilities	14303.69	10594.29	4693.30	1948.63	307.44	210.19	19304.43	12753.11
Capital Expenditure	13591.70	4928.82	57.39	191.22	0.24	7.19	13649.32	5127.22
Depreciation/Amortisation	2122.61	1908.14	126.92	167.40	16.08	19.16	2265.62	2094.71

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
	2011	2010	2011	2010	2011	2010	2011	2010
Total Reportable Segments	73385.08	41695.55	6125.72	3294.08	58191.26	38789.47	19304.43	12753.11
Inter segment sales/ Adjustments	(41.41)	(41.33)	-	-	-	-	-	-
Corporate unallocated/ Others (Net)	-	-	(2384.30)	(1780.77)	9906.69	13937.76	32585.56	26598.32
Interest Expenses	-	-	-	-	-	-	-	-
Taxes/ Deferred Tax	-	-	(1256.55)	(567.53)	185.25	-	1332.85	1177.35
As per Financial statements	73343.67	41654.22	2484.87	945.78	68283.20	52727.23	53222.84	40528.77

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

17. Deferred Tax

Deferred Tax Asset and Liability comprises of following

(₹ in lacs)

Deferred Tax Asset	2011	2010
Difference between WDV as per Companies Act, 1956 and WDV as per Income Tax Act, 1961.	-	42.53
Carry Forward Loss of Joint Venture	719.59	545.17
Disallowances under Income Tax Act, 1961	4.97	1.80
Total Asset	724.56	589.51
Deferred Tax Liability		
Difference between WDV as per Companies Act, 1956 and WDV as per Income Tax Act, 1961	1610.28	1149.97
Preliminary Expenditure	-	0.15
Allowances under Income Tax Act, 1961	261.88	535.47
Total Liability	1872.16	1685.58
Net Deferred tax Assets/ (Liabilities)	(1147.60)	(1096.07)
Opening Deferred tax (Liability)/ Assets	(1096.07)	(1190.31)
Previous year adjustment of Subsidiaries and joint ventures	24.79	-
Less Closing Deferred tax (Liability)/Assets	(1147.60)	(1096.07)
Deferred Tax Charge/ (Credit)	76.32	(94.24)

18. Related party Transactions

STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

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

(₹ in lacs)

2010-2011				2009-2010		
	Enterprise over which key management personnel and their relative are able to exercise significance influence / Venturer	Key Management personnel and their relatives	Total	Enterprise over which key management personnel and their relative are able to exercise significance influence	Key Management personnel and their relatives	Total
Purchase of capital goods						
Jay Bharat Maruti Ltd.	-	-	-	446.27	-	446.27
Neel Metal Products Ltd.	200.21	-	200.21	-	-	-
Total	200.21	-	200.21	446.27	-	446.27
Sale of Goods & Job work						
Neel Metal Products Ltd.	1826.79	-	1826.79	1625.23	-	1625.23
Jay Bharat Maruti Ltd.	1868.35	-	1868.35	606.45	-	606.45
JBM Industries Ltd.	439.26	-	439.26	328.20	-	328.20
Others	8.32	-	8.32	23.34	-	23.34
Total	4142.72	-	4142.72	2583.22	-	2583.22
Sale of Capital goods						
JBM Industries Ltd.	15.54	-	15.54	1.33	-	1.33
Total	15.54	-	15.54	1.33	-	1.33
Purchase of the goods						
Neel Metal products Limited	3620.55	-	3620.55	3727.73	-	3727.73
Jay Bharat Maruti Ltd.	500.18	-	500.18	657.96	-	657.96
JBM Industries Ltd.	101.58	-	101.58	111.10	-	111.10
MA SPA	415.37	-	415.37	-	-	-
Others	8.97	-	8.97	2.06	-	2.06
Total	4646.65	-	4646.65	4498.85	-	4498.85
Interest paid						
JBM Industries Ltd.	12.78	-	12.78	35.15	-	35.15
Neel Metal Products Ltd.	147.93	-	147.93	136.31	-	136.31
Others	-	-	-	8.41	-	8.41
Total	160.71	-	160.71	179.87	-	179.87
Others Expenses						
Gurera Industries Ltd.	17.04	-	17.04	3.00	-	3.00
Neel Metal Products Ltd.	32.15	-	32.15	16.99	-	16.99
JBM Industries limited	12.00	-	12.00	24.00	-	24.00
Ogihara (Thailand) Co. Ltd.	158.90	-	158.90	-	-	-
Total	220.09	-	220.09	43.99	-	43.99
Managerial Remuneration						
Mr. H. R. Saini	-	26.00	26.00	-	20.10	20.10
Ms. Esha Arya	-	-	-	-	15.72	15.72
Mr. Pramod manglik	-	40.00	40.00	-	31.01	31.01
Mr. Rajesh Sahay	-	25.28	25.28	-	-	-
Total	-	91.28	91.28	-	66.83	66.83
Security Deposits						
JBM Industries Ltd.	10.50	-	10.50	10.50	-	10.50
Gurera Industries Ltd.	9.00	-	9.00	9.00	-	9.00
Total	19.50	-	19.50	19.50	-	19.50
EMI of Car Loan						
Jay Bharat Maruti Ltd.	19.01	-	19.01	21.68	-	21.68
Total	19.01	-	19.01	21.68	-	21.68

2010-2011				2009-2010		
	Enterprise over which key management personnel and their relative are able to exercise significance influence / Venturer	Key Management personnel and their relatives	Total	Enterprise over which key management personnel and their relative are able to exercise significance influence	Key Management personnel and their relatives	Total
Loan						
Neel Metal Products Ltd	1230.00	-	1230.00	1230.00	-	1230.00
JBM Industries limited	150.00		150.00			
Total	1380.00	-	1380.00	1230.00	-	1230.00
Amount Recoverable						
JBM Industries Ltd.	170.31	-	170.31	102.54	-	102.54
Neel Industries Private Limited	148.89		148.89			
Gurera Industries Ltd.	10.27	-	10.27	0.16	-	0.16
Total	329.47	-	329.47	102.70	-	102.70
Amount Payable						
Neel Metal Products Ltd.	2039.37	-	2039.37	788.36	-	788.36
Jay Bharat Maruti Ltd.	460.87	-	460.87	513.58	-	513.58
JBM Industries Ltd.	-	-	-	8.50	-	8.50
Ogihara (Thailand) Co. Ltd.	14.21	-	14.21	-	-	-
Total	2514.45		2514.45	1301.44		1301.44

19. Debtors and Creditors Balances are subject to confirmation.

As per our report attached

For **MEHRA GOEL & Co.**
Chartered Accountants

R. K. MEHRA
Partner
M.No.6102
FRN : 000517N

S. K. ARYA
Chairman

M. K. AGGARWAL
Director

Place : New Delhi
Dated : 30th May 2011

H. R. SAINI
Executive Director

N. K. GOEL
Chief Financial Officer
& Company Secretary

E-COMMUNICATION REGISTRATION FORM

(FOR MEMBERS HOLDING SHARES IN PHYSICAL MODE)

To
Company Secretary
JBM Auto Limited
610, Hemkunt Chambers
89, Nehru Place
New Delhi - 110019

Dear Sir/Madam,

RE: Green Initiative in Corporate Governance

I agree to receive all communication from the Company in electronic mode. Please register/change my e-mail id in your records for sending communication through e-mail, as per details hereunder:

Folio No. :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Registered Address :

.....

.....

E-mail ID :

Date: Signature of the first holder

Important Notes:

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio no.
- 2) The form is also available on the website of the company www.jbm-group.com
- 3) Shareholders are requested to keep company informed as and when there is any change in the e-mail address in this form. Unless the email Id appearing in the records is changed by you by sending another communication in writing, the Company will continue to send the notices/documents to you on the above mentioned email ID.

Note: If shares held in electronic mode, kindly register / update your e-mail id through your DP.

NOTES

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting for the members of JBM Auto Limited will be held on Thursday the 15th day of September 2011 at M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054 at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011 and the Report of the Directors and Auditors thereon.
2. To declare dividend, if any.
3. To appoint a Director in place of Mr. M. K. Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold the office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to Section 372A and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company for investment of the Company's funds by acquiring Equity Shares by subscription, purchase/ Investments/ Loans/ Guarantees or otherwise in JBM Ogihara Automotive India Limited (JOAI) up to Rs. 20 Crores (Excluding stamp Duty), notwithstanding that the aggregate of the investments so far made in or to be made in and the Guarantees or Securities so far given or to be given to all the Bodies Corporate may exceed the limits prescribed under the said Section.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, Statutory, Contractual or otherwise, in relation to such investment, to settle all matters arising out of and incidental thereto and to sign and execute all deeds, applications, documents and writings that may be required to be signed on behalf of the Company, in connection with such investment and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

By Order of the Board
for JBM Auto Limited

Place : New Delhi
Date : 10.08.2011

N.K.Goel
Chief Financial Officer
& Company Secretary

NOTES:-

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member 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 authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing 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 between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

6. The Company has notified closure of Register of Members and Transfer Books thereof from 5th September, 2011 to 15th September, 2011 (both days inclusive) for the purpose of Annual General Meeting.
7. 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 No. 2B, which will be made available by the Company on request.
8. Members seeking any information or clarification on the Accounts 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.
9. The members may address their correspondence either to the Company at its registered office or its Share Transfer Agent. Please quote your folio number, email address, telephone & fax number (if any) for prompt reply.
10. Members holding shares in identical order of names in more than one folio are requested to write to the Company or its Registrar Agent, and send their share certificates to enable consolidation of their holdings into one folio.
11. Pursuant to the provisions of Section 205C of the Companies Act, 1956, dividend for the Financial Year ended 31st March 2004 (2003-2004) shall be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government on 20th September, 2011. No claim henceforth shall lie in respect thereof against the Company /or the Government hereafter.
12. The Company has not attached the annual accounts of its Subsidiary Companies in terms of MCA circular no. 2/2011 dated 8th February, 2011. However, if any Shareholder wish to have a copy of the Accounts of Subsidiary Companies, they may obtain the same from the registered office of the company
13. **Re-appointment of Mr. M. K. Aggarwal (Item No. 3 of the Notice)**

Mr. M.K. Aggarwal is Non-executive Director of the Company since 2000. He is retiring by rotation at the ensuing Annual General meeting and being eligible has offered for re-appointment, liable to retire by rotation.

Brief Profile of Mr. M. K. Aggarwal

Mr. M.K. Aggarwal is a technocrat, business executive & professional consultant and has over 45 years rich experience in industry. He is the Director, Member of Audit Committee and Remuneration Committee in the following Companies:

Company Name	Director/ Chairman	Committees		
		Audit	Remuneration	Shareholders' Grievance
JBM Auto Limited	Director	Member	Chairman	-
JBM Auto Systems Pvt. Ltd.	Director	-	-	-
Metos Investment (P) Ltd.	Director	-	-	-
OETS (Pvt.) Ltd.	Director	-	-	-
Pragmac Sources & Services Pvt. Ltd.	Director	-	-	-

Your directors recommend the re-appointment of Mr. M. K. Aggarwal as director considering his rich experience and valuable contribution in the growth of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5

Inter Corporate Investments under Section 372A of the Companies Act, 1956.

The Company has set up a joint venture with Ogihara Thailand Co. Ltd. (OTC) primarily for the manufacture of stamping / sub assembly parts for Toyota Kirloskar Motor Private Limited at Bangalore and formed a Joint Venture Company in the name of JBM Ogihara Automotive India Limited.

Pursuant to this association, the Company will be required to make further investment in the Company up to Rs. 20 Crores by acquiring Equity/Preference Shares by subscription, purchase/Investments/ Loans/ Guarantees etc.

Since the proposed amount of investment exceed the limit prescribed under Section 372A of the Companies Act, 1956 (60% of the paid share capital and free reserves or 100% of free reserves whichever is more), the Company will be required to obtain approval of the shareholders of the Company by way of special resolution.

Accordingly the Board of Directors of the Company recommends passing of resolution as a special resolution for approval by the members.

By Order of the Board
for JBM Auto Limited

Place : New Delhi
Date : 10.08.2011

N.K.Goel
Chief Financial Officer
& Company Secretary



JBM AUTO LIMITED

REGISTERED OFFICE: 610, HEMKUNT CHAMBERS, 89, NEHRU PLACE, NEW DELHI-110019

ATTENDANCE SLIP

I hereby record my presence at the 15th Annual General Meeting of the Company held on Thursday, 15th September, 2011 at M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054 at 12.30 p.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 15th Annual General Meeting, to be handed over at the meeting.
- If you intended 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.



JBM AUTO LIMITED

REGISTERED OFFICE: 610, HEMKUNT CHAMBERS, 89, NEHRU PLACE, NEW DELHI-110019

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 me/ us on my/ our behalf at the 15th Annual General Meeting of the Company to be held on
Thursday, 15th September, 2011 at M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054 at
12.30 p.m. and at any adjournment thereof.

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

Signed this day of 2011.

Signed by the said

Signature of the Proxy

Signature

Attested by the Shareholder

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

Affix
Re. 1/-
Revenue
Stamp

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.





JBM AUTO LIMITED

Registered Office : 610, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019
Corporate Office : 601, Hemkunt Chambers, 89, Nehru Place, New Delhi - 110019

Ph.: +91 11 26427104-06, Fax: +91-11-26427100, Email: corp@jbm.co.in

Works

Plot No. 133, Sector - 24
Faridabad - 121005, Haryana
Ph.: +91-9711169782-83
Fax: +91-129-2233809

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

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

Plot No. B-2, Survey No. 1
Tata Motors Vendor Park,
Sanand, Ahmedabad. Gujarat