

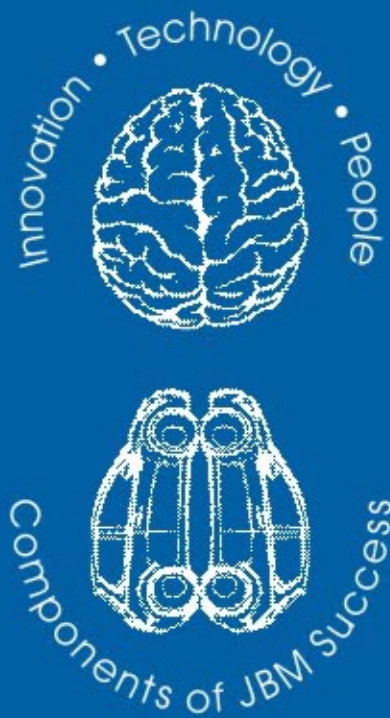
Technology

Innovation



People





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WIND SHIELD
Supplied to TVS - 3 Wheeler Division

C CONTENTS

VISION >>

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

VALUES >>

We believe in...

- Simplicity by keeping a low profile externally and having clear, frank and effective communication in the organisation
- Teamwork with well-defined responsibilities and accountability
- Relationships of trust amongst people through well-defined responsibility and authority
- According top priority to customer focus through prompt and appropriate response
- Respect and care for all those associated with us by meeting commitments

When we move forward for higher achievements, deeper ideas follow us. We acquire higher resource base, deeper inspiration beckons us. We have diversified strategically and emerged as India's auto components major with presence across the value chain. We explore every possibility to rope in highly developed and new emerging technologies.

But what really works behind us is integrity and commitment of our people. That's why, when we seek **technology** and **innovation**, we treasure our **people** more.



PANEL FRONT
Supplied to Volvo, Eicher

PHILOSOPHY



Mr. S. K. Arya
CHAIRMAN

Dear Friends,

I take this opportunity to talk to you and convey my gratitude for the unabated support and trust you have always reposed in JBM Group and encouraged it to move ahead confidently on the road to progress and development.

I need not mention that in line with its vision, JBM Group has evolved as a people-centric organisation led by a competent team of professionals. I take pride in my team that gives our Group width, proficiency and capability to succeed.

The Group has embraced world-class technology and processes implementing them at all levels in every unit and across all parameters. Flexibility and innovation to respond to the rapidly changing markets and technological conditions have helped us establish ourselves as a 'leader in sheet metal technology'.

Our dedication to quality and cost-competitiveness has led us to several milestones and has invited accolades and prestigious certifications both from global institutions and esteemed customers. It has helped us earn their unflinching support over the years.

At JBM Group, we believe that change is constant. We have constantly moved up the value chain by adding value added products and new assembly lines and spreading wings to different parts of the country. JBM Group has several products on the anvil and has set ambitious targets to grow multifold in the years to come.

Let our core values of simplicity, team work, trust amongst people, customer focus and meeting commitment continue to guide our corporate governance.

CORPORATE |

OUR ESTEEMED >>
BOARD MEMBERS



Mr. Ashok Kumar Agarwal
DIRECTOR



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**

- Canara Bank • Standard Chartered Bank • Indusind Bank Ltd.
- Royal Bank of Scotland • Citi Bank N.A. • Yes Bank Ltd.
- ICICI Bank Ltd. • Kotak Mahindra Bank Ltd. • Axis Bank Ltd.
- Central Bank of India • Bank of Baroda • HDFC Bank Ltd.

ASSEMBLY REINFORCEMENT PILLAR
Supplied to Mahindra XYLO



INFORMATION



FARIDABAD



CHENNAI



GREATER NOIDA



KOSI



NASHIK



SANAND



PUNE

ASSY REINFORCEMENT PILLAR HINGE REAR DOOR
Supplied to Mahindra XYLO

P ANTS



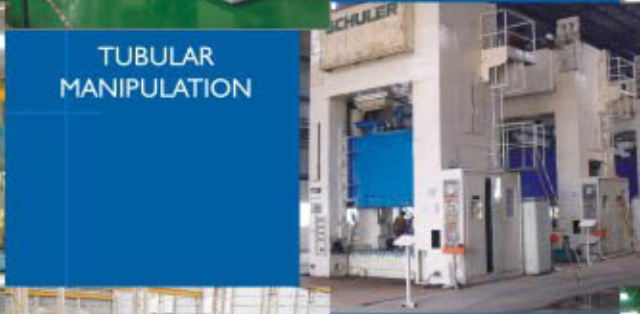
TUBULAR
MANIPULATION



3000 T PRESS LINE



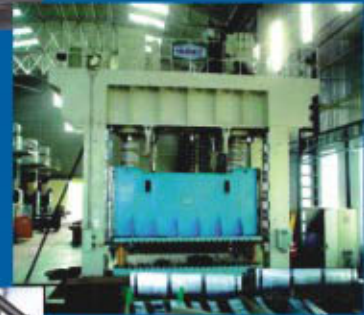
PRESS LINE



PRESS LINE



DIE STORAGE



1200 T PRESS LINE



WELD SHOP



PRESS SHOP



CHASSIS SHOP

FACILITIES

PRODUCTS >>



DRUM ASSEMBLY



CORNER MODULE



TUNNEL ASSEMBLY



DOOR INNER



DOOR PANEL



ROOF



CROSS CAR BEAM



PILLAR B INNER



PANEL RR INNER



LOWER ARM ASSEMBLY



BACK PANEL



FRONT CROSS MEMBER



AXLE

PANEL RR INNER
Supplied to Mahindra XYLO



PROUUC



REAR BUMPER



COVER PLATE LONGITUDINAL



TAILGATE INNER



DOOR BODY OUTER



REAR FLOOR UPPER



BONNET



DASH PANEL



TIPPER



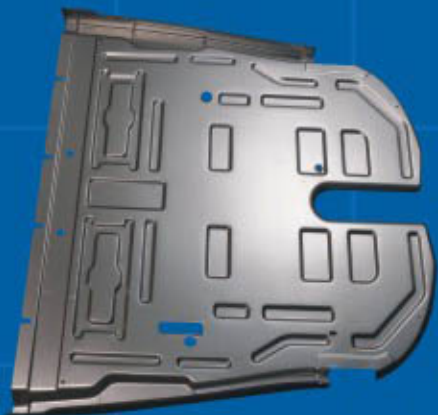
DRAW (UPPER)

TRANGE

KAIZEN EXCELLENCE UTSAV >>



HR TRAINING >>



FLOOR PANEL
Supplied to TVS - 3 Wheeler Division

EVELO

DIWALI CELEBRATION >>



CHAIRMAN'S VISIT >> AT PLANTS



PMEMENTS

HIGHLIGHTS >>

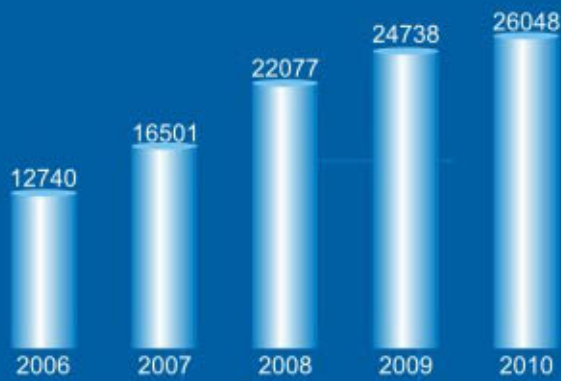
(Figures in ₹ lacs)

Particulars	2006	2007	2008	2009	2010
Gross Sales	12733	16460	21972	24725	25903
Net Sales	11118	14507	18621	21636	23780
Other Income	7	41	105	13	145
Total Income (Gross)	12740	16501	22077	24738	26048
Profit Before Depreciation & Tax (PBDT)	1396	1484	1461	2603	1970
Cash Profit	1026	1123	1197	2204	1433
Profit Before Tax (PBT)	1044	1061	918	2007	1224
Profit After Tax (PAT)	674	700	654	1285	824
Equity Share Capital	680	680	1020	1020	1020
Reserve & Surplus	2905	3445	3584	4765	7898
Net Worth	3585	4125	4604	5785	8918
PBT/Net Sales (%)	9.39	7.31	4.93	9.28	5.15
PAT/Net Sales (%)	6.06	4.82	3.50	5.94	3.47
RONW (PAT/Net worth)%	18.8	16.96	14.2	22.21	9.24
Debt Equity Ratio	0.39	1.10	0.94	1.43	1.09

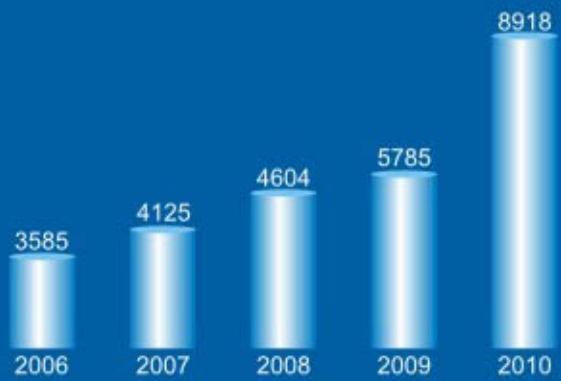


TUNNEL ASSEMBLY
Supplied to Mahindra Logan

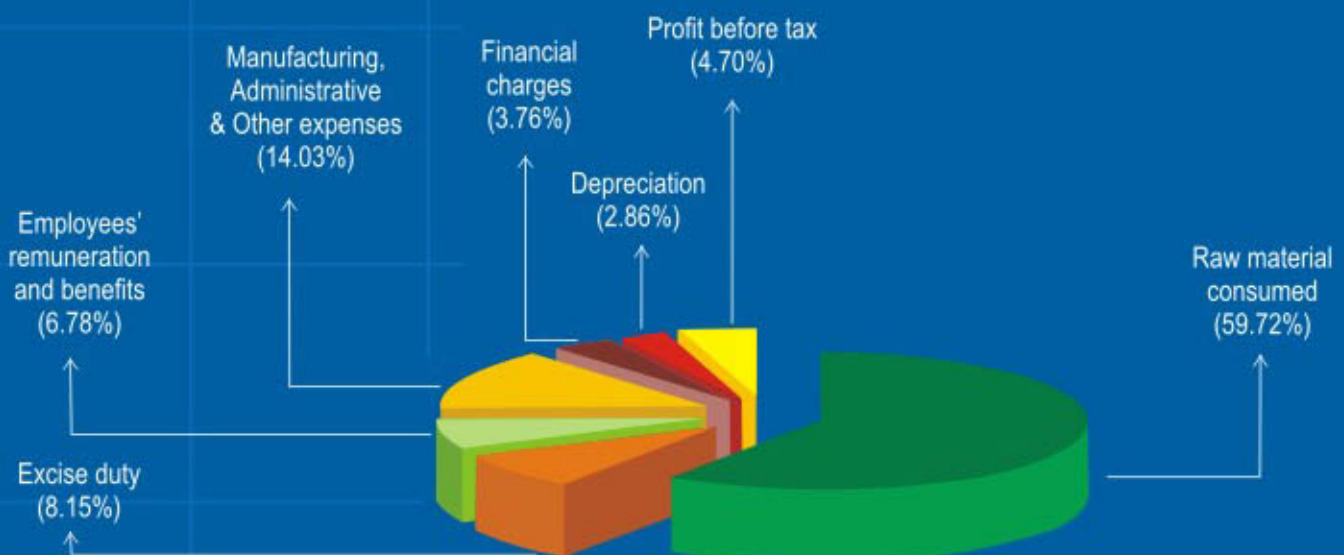
FINNAN



GROSS SALES & OTHER INCOME
(In ₹ lacs)



NET WORTH
(In ₹ lacs)



DISTRIBUTION OF INCOME 2010

CIALS

TWO WHEELER/ THREE WHEELER	FOUR WHEELER	COMMERCIAL/ AGRICULTURE VEHICLES	FMCG / OTHERS
 	          	        	    



LOWER FRAME CROSS MEMBER SUPPORT
 Supplied to Mahindra Logan

CLIENTELE

Directors' Report

Dear Members,

Your Directors have the pleasure in presenting the Fourteenth Annual Report of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2010 and Auditors report thereon.

Financial Results

(Rs. in lacs)

Particulars	STANDALONE		CONSOLIDATED
	2009-10	2008-09	2009-10
Gross Sales & Other Income (excluding exceptional items)	26047.81	24734.02	45071.28
Profit Before Tax (excluding exceptional items)	1223.90	783.24	1513.31
Add: Exceptional items	-	1224.25	-
Profit Before Tax (including exceptional items)	1223.90	2007.49	-
Less: Provision for Tax	399.90	722.39	567.53
Profit After Tax	823.99	1285.10	945.78
Less: Minority Interest	-	-	(133.51)
Balance brought forward	3748.87	2463.77	3122.47
Profit available for appropriation	4572.86	3748.87	3934.74
Appropriation:			
Proposed Dividend	163.50	-	163.50
Dividend Tax	27.78	-	27.78
Transferred to General Reserve	100.00	-	100.00
Balance carried to Balance Sheet	4281.58	3748.87	3643.46

Operational and Financial Review

Your Company is engaged mainly in the manufacturing of Sheet metal components, welded assemblies and tool & dies primarily for the Automobile Industry. Automotive Industry, globally, as well in India, is one of the key sectors of the economy. Due to its deep forward and backward linkages with several key segments of the economy, automotive industry has a strong multiplier effect and acts as one of the drivers of economic growth.

The automotive Industry in India 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 Government of India is keen to provide a suitable economic and business environment conducive to the success of the established and prospective foreign partnership ventures.

During the Year ended March 31st, 2010, the Indian Automotive Industry performed extremely well and the overall sale of Vehicles increased by 25.26% over the previous year with the sale of 140.97 lacs vehicles (Domestic & Exports both) in 2009-10. The passenger vehicle & commercial vehicle registered a double digit growth and also the sale of three wheelers and two wheelers increased over the previous Year.

Directors' Report Contd...

Your company recorded sales & other income (excluding exceptional items) of Rs. 26047.81 lacs as against Rs. 24734.02 lacs recorded in the previous year, registering a growth of 5.32%.

The Profit before Tax (excluding exceptional item) is increased to Rs.1223.90 lacs from Rs.783.24 lacs in the previous year.

Allotment of 8% Non-Cumulative Redeemable Preference Shares

Pursuant to the approval by the Shareholders in the 13th Annual General Meeting (AGM) held on 4th September 2009, the Company has allotted 5000000(Fifty Lacs) 8% Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rs. Ten only) each, at the premium of Rs. 50/- (Rs. Fifty only) each to M/s Neel Metal Products Limited.

Subsidiaries

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

Particulars under Section 212 of the Companies Act, 1956

As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' Report, Balance Sheet, and Profit and Loss Account of subsidiaries to the Balance Sheet of the Company. We believe that the consolidated accounts present a full and fair picture of the state of affairs and the financial condition, and are accepted globally.

Therefore, we had applied to the Government of India to seek exemption from presenting detailed financial statements for each subsidiary as we present the audited consolidated financial statements in the Annual Report. The Government of India has granted us exemption from complying with the provisions of Section 212(1) of the Companies Act, 1956 vide their letter with reference number No.47/655/2010-CL-III dated 26th July 2010.

Accordingly, the Annual Report does not contain the financial statements of the subsidiaries. In compliance with the terms of exemption we have presented a summary of the financial information for each subsidiary and we will make available the annual accounts and related information of subsidiaries, where applicable, upon request by any of our investors. These documents will also be available for inspection during business hours excluding Saturday at our registered office and also at the registered office of the concerned subsidiary. The Consolidated financial statements are provided for in the Annual Report.

Dividend

Your Board of Directors are pleased to recommend a Dividend of Rs. 1.50/- (15%) per share on fully paid up Equity shares of Rs.10/- each for the Financial Year 2009-10. The dividend distribution would result in an outflow of Rs.1,78,98,202/- (Rs. One crore seventy eight lacs ninety eight thousand two hundred and two only) including corporate dividend tax. The dividend is tax free in the hands of recipient.

Expansion

At present, the Company has manufacturing facilities at Faridabad, Greater Noida, Nashik and Kosi. Your Company has been selected by Tata Motors Limited (TML) as one of supplier of components for their small car Project "NANO". After decision by TML to shift their small car project "NANO" from Singur, West Bengal to Sanand, Gujarat, the Company has also decided to relocate its manufacturing facilities from Singur to Sanand. All salvageable machineries and equipments at Singur Project have been/are being shifted to Sanand unit of the Company. Negotiation with Tata Motors has been finalized to partly

Directors' Report Contd...

compensate the relocation cost and Facilitation Agreement has been executed. The project at Sanand is expected to start commercial production during the Financial Year 2010-11.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Ashok Kumar Agarwal, 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. Ashok Kumar Agarwal.

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. Ashok Kumar Agarwal, Director, who is to be re-appointed, is furnished in the explanatory statement of the notice of the ensuing Annual General Meeting.

Directors' Responsibility Statement

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

- i. that in the preparation of the annual accounts for the financial year ended 31st March, 2010, 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, 2010 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, 2010 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.

Directors' Report Contd...

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 2010-11. Further Annual Custodian 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 : August 11, 2010

S. K. Arya
Chairman

ANNEXURE –I

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

(A) CONSERVATION OF ENERGY

(i) Total energy consumption and energy consumption per unit of production in the following Form A Form - A

A. Power and Fuel Consumption

	2010	2009
Electricity		
(a) Purchased units	4887701	3925624
Total Cost (Rs. in lacs)	229.99	191.47
Rate per Unit	4.71	4.88
(b) Own Generation-D.G. Set		
Units generated	1292627	1016669
Fuel Cost (Rs. in Lacs)	141.13	119.62
Fuel Cost per unit	10.92	11.77

(ii) Energy conservation measures taken by the company;

- The Company has taken various steps to conserve the energy:
- Constant monitoring to maintain sustainable power consumption level which resulted in optimization of energy consumption.
- Discipline to switch off lights and machineries, when not working, is being maintained.
- Energy savers have been fitted at many places to reduce energy consumption.
- Measures have been taken for availability of natural lightings wherever possible to reduce the load on electrical lighting.
- Minimized compressed air leakage through vigorous maintenance and quantification of leakage in plant, which resulted into reduction in air leakage.

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

(B) 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)	- No Import of technology
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 Rs. 481.26 lacs (Previous Year was Rs. 548.24 lacs) and outgo on account of capital goods, raw materials & spares, traveling, repair & maintenance, interest, jobwork charges, freight, warehouse & other charges were Rs. 597.20 lacs (Previous Year Rs. 2715.98 lacs).

Management Discussion and Analysis Report

Economic overview

As we know, 2008-09 was a very difficult year for the world economy. The stock, money and Financial markets crashed, and with it the real estate sector. It was the worst global depression since the 1930s. Every developed country suffered negative GDP growth, and with it, economic and social pain. However, by the mid of the F.Y. 2009-10, signs of recovery have started showing the positive results.

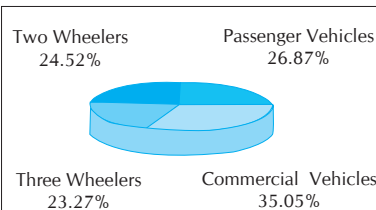
For India, Year 2009 -10 as a whole has posted a strong recovery not only in terms of overall economic growth figures, but also in terms of fundamentals. As per the Central Statistical Organisation (CSO) GDP growth in 2009-10 is 7.4% and is expected to cross double digit figures in coming years. Manufacturing sector growth is also more than tripled, from 3.2% in 2008-2009 to 10.89% in 2009-10. Corporate Sector has also shown signs of growth, which is evident from the financial results of various companies for the financial year 2009-10. Capital market, export etc. is looking upwardly. We have come out from the worst economic crisis, which had hit the world economy.

The major World markets are making efforts to through the fading demand and shrinking markets, India's automobile sector continued its brilliant run. The Automobile industry logged its best –ever annual growth in domestic sales in 2009-2010 with an overall growth of 25.26% largely on the back of an unprecedented 24.52% spurt in Two –wheeler sales. Sales of car and two wheelers continued to rise, despite recent price hike and partial rollback of stimulus packages. New launches and Competitive pricing helped car and two wheelers companies beat market trends and record positive growth in 2009-2010. India thus emerged the second fastest growing market after China, even as Automobile sales globally declined for the second year in a row in the Calender Year 2009.

Current Year domestic market has been very buoyant and most of the segments grew in double digits. Heavy Commercial Vehicle and Light Commercial Vehicle have a dramatic turnaround and high growth was witnessed. Farm Tractor segment achieved its highest ever production in the current Financial Year having crossed Four Hundred Thousand numbers.

The Segment wise growth of Automobile Industry is as under:

Segment	(Growth in %)	
	2009-10	2008-09
Passenger Vehicle	26.87	6.79
Commercial Vehicle	35.05	(22.32)
Three Wheelers	23.27	(1.62)
Two Wheelers	24.52	4.62



Source: Society of Indian Automobile Manufacturers

For Export the Year was difficult due to the effects of slowdown in the US and European markets. Besides lower consumption, there were inventory corrections by customers. There were some signs of improvement from December 2009.

Financial / Operational Performance & Analysis

The highlights of your company's financial performance in the current fiscal are hereunder:

- Gross Sales has increased to Rs. 259.03 crores in 2009-10 from Rs. 247.25 crores in 2008-09, an increase of 4.76% ;
- EBIDTA has increased to Rs. 29.48 crores from Rs. 25.15 crores, an increase of 17.22%;

Management Discussion and Analysis Report Contd...

- Net worth of the company as on 31st March 2010 is Rs 89.18 crores as compared to Rs 57.85 crores in previous year;
- Book value per share has increased to Rs. 87.44 against Rs. 56.72 in previous year.

Segment wise/Product wise Performance

The Company has primarily three business segments namely Sheet Metal Division (for manufacturing Sheet Metal Components, Assemblies, Sub-assemblies), Tool Room Division (for manufacturing Tools, Dies and Moulds) and SPV Division (for development and assembly of Special Purpose Vehicle).

The segment wise performance of the Company during 2009-10 is as follows:

(Rs. In Lacs)

Particulars	Sheet Metal Division		Tool Room Division		SPV Division	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Gross sale	20027.89	14720.83	4196.92	7023.91	1678.18	2980.72
Gross Profit before unallocable expenditures & interest	1855.04	784.07	864.70	1741.25	(141.16)	(208.05)

Opportunities & Threats

There have been remarkable changes in the world economy over the last two decades. Global practices in business has brought new ways of doing business. In fact, past two decades witnessed entire new business and economy environment. These changes need thorough planning and actions. The challenges before industry are going to increase and more focus is required on competitive environment and inculcate the practices of prompt and quality delivery.

The fortune of the Auto Component Industry are closely linked to that of the Automobile Industry.

Indian Automobiles Industry is going long way since market policy adopted by the Government in 1999. It has passed through competitive phase in domestic market as well as global market, and is ready to take on the challenges of the International markets.

We believe that the following aspects of our business will help us to sustain our growth and grow even faster in the times to come:-

Long-term client relationships: We have successfully demonstrated the ability to manage large client relationships over long periods. We believe that our ability to be accessible to our customers, the attention we give them, our flexible approach and ability to meet customer requirements and our positive attitude in servicing customers has helped increase customer satisfaction levels and is a competitive strength.

Comprehensive range of Products: We have developed a comprehensive range of products for our existing customers. We believe that our comprehensive & diversified range of products help our clients achieve their business objectives and enable us to obtain additional business from existing clients as well as address a larger base of potential new clients.

Global delivery model: Our hybrid delivery model represents our method for global development that achieves a balance of quality, cost savings and localizations. We recognise that Components manufacturers cannot deliver quality and cost-and-time savings unless they are committed to integrating people, business processes and skill sets into a single corporate vision.

Management Discussion and Analysis Report Contd...

There is huge potential in the Indian market as still being a developing country and with higher growth rates. The rural areas have huge potential as the markets in rural areas are still to be tapped. The rural/semi – urban areas are expected to drive the growth of Indian auto Industry.

Nevertheless, it is a well accepted fact that the automotive industry is a volume driven industry and a certain critical mass is a pre-requisite for attracting the much needed investment in Research and Development and New Product Design and Development. R&D investment is needed for innovations which is the life line for achieving and retaining the competitiveness in the industry. This competitiveness in turn depends on the capacity and the speed of the industry to innovate and upgrade. The automotive industry faces the challenge mainly on three counts:

- i. Personnel:** The most critical enabler for the huge growth envisaged for the Indian Automobile Industry shall be adequate availability of trained manpower. Based on the current pattern of employment it is estimated that automotive industry would require huge numbers of trained personnel to work at various levels. Due to shortage of trained manpower, job hopping has increased.
- ii. Availability of Capital:** Automotive Industry is Capital Intensive and requires huge investment in Plant & Machinery and Equipment etc. The availability of capital at different rates of interest depends upon the monetary policy of the Reserve Bank of India which is again in line with the changing economic conditions.
- iii. Technology:** With increased competition in this sector there is a thrust on acquiring new technologies with the result that the existing ones are turning obsolete very fast. Introduction of new designs, models etc are being deployed to corner increased market share by many automotive Companies and thereby there is a need to continuous look out for new technologies.

Risk & Concerns

- The fluctuations in the domestic/international steel market and price reduction demanded by OEMs is an area of concern. The margins of the Company are subject to various market forces and performance of its customers.
- With economic turnaround, customers expect discounts and special pricing incentives, which also creates pressure on pricing. We have been focused to provide 'Value Addition' to the customer rather than just product suppliers.
- The Company's borrowings in foreign currency have the currency rate fluctuation risk. However, appropriate steps have already been taken by the Company to mitigate its foreign exchange rate fluctuation.
- The stable government in the centre will boost up the confidence of foreign investors and therefore the demand will boost up. This is expected to have some positive impact.

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. This ensures the control and safeguarding of the Company's assets against loss through inefficiency, waste, negligence or fraud. The Company is well structured and policy guidelines are well documented with pre-defined authority.

The Audit Committee of the Company is 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 premises is full of energy, vitality, enthusiasm and passion.

The Company had 448 permanent employees as on 31st March 2010. 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 of directors.

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 2009-10, five board meetings were held on 3rd April 2009, 27th June 2009, 30th July 2009, 30th October 2009 and 23rd January 2010.

The details of Directors as on 31st March 2010 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	5	Yes
Mr. Ashok Kumar Agarwal	Non-executive Director	Independent	4	2	1	5	2	No
Mr. M.K. Aggarwal	Non-executive Director	Independent	-	1	-	5	5	Yes
Mr. H.R. Saini	Executive Director	Promoter	3	1	-	5	4	No
Mr. Nishant Arya	Non-executive Director	Promoter	6	1	-	5	3	Yes

* Excludes directorship of private limited companies and alternate directorship.

** Committee means Audit Committee, Shareholders/Investors Grievance Committee and includes Committees of 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).

Report on Corporate Governance Contd..

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:

Mr. Ashok Kumar Agarwal, Chairman

Mr. M. K. Aggarwal, Member

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 2009-10, five Committee meetings were held on 3rd April 2009, 27th June 2009, 30th July 2009, 30th October 2009, and 23rd January 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. 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 2009-10, no meeting of the Remuneration Committee was held.

The details of remuneration paid to the Executive Directors and sitting fees paid to other non-executive

Report on Corporate Governance Contd..

directors during the financial year 2009-10 are as under: -

(Rs. in Lacs)

Remuneration paid to Executive Director			Sitting fee paid to directors			
Particulars	Mr. H.R. Saini	Ms. Esha Arya	Name of Director	Board Meeting	Committee Meeting	Total
Salary and other Perquisites / Allowances	18.59	15.00	Mr. S.K.Arya	0.25	0.25	0.50
			Mr. Ashok Kr. Agarwal	0.10	0.10	0.20
Contribution to Provident and other Funds	1.51	0.72	Mr. M.K. Aggarwal	0.25	0.25	0.50
			Mr. Nishant Arya	0.15	-	0.15
Total	20.10	15.72		0.75	0.60	1.35

5. Subsidiaries

During the financial year 2009-10, the company acquired two subsidiaries companies namely JBM Oghihara Ltd. and JBM Auto System Pvt. Ltd. The company is in the process of appointing one independent director of the company as 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.

Report on Corporate Governance Contd..

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
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 Delhi Gujrati Samaj Marg, Civil Lines, Delhi-110054
2006 - 2007	20th September, 2007 at 3.00 P.M.	M.P.C.U. Shah Auditorium, Shree Delhi 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:

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 Rs. 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).

2006-2007 - Appointment of Mr. H.R. Saini, as whole time director (designated as executive director).
- Issue of new Equity Shares

8. Disclosures

- During 2009-2010, 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.

Report on Corporate Governance Contd..

- In the preparation of financial statements for the year 2009-10, 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-imburement 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.

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 Financial Express (English Edition) and 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

Day, Date & Time	:	Monday, 20th September, 2010 at 12:30 P.M.
Venue	:	M.P.C.U. Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi - 110054
Date of Book Closure	:	Friday, 10th September 2010 to Monday, 20th September 2010 (Both days inclusive)

Financial calendar (tentative and subject to change)

Financial reporting for the :

1st Quarter ending on 30th June 2010	:	July/ August 2010
2nd Quarter ending on 30th September 2010	:	October / November 2010
3rd Quarter ending on 31st December 2010	:	January/ February 2011
Year ending on 31st March 2011	:	April / May 2011

Report on Corporate Governance Contd..

- Listing on Stock Exchange**

Presently shares of your Company are listed at:

The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Tel No. 022 - 22721233-34 Fax 022-22722061/ 41/39/37	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: 532605	Security Code: JBMA
ISIN NO. for NSDL & CDSL : INE 927D 01010	

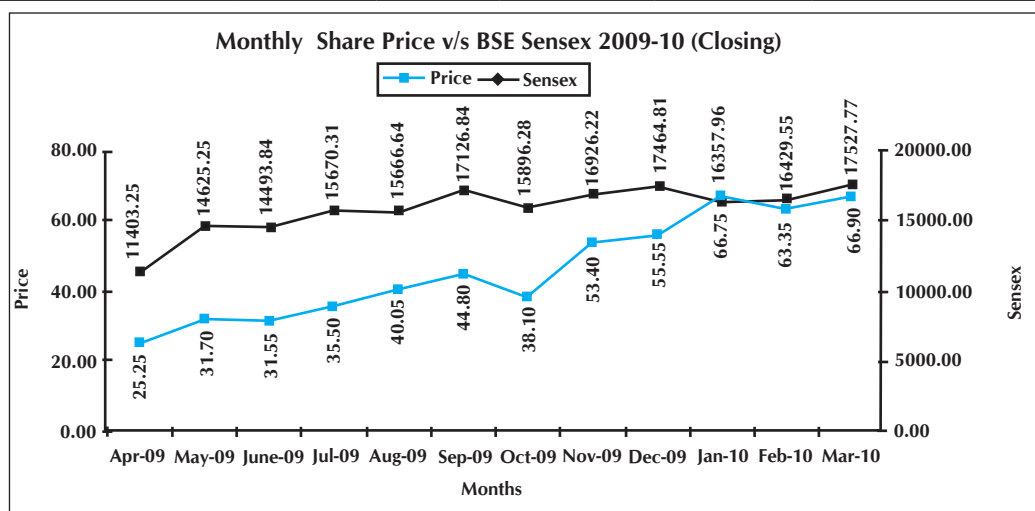
The listing fees have already been paid to BSE and NSE and annual custodian fees has been paid to NSDL and CDSL for the financial year 2010-11.

- Stock Market Data**

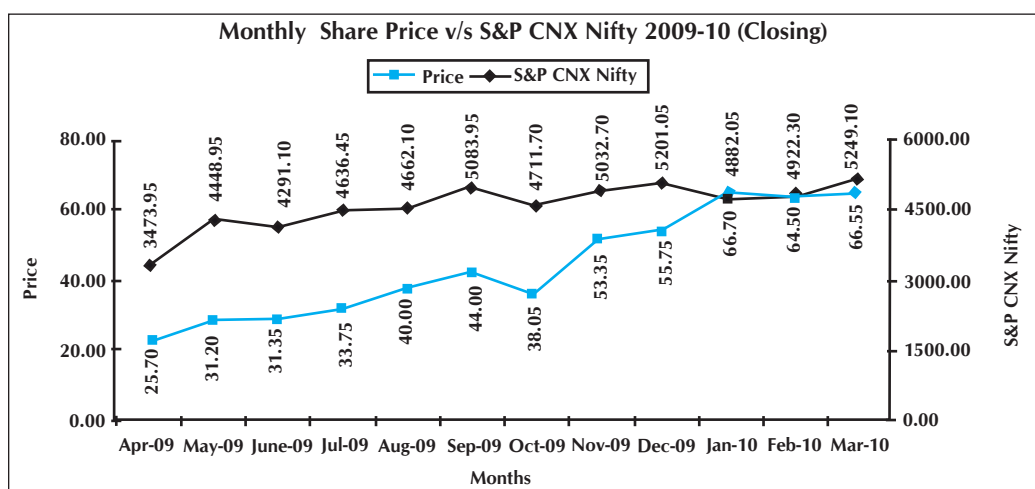
Share Price Movement:

The monthly High/Low Prices and Volume during the financial year 2009-10 is as follows :-

Month	Bombay Stock Exchange Limited			The National Stock Exchange Of India Ltd.		
	High (Rs.)	Low (Rs.)	Volume (No.)	High (Rs.)	Low (Rs.)	Volume (No.)
APR-2009	27.55	21.00	32,381	28.00	20.90	6737
MAY-2009	31.75	24.10	27,857	31.90	24.00	20721
JUN-2009	33.05	28.85	70,039	33.45	28.60	59974
JUL-2009	37.95	28.15	39,779	36.60	29.00	25582
AUG-2009	42.50	33.80	65,248	43.50	33.60	75861
SEP-2009	51.50	38.00	2,01,102	53.40	37.10	209700
OCT-2009	48.00	36.80	51,345	47.80	37.25	49521
NOV-2009	57.50	36.00	4,50,218	60.45	37.10	213999
DEC-2009	57.50	50.10	2,01,538	56.10	48.65	71105
JAN-2010	80.80	56.25	11,56,239	80.95	55.80	653464
FEB-2010	75.50	61.70	4,67,467	75.70	59.05	353862
MAR-2010	77.45	63.50	2,09,292	78.40	63.60	278348
Total			2972505			2018874
Volume as % of capital			29.15%			19.80%



Report on Corporate Governance Contd..



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 2010:**

No. of equity shares held	Shareholders		Shares	
	Nos.	Percentage	Nos.	Percentage
1 - 500	6321	93.00%	533377	5.23%
501 - 1000	262	3.85%	209099	2.05%
1001 - 2000	108	1.59%	163230	1.60%
2001 - 3000	34	0.50%	89130	0.87%
3001 - 4000	19	0.28%	67696	0.66%
4001 - 5000	8	0.12%	36950	0.36%
5001 - 10000	15	0.22%	102005	1.00%
10001 - 50000	15	0.22%	320786	3.15%
50001 - 100000	4	0.06%	298594	2.93%
100000 and Above	11	0.16%	8377974	82.15%
Total	6797	100.00%	10198841	100.00%

Category of Shareholders holding shares in a company as on 31st March, 2010

Category	No. of Shareholders	Percentage	Shares Held	Percentage
Physical	2275	33.47%	95846	0.94%
NSDL	2962	43.58%	2454499	24.07%
CDSL	1560	22.95%	7648496	74.99%
Total	6797	100.00%	10198841	100.00%

Report on Corporate Governance Contd..

Valuation of Shares: The closing price of the Company's share as at 31st March, 2010 at:

Name of the stock exchange	Share price (Closing)
The Bombay Stock Exchange Limited	66.90
The National Stock Exchange of India Ltd.	66.55

Market Capitalization: Based on the closing quotation of Rs.66.90 as at March 31, 2010 at BSE, market capitalization of the Company works out to be Rs. 6823 lacs.

Shareholding Pattern as on 31st March 2010:

No. of Equity Shares held	Shares held (Nos)	Voting Strength (%)
Promoters including persons acting in concert	6322586	61.99
Mutual Funds and UTI	300	0.01
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	350987	3.44
FII's'	120	0.00
Private Corporate Bodies	2279732	22.35
Indian Public	1206338	11.83
NRIs/OCBs	38778	0.38
Total	10198841	100.00

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

As on 31st March 2010, 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
 703-B, Hemkunt Chamber 89,
 Nehru Place,
 New Delhi - 110 019
 Tel.: 011-26427101-06
 Fax: 011-26511512
E-mail : nngoel@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

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 jbmainvestor@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 2009-10 (as applicable on them).

Date: 28th May, 2010
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 31st March, 2010 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 : 11th August, 2010

Geetika Mehra
Partner
M.No. 510525

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, 2010, 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, 2010 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 3 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

Auditor's Report Contd...

outstanding at any time during the year is Rs. 3008.85 lacs and year end balance Rs. 2001.89 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 31-03-2010 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 (Rs. in Lacs)	Nature of Demand
Central Excise Act	1995 to 2000	CESTAT, Delhi	48.35 56.35	Duty Penalty
Central Excise Act	2001 to 01	CESTAT, Delhi	14.56 29.56	Duty Penalty
Central Excise Act	2000 -01	CESTAT, Delhi	3.86 4.36	Duty Penalty
Service Tax	2003-04	CESTAT, Delhi	4.55	Service Tax
Central Excise Act	2007-08	CESTAT, Delhi	113.28 113.28	Duty Penalty
Central Excise Act	2008 -09	In Process of Filing Appeal Before CESTAT, Delhi	43.13 43.13	Duty Penalty
		Total	474.41	

- (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.
- (xviii) The Company has allotted 50,00,000 (Fifty lacs) 8% Non-cumulative redeemable preference shares of Rs. 10/- each fully paid up at a price of Rs. 60/- per share to a company covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the price at which shares have been issued is not prima-facie prejudicial to the interest of the company.

- (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, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010, 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, 2010;
 - 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.

Place: New Delhi
Dated: 28th May, 2010

For Mehra Goel & Co.
Chartered Accountants
R.K. Mehra
Partner
M.No. 6102
FRN.000517N

Balance Sheet as at 31st March, 2010

	Schedule	March, 2010 (Rs.)	March, 2009 (Rs.)
SOURCES OF FUNDS			
Shareholders' Funds	1		
Share Capital		151988410	101988410
Reserves and Surplus		789790158	476519732
		941778568	578508142
Loan Funds	2		
Secured Loans		1310663033	1112677553
Unsecured Loans		191000000	267000000
		1501663033	1379677553
Deferred Tax Liability (Refer note no. 12)		117735044	131452686
		2561176645	2089638379
APPLICATION OF FUNDS			
Fixed Assets	3		
Gross Block		1215116210	1203087876
Less: Accumulated Depreciation		392677004	319829622
Net Block		822439206	883258253
Capital Work in Progress		182332214	276201382
		1004771420	1159459635
Investment	4	662323025	180500000
Foreign Currency Monetary item Translation Difference account		1024856	2049710
Current Assets, Loans and Advances	5		
Inventories		619549189	452975271
Sundry Debtors		681709930	741084610
Cash and Bank Balances		5605614	6102259
Loans and Advances		449572952	267349329
		1756437685	1467511469
Less: Current Liabilities and Provisions	6	863380340	719882435
Net Current Assets		893057344	747629034
		2561176645	2089638379

As per our report attached
for Mehra Goel & Co.
Chartered Accountants

R.K. Mehra

Partner

M.No.6102

FRN : 000517N

Place : New Delhi

Dated : 28th May 2010

S. K. Arya
Chairman

H.R. Saini
Executive
Director

M.K. Aggarwal
Director

N. K. Goel
Chief Financial Officer
& Company Secretary

Profit and Loss Account for the year ended 31st March, 2010

	Schedule	March, 2010 (Rs.)	March, 2009 (Rs.)
INCOME	7		
Sales		2590299178	2472545299
Less : Excise duty		212252459	308907236
Net Sales		2378046719	2163638064
Other income		14481470	857359
Increase/ (Decrease) in Stock	8	177583716	(25364659)
		2570111905	2139130764
EXPENDITURE			
Raw material consumed		1734257257	1416697521
Employees' remuneration and benefits	9	176615655	169575051
Manufacturing, Administrative & Other expenses	10	365394674	316104601
Expenditure transferred to capital assets			
- Trail run expenditure		-	(1529173)
- Toolings		(980675)	(13273075)
		2275286911	1887574925
Profit before depreciation, Financial Charges & tax		294824994	251555839
Less:			
Financial charges	11	97828985	113631647
Profit before depreciation and tax		196996009	137924192
Less:			
Depreciation		74606105	59600459
Profit before exceptional item & tax		122389904	78323733
Add: Exceptional item		-	122425380
Profit before tax		122389904	200749113
Less: Provision for Income Tax			
- Earlier years	50000		(248372)
- Current year	47600000		22736700
- MAT Adjusted	6007067		15463300
- Deferred tax	(13717642)		32245991
- Fringe Benefit tax	-		2041112
- Wealth Tax	51000		-
		39990425	72238731
Profit after tax		82399479	128510382
Profit Available for Appropriations		82399479	128510382
APPROPRIATIONS			
Proposed Dividend			
- Preference Shares		1052055	-
- Equity Shares		15298262	-
Dividend Tax			
- Preference Shares		178797	-
- Equity Shares		2599940	-
Transferred to General Reserves		10000000	-
Balance carried to Balance Sheet		53270426	128510382
		82399479	128510382
Profit After Tax and Preference Dividend / Dividend Tax		81168627	128510382
Total No. of Equity Shares		10198841	10198841
Basic and Diluted earning Per Share (Rs.) (Refer Note No. 7)		7.96	12.60
Nominal value of Equity Share (Rs.)		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 Dated : 28 th May, 2010	H.R. Saini Executive Director	N. K. Goel Chief Financial Officer & Company Secretary	

Schedules

	March, 2010 (Rs.)	March, 2009 (Rs.)
SCHEDULE 1 : SHAREHOLDERS' FUND		
SHARE CAPITAL		
A. Authorised		
1,50,00,000 Equity Shares of Rs.10/- each	150000000	150000000
50,00,000 (P.Y. Nil) Preference Shares of Rs. 10/- each	<u>50000000</u>	<u>-</u>
	200000000	150000000
B. Issued, Subscribed and Paid Up		
1,01,98,841 Equity Shares of Rs.10/- each, fully paid up	101988410	101988410
50,00,000 (P.Y. Nil) 8% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each [Redeemable after 6 years from the date of issue i.e. 26th December, 2009]	<u>50000000</u>	<u>-</u>
	151988410	101988410
RESERVES AND SURPLUS		
A. General Reserve		
As per last Balance Sheet	1065017	11503860
Less : Foreign Exchange Gain of P.Y adjusted to Fixed Assets (net) & Foreign currency monetary item translation difference a/c	<u>-</u>	<u>(10438843)</u>
	1065017	1065017
Add: Transferred from Current year's Profit & Loss Account	<u>10000000</u>	<u>-</u>
	11065017	1065017
B. Securities Premium Account		
As per last Balance Sheet	100567306	100567306
Add : Received during the year	<u>250000000</u>	<u>-</u>
	350567306	100567306
C. Profit & Loss Account		
As per last Balance Sheet	374887409	246377027
Add Profit / (Loss) during the year	<u>53270426</u>	<u>128510382</u>
	428157835	374887409
	<u>789790158</u>	<u>476519732</u>
SCHEDULE 2 : LOAN FUNDS		
A. SECURED LOANS		
Working Capital Loans from Banks :		
- Cash Credit*	527230915	554218333
- Buyers credit / External Commercial Borrowing**	<u>199968040</u>	<u>161306200</u>
Term Loan from Banks :		
- Foreign Currency Loans***	95660609	183551359
- Other Term Loan****	<u>486700000</u>	<u>211200000</u>
Vehicle Loan from Bank*****	<u>1103469</u>	<u>2401661</u>
	1310663033	1112677553
B. UNSECURED LOANS		
From Body Corporate	<u>191000000</u>	<u>267000000</u>
	191000000	267000000

* 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.

** 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.

**** Secured by entire factory building along with Equitable Mortgage of leasehold land situated at Sanand, to be subleased by TATA Motors Ltd and hypothecation of all present and future plant & machineries, situated at Sanand unit of the company.

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

SCHEDULE 3 : FIXED ASSETS

Description	Gross Block					Depreciation				Net Block	
	As at 01.04.2009 (Rs.)	Additions during the year (Rs.)	Sale/adjustment during the year (Rs.)	Total as at 31.03.2010 (Rs.)	As at 01.04.2009 (Rs.)	For the year (Rs.)	Written Back/Adjustment on sales (Rs.)	Total as at 31.03.2010 (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)	
Tangible Assets											
Land (Freehold)	23916881	1576000	-	25492881	-	-	-	-	25492881	23916881	
Land (Lease Hold)	246321173	-	1039106	245282067	4287223	980090	-	5267313	240014754	242033950	
Building	93757081	1090097	528107	94319072	15757599	3116555	-	18874155	75444917	77999482	
Plant & Machinery	766542301	161812154	149817779	778536675	266770436	64476399	1286700	329960136	448576539	499771862	
Furniture & Fixtures, Office Equipments	41110059	787045	266122	41630982	24786923	2855334	61000	27581257	14049725	16323136	
Vehicles	23075289	-	1974995	21100294	4380063	2015706	411027	5984743	15115551	18695226	
Intangible Assets											
Computer Software	8365093	402759	13614	8754239	3847379	1162021	-	5009400	3744839	4517714	
Total	1203087876	165668056	153639723	1215116210	319829622	74606105	1758726	392677004	822439206	883258253	
Previous year	944159011	309223277	50294412	1203087876	262364202	59600459	2135038	319829622	182332214	276201382	
Capital Work in Progress {Including advance for capital goods, unsecured considered good Rs.66978748; (P.Y. Rs.25774851)}									1004771420	1159459635	

NOTES :-

- Adjustment of fixed assets includes gain on Foreign Currency Fluctuation of Rs. 70,63,250/- (P.Y.: Foreign Currency Fluctuation Loss Rs. 1,41,61,039/-)
- Addition to Fixed Assets/CWIP includes Borrowing Cost of Rs. 10,40,072/- (P.Y.: Rs. 2,04,04,396/-)
- 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 Contd..

	March, 2010 (Rs.)	March, 2009 (Rs.)
SCHEDULE 4 : INVESTMENTS		
Long Term Investment		
Non Trade- Unquoted		
Join Ventures		
3,04, 49,600 (P.Y. 1,80,00,000) Equity Shares of Rs 10/- each fully paid up of JBM MA Automative Pvt Ltd	304496000	180000000
2,00,000 [P.Y. 50,000) Equity Shares of Rs. 10/ each fully paid up of INDO Toolings Pvt. Ltd	2000000	500000
Subsidiaries		
41, 63, 260 (P.Y. Nil) Equity Share of Rs. 10/- each fully paid up of JBM Oginira Automotive India Ltd.	41632600	-
1,83,90,000 (P.Y. Nil) Equity Shares of Rs. 10/- each fully paid up of JBM Auto Systems Pvt. Ltd.	294582025	-
Share Application Money :		
- JBM Ogihara Automotive India Ltd.	19567400	-
- Indo tooling Pvt. Ltd.	45000	-
	662323025	180500000

SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES

Inventories

(As taken, valued and certified by the Management)

Raw material	246060788	129594586
Work in process	336131748	307066705
Stores & spares	13827432	13249339
Scrap	1593984	3064641
Finished Goods	21935237	-
	619549189	452975271

Sundry Debtors

(Unsecured)

Debts outstanding for more than six months, Considered good	215376384	152507126
Other debts, considered good	466333546	588577484
	681709930	741084610

Cash & Bank balances

Cash on hand	542315	410080
Balances with Scheduled Banks		
- In current account	947504	1371161
- In Fixed Deposit account *	3810074	4011939
- In Unpaid Dividend account	305721	309079
	5605614	6102259

* Under Bank's lien and includes Interest Accrued Rs. 1,42,858 (P.Y. Rs. 2,49,790) there on

Loans & Advances

(Unsecured ,considered good)

Advances recoverable in cash or in kind or for value to be received (Refer Note No. 5)	221842105	22675770
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	March, 2010 (Rs.)	March, 2009 (Rs.)
Advance to suppliers		
- Considered goods	77531959	53894461
- Considered doubtful	93420	93420
Less: Provision for doubtful	(93420)	(93420)
Security deposits	6811415	7344115
Balance with excise authorities	67342	144229
Balance of Modvat/ Cenvat	135940048	169898923
MAT Credit Available	-	6007067
Sales Tax/VAT Recoverable	7380083	7384764
	449572952	267349329

SCHEDULE 6 : CURRENT LIABILITIES AND PROVISIONS

Current Liabilities

Sundry creditors (Refer Note No. 4)	480252111	390662710
Advance from customers	242314786	203556911
Other liabilities	94003614	104175333
Interest accrued but not due on loans	13366995	14348610
Unclaimed Dividend	300762	304120
	830238268	713047684

Provisions

Proposed Dividend		
- Preference Shares	1052055	-
- Equity Shares	15298262	-
Dividend Tax	2778736	-
Income tax (Net of Advance Tax)	14013020	6834752
	863380340	719882435

SCHEDULE 7 : SALE & OTHER INCOME

Sales

Finished goods	2387691087	2357996017
Other sales	166925508	91461208
Job Work/ Other Receipts	35682583	23088074
	2590299178	2472545299

Other Income

Miscellaneous Income	6204830	898483
Profit on Sale of Fixed Assets (Net)	7997907	(401984)
Interest {TDS Rs 28469/- (P.Y.: Rs. 93147/-)}	278733	360860
	14481470	857359

SCHEDULE 8 : INCREASE/(DECREASE) IN STOCKS

Opening stocks :

Work in process	179012612	206328478
Scrap	3064641	1113434
	182077253	207441912

Less : Closing stocks :

Work in process	336131748	179012612
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Schedules Contd..

	March, 2010 (Rs.)	March, 2009 (Rs.)
Finished Goods	21935237	-
Scrap	1593984	3064641
	359660969	182077253
Increase/ (Decrease) in stocks	177583716	(25364659)

SCHEDULE 9 : EMPLOYEES' REMUNERATION & BENEFITS

Salaries & wages	162754851	154922207
Contribution to ESI, PF and other funds	8799361	8982065
Staff welfare	5061443	5670779
	176615655	169575051

SCHEDULE 10 : MANUFACTURING, ADMINISTRATIVE & OTHER EXPENSES

Stores consumed	43351098	38907461
Manufacturing expenses	108659666	87987013
Power & fuel	38634734	31650180
Packing Material	45121202	29567425
Machinery repairs and maintenance	16063284	16311926
Travelling & conveyance	15370281	20179872
Communication expenses	3512263	3632949
Printing & stationery	3115570	3176025
Rent (including land lease rent)	3251149	7401649
Rates & taxes	2821495	2222600
Insurance	1741066	2140647
Repair & maintenance		
- Building	1434945	630638
- Others	8616938	5336816
Auditors' remuneration		
- Audit fee	800000	525000
- Tax audit fees	300000	200000
- Others	400000	241000
Legal & professional	3236687	4677665
Directors' Sitting Fees	135000	110000
Vehicle running & maintenance	4516966	4456968
Business promotion/entertainment	2814645	2577687
Bad Debts written off	4005406	2024188
Freight & Forwarding charges	44960869	40594727
Bank charges	7771814	6178938
Miscellaneous expenses	4759596	5373228
	365394674	316104601

SCHEDULE 11 : FINANCIAL CHARGES

Interest to Banks		
- on term loans	13923771	22080680
- on others	95989847	84770360
Exchange fluctuation	(12084633)	6780606
	97828985	113631647

SCHEDULE 12 : CASH FLOW STATEMENT

	March, 2010	March, 2009 (Rs. in Lacs)	
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Net profit before tax and extraordinary items	1,223.90		
Adjustment for :			2,007.49
Depreciation	746.06	596.00	
Financial Charges	1,099.14	1,136.32	
Interest income	(2.79)	(3.61)	
Profit on sale of assets (Net)	(79.98)	(1,220.23)	
Bad Debts / Provision for Doubtful Debts	40.05	20.24	
	1,802.48	-	528.72
Operating Profit before Working Capital Changes	3,026.38		2,536.21
Adjustment for :			
Trade and other receivables	(1,328.61)	(3,172.75)	
Inventories	(1,665.74)	1,122.10	
Trade payables and other liabilities	1,181.72	(1,812.63)	1,459.92
Cash Generated From Operations	1,213.75		1,945.49
Direct taxes paid (Net)	405.23	405.23	392.99
Cash flow before extraordinary items			392.99
Adjustment for :	808.53		1,552.49
(Increase)/Decrease in Profit & Loss Account (Transitional effect of notification related to AS-11)	-	158.13	158.13
Net Cash from operating activities	808.53		1,394.36
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of fixed assets	(717.99)	(3,864.35)	
Proceeds from sale of fixed assets	1,598.79	1,843.44	
Interest received	2.79	3.61	
Purchase of Investment.	(4,818.23)	(1,804.50)	
Net Cash used in Investing Activities	(3,934.64)		(3,821.80)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Share Capital	3,000.00		
Repayment of long term loans	(3,998.89)	(553.15)	
Exchange Fluctuation capitalised to Fixed Assets	-	(141.61)	
Increase in Foreign Currency Monetary item translation difference a/c	10.25	(20.50)	
Proceeds from long term loans	5,102.00	3,978.66	
Increase/(Decrease) in Short Term loan	116.74	380.48	
Interest Paid	(1,108.95)	(1,054.24)	
Dividend Paid	-	(178.99)	
Net cash flow from financing activities	3,121.15		2,410.64
Net Increase in Cash and Bank balance	(4.97)		(16.79)
Cash and cash equivalents (Opening Balance)	61.02		77.82
Cash and cash equivalents (Closing Balance)	56.06		61.02

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 Rs. 3.06 lacs (Previous year Rs. 3.09 lacs) in respect of unclaimed dividend, the balance of which is not available to the company.

Schedules Contd..

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 the 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 Rs.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

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, 2011, 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.

Schedules Contd..

- 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.

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:-

(Rs. in Lacs)

Sr. No.	Particulars	2010	2009
i)	Letter of Credit outstanding	1234.84	719.32
ii)	Guarantees issued by the Bank on behalf of the Company	374.61	271.00
ii)	Claims against the Company not acknowledged as debt	474.41	231.32

- Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for Rs.1468.01 Lacs (Previous year Rs. 1451.06 Lacs).
- During the year 50,00,000 (Fifty Lacs) 8% Non-Cumulative Redeemable preference shares of Rs 10/- each (Fully Paid-up) have been issued at a premium of Rs 50/- per share redeemable at the end of six years from the date of issue i.e. 26th Dec, 2009.
- 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.
- All the salvageable machinery and equipments of Singur projects have been/are being transferred to Sanand unit .Negotiations with Tata Motors Limited (TML) has been finalized and facilitation agreement has been executed under which agreed relocation cost will be recovered by way of amortization in sales recoverable. Relocation amount to be recovered is included under the head 'Advance recoverable in cash or in kind or for value to be received'.

6. 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

(Rs. In Lacs)

Details of Assets	Year Ended March 31, 2010	Year Ended March 31, 2009
Fixed Assets – Gross Block	9702.91	7558.05
Accumulated Depreciation	697.16	69.25
Net Block	9005.75	7488.81
Capital Work-in-Progress	140.14	421.97
Investments	300.00	200.00
Inventories	747.06	3944.48
Sundry Debtors	639.38	749.44
Cash and Bank Balances	416.94	119.55
Loans and Advances	2147.61	1663.33
Details of Liabilities		
Secured Loans	4913.98	3154.94
Deferred Credits	1988.40	2770.97
Current Liabilities	3513.94	6057.93
Detail of Income		
Sales (Net)	11180.52	528.70
Income from services/other Income	37.59	206.30
Detail of Expenses		
Consumption of Raw Material and Components	9463.11	487.57
Employees Remuneration and Benefits	292.47	34.43
Manufacturing Administrative and other Expenses	799.65	106.24
Selling and Distribution Expenses	138.36	13.34
Financial Expenses	465.34	80.84
Depreciation	598.86	69.25
(Increase)/Decrease to Work in progress and Finished Goods	(146.94)	(24.45)
Tax Expense	(112.15)	0.09
Details of Contingent Liabilities		
Capital commitments	910.56	1807.15
Outstanding commitments under letter of credit	642.50	23.98

Notes:-

- (1) The assets & liabilities and Income & Expenditure given above for the year ended march 31,2010 are on the basis of unaudited financial results of JBM MA Automotive Pvt. Ltd. and Indo Tooling Pvt. Ltd.
- (2) JBM MA Automotive Pvt. Ltd. was incorporated on 12/12/2007 and Indo Tooling Pvt. Ltd on 22/02/2008 respectively and have closed their first accounts on 31/03/2009 comprising period of 15 months & 20 days in case of JBM MA Automotive Pvt. Ltd. and 13 months & 8 days in case of Indo Tooling Pvt. Ltd. The results given of above companies for the year ended on March 31, 2009 are of the said periods.
- (3) 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.

7. Earning per share

	Particulars	Year ended March 31,2010	Year ended March 31,2009
a)	Profit after tax as per Profit & Loss account (Rs. In Lacs)	823.99	1285.10
b)	Preference dividend and dividend tax thereon	12.31	–
c)	Net profit available for equity share holders	811.68	1285.10
	Total Equity Shares (No's)	10198841	10198841
	Basic/Diluted Earnings per Share (Rs.)	7.96	12.60

8. Managerial Remuneration

A. Remuneration paid to Executive Directors: -

(Rs. In Lacs)

Particulars	2010	2009
Salary	21.15	34.56
Contribution to Provident Fund	2.23	3.24
Other Perquisites/Allowances	12.44	15.95
Commission	-	8.41
Total	35.82	62.16

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.

B. 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.

9. 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 31.03.2010

No of Contracts		JPY Equivalent (JPY in Lacs)		INR Equivalents (Rs. in Lacs)	
2010	2009	2010	2009	2010	2009
4	3	3619.46	4429.58	1764.21	2326.42

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

Liabilities	As at March 31, 2010 (Amount in Lacs)	As at March 31, 2009 (Amount in Lacs)
In Euros (Equivalent approximate in INR)	8.89 541.05	8.78 596.99
In US Dollar (Equivalent approximate in INR)	34.33 1559.07	21.57 1107.70
In SEK (Equivalent approximate in INR)	3.81 24.03	5.75 35.78
Assets		
In Euros (Equivalent approximate in INR)	9.66 580.89	8.14 549.56
In US Dollar (Equivalent approximate in INR)	0.88 40.05	- -

10. 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:-

	2010	2009
Employer's Contribution to Provident Fund*	Rs. 77.93 Lacs	Rs. 80.43 Lacs

B. State Plans

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

	2010	2009
Employer's contribution to Employee State Insurance*	Rs. 8.87 Lacs	Rs. 8.27 Lacs
Employer's contribution to Welfare Fund*	Rs. 0.39 Lacs	Rs. 0.51 Lacs

*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

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.

		2010		2009	
i)	Actuarial Assumptions	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Discount Rate (per annum)	8.50%	8.50%	7.50%	7.50%
	Rate of increase in compensation levels	5%	5%	5%	5%
	Rate of return on plan assets	N.A	9.15%	N.A	9.04%
	Expected Average remaining working lives of employees (years)	23.52	23.52	24.25	24.25
				(Rs. in Lacs)	
ii)	Change in the obligation during the year ended 31st March, 2010	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Present value obligation as at 31st March, 2009	51.02	94.28	30.56	71.61
	Interest cost	3.48	7.87	1.99	4.94
	Past Service cost	-	-	-	-
	Current service cost	14.06	13.63	17.07	17.98
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Benefit paid	(20.06)	(3.46)	(8.16)	(11.45)
	Actuarial (gain)/loss on Obligations	(12.72)	(21.16)	9.57	11.20
	Present value obligation as at 31st March, 2010	35.78	91.16	51.02	94.28
iii)	Change in fair value plan Assets				
	Fair value of Plan Assets as at 31st March, 2009	-	80.85	-	84.57
	Expected return on Plan Assets	-	8.81	-	7.21
	Contributions	-	34.54	-	0.83
	Benefits paid	-	(3.46)	-	(11.79)
	Actuarial gain/(loss) on Obligations	-	0.13	-	0.04
	Fair value of Plan Assets as at 31st March, 2010	-	120.87	-	80.85

iv)	Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
	Present value obligation as at 31st March, 2010	35.78	91.16	51.02	94.28
	Fair value of Plan Assets as at 31st March, 2010	-	120.87	-	82.05
	Funded Status	-	29.71	(51.02)	(12.22)
	Present value of unfunded obligation as at 31st March, 2010	-	-	-	-
	Unfunded Actuarial (gains)/Losses	-	-	-	-
	Unfunded Net Asset/(Liability) recognized in Balance Sheet	(35.78)	29.71	(51.02)	(12.22)
v)	Expenses recognized in Profit and Loss Account	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
	Current service cost	14.06	13.63	17.07	17.98
	Past Service cost	-	-	-	-
	Interest cost	3.48	7.87	1.99	4.94
	Expected return on Plan Assets	-	(8.81)	-	(7.32)
	Curtailment cost	-	-	-	-
	Settlement cost	-	-	-	-
	Net Actuarial (gain)/loss recognized during the year	(12.72)	(21.29)	9.57	11.27
	Total Expense recognized in Profit and Loss Account	4.82	(8.60)	28.63	26.87

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

11. 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:

(Rs. In Lacs)

Particular	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Special Purpose Vehicle		Total of Reportable Segments	
	2010	2009	2010	2009	2010	2009	2010	2009
External Sales	18261.59	12444.57	3971.73	6501.50	1547.15	2690.31	23780.47	21636.38
Inter Segment Sales	24.14	30.27	17.19	25.50	-	-	41.33	55.77
Other Income	137.30	8.23	-	-	7.52	0.34	144.81	8.57
Segment Revenues	18423.03	12483.07	3988.92	6527.00	1554.66	2690.65	23966.61	21700.72
Segment Results	1855.84	804.32	864.70	1735.24	(141.16)	(208.05)	2579.39	2331.51
Segment Assets	9630.28	12305.38	4710.99	3677.28	1137.22	1040.34	15478.48	17023.00
Segment Liabilities	11087.60	13350.86	4057.38	3952.46	1137.22	1040.34	16282.20	18343.65
Capital Expenditure	1480.99	3045.99	168.50	28.91	7.19	17.33	1656.68	3092.23
Depreciation / Amortisation	564.07	431.64	162.83	144.11	19.16	20.26	746.06	596.00

iii) Reconciliation of Reportable Segment with the Financial Statements:

(Rs. In Lacs)

Particular	Revenues		Results/ Net Profit		Assets		Liabilities	
	2010	2009	2010	2009	2010	2009	2010	2009
Total Reportable Segments	23966.61	21700.72	2579.39	2331.51	15478.48	17023.00	16282.20	18343.65
Inter segment sales / Adjustments	(41.33)	(55.77)	-	-	-	-	-	-
Corporate unallocated/ Others (Net)	-	-	(1355.49)	(180.43)	10133.28	3873.38	8152.22	1238.20
Interest Expenses	-	-	-	(143.59)	-	-	-	-
Taxes/ Deferred Tax	-	-	(399.90)	(722.39)	-	-	1177.35	1314.53
As per Financial statements	23925.28	21644.95	823.99	1285.10	25611.77	20896.38	25611.77	20896.38

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.

12. Deferred Tax:

Major components of deferred tax assets and liability arising on account of timing difference as at 31st March 2010 are as under:

(Rs. in lacs)

Particulars	2010		2009	
	Asset	Liability	Asset	Liability
- Difference between WDV as per Company Act & WDV as per Income Tax Act, 1961.	-	719.69	-	791.43
- Disallowance under Section 43B of the Income Tax Act, 1961.	-	454.26	-	516.13
- Provision for doubtful debts	-	-	-	-
- Foreign currency monetary item translation difference account	-	3.40	-	6.97
Total	-	1177.35	-	1314.53
Net Deferred Tax Assets/ Liabilities	-	1177.35	-	1314.53
Opening Deferred tax (Liability)/ Assets	-	(1314.53)	-	(1045.82)
Add: Transitional effect on account of notification regarding AS 11 “Accounting for effects of change in foreign exchange rates”	-	-	-	53.75
Less Closing Deferred tax (Liability)/Assets	-	(1177.35)	-	(1314.53)
Deferred Tax Charge/ (Credit)	-	(137.18)	-	322.46

13. A. PRODUCT, CAPACITY AND PRODUCTION:

Product	Licensed Capacity	Installed Capacity (Per Annum)	Actual Production (Nos.)
Components, Assemblies, Sub-assemblies	N.A.	30000 MT (30000 MT)	23903440* (13298118)*
Special Purpose Vehicles	N.A.	N.A.	2865 (1094)
Tools, Dies and Moulds	N.A.	N.A.	7816** (322)**

* Includes 1457708 (P.Y 1471958) Components produced on Job Work

** Includes 7275 (P.Y. 10) Tools produced on Job Work

Note: Figures in brackets represents previous year’s nos

B. OPENING, CLOSING STOCK AND SALES

(Rs. in lacs)

Products	Opening Stock		Closing Stock		Sales	
	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)
Finished Goods Components, Assemblies and Sub-assemblies	-	-	84379	184.58	23903440 (13298118)	18393.37* (13824.33)*
Tools, Dies and Moulds	-	-	-	-	7816 (322)	4196.40** (7023.91)**
Special Purpose Vehicles	-	-	129	37.77	2865 (1094)	1643.97 (2962.60)
Others	-	-	-	-	-	1669.26 (914.61)

* Includes 1457708 (P.Y 1471958) nos of Components produced on Job Work for Rs 330.92 (P.Y.Rs. 222.91) Lacs

** Includes 7275 (P.Y. 10) nos of Tools produced on Job Work for Rs.15.20 (P.Y. Rs. 7.27) Lacs
Note: Figures in brackets represents previous year's amounts/nos

C. CONSUMPTION OF RAW MATERIAL

(Rs. in lacs)

Sr. No.	Particulars	2010		2009	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
1.	Component (Nos.)	25129806	2193.65	12105119	2471.75
2.	Metal Sheet (MT)	27564	11601.23	18147	7998.71
3.	Die Material	-	3298.24	-	3181.46
4.	Others	-	249.45	-	515.06
	TOTAL		17342.57		14166.98

D. CIF VALUE OF IMPORTS

(Rs. in lacs)

Sr. No.	Particulars	2010 Value	2009 Value
1.	Raw Material	227.48	1834.62
2.	Consumable stores and spares	-	17.13
3.	Repair & Maintenance (Plant & Machinery)	8.55	3.65
4.	Capital Goods	-	431.49

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

(Rs. in lacs)

Particulars	2010		2009	
	Value	% age	Value	% age
a) Raw Material & Components				
-Imported	238.32	1.37%	1976.80	13.95%
-Indigenous	17104.25	98.63%	12190.18	86.05%
Total	17342.57	100.00%	14166.98	100.00%
b) Stores & Spares				
- Imported	-	-	14.47	3.72%
- Indigenous	433.51	100.00%	374.60	96.28%
Total	433.51	100.00%	389.07	100.00%

F. EXPENDITURE INCURRED IN FOREIGN CURRENCY

(Rs. in lacs)

Sr. No.	Particulars	2010	2009
1.	Travelling	16.24	15.28
2.	Repair & Maintenance (Plant & Machinery)	9.02	3.53
3.	Interest on ECB's	81.36	82.16
4.	Interest on Term Loan	171.56	92.96
5.	Job Work Charges	2.07	103.74
6.	Freight, Warehouse & Other Charges	12.76	116.76
7.	Professional & technical Fees	1.00	14.66
8.	Design & Drawing Charges	67.16	-

G. EARNINGS IN FOREIGN CURRENCY

(Rs. in lacs)

Sr. No.	Particulars	2010	2009
1.	FOB value of Exports	481.26	548.24

14. STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

(Rs. in Lacs)

Subsidiaries	Enterprises over which Key Management Personnel and their relative are able to exercise significant influence		Joint Ventures			Key Management personnel and their relatives				
			Sub 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	Sub subsidiaries	Enterprise over which key management personnel and their relative are able to exercise significance influence	Joint Ventures
JBM Ogihara Automotive India Ltd.	Jay Bharat Exhaust System Ltd.		JBM MA Automotive Pvt. Ltd.			Mr. S.K Arya, Chairman Ms. Esha Arya daughter of Chairman and Managing Director Mr. H.R. Saini, Executive Director				
JBM Auto System Pvt. Ltd.	JBM Industries Ltd. Neel Metal Products Ltd. Jay Bharat Maruti Ltd. Gurera Industries Ltd.		INDO Tooling Pvt. Ltd.							
2009-2010										
2008-2009										
Purchase of capital goods										
Jay Bharat Maruti Ltd.		446.27			446.27					
Total		446.27			446.27					
Sale of Goods & Job work										
Neel Metal Products Ltd.		1625.23			1625.23		1754.13			1754.13
Jay Bharat Maruti Ltd.		606.45			606.45		158.27			158.27
JBM Industries Ltd.		328.20			328.20		735.89			735.89
JBM Ogihara Automotive India Ltd.	0.39				0.39					
JBM Auto System P. Ltd.	1855.52				1855.52					
JBM MA Automotive P. Ltd.			426.76		426.76			6782.60		6782.60
Others		23.34			23.34		144.77			144.77
Total	1855.91	2583.22	426.76		4865.89		2793.06	6782.60		9575.66
Sale of Capital goods										
JBM MA Automotive P. Ltd.			1379.00		1379.00					
Jay Bharat Exhaust System Ltd.		1.33			1.33		7.34			7.34
Total		1.33	1379.00		1380.33		7.34			7.34
Purchase of goods										
Neel Metal products Limited		3727.73			3727.73		1984.42			1984.42
Jay Bharat Maruti Ltd.		657.96			657.96		620.04			620.04
JBM Industries Ltd.		111.10			111.10		153.67			153.67
JBM MA Automotive P. Ltd.			58.76		58.76		-			
Others		2.06			2.06		12.74			12.74
Total		4498.85	58.76		4557.61		2770.87			2770.87
Interepst paid										
Jay Bharat Exhaust Systems Ltd.		35.15			35.15		49.85			49.85
Neel Metal Products Ltd.		136.31			136.31		27.33			27.33
Others		8.41			8.41		8.69			8.69
Total		179.87			179.87		85.97			85.97
Others Expenses										
Jay Bharat Exhaust Systems Ltd.		12.00			12.00		34.04			34.04
Gurera Industries Ltd.		3.00			3.00		30.82			30.82
Neel Metal Products Ltd.		16.99			16.99		-			
JBM Industries Ltd.		12.00			12.00		12.43			12.43
Total		43.99			43.99		77.29			77.29

Managerial Remuneration						
Mr. H. R. Saini		20.09	20.09		16.45	16.45
Ms. Esha Arya		15.72	15.72		46.21	46.21
Total		35.81	35.81		62.66	62.66
Loan						
Neel Metal Products Ltd.	1230.00		1230.00	1670.00		1670.00
Jay Bharat Exhaust Systems Ltd.				350.00		350.00
Security Deposits						
Jay Bharat Exhaust Systems Ltd.	10.50		10.50			
Gurera Industries Ltd.	9.00		9.00			
Total	1249.50		1249.50	2020.00		2020.00
EMI of Car Loan						
Jay Bharat Maruti Ltd.	21.68		21.68	13.00		13.00
Total	21.68		21.68	13.00		13.00
Advance to Joint Venture JBM MA Automotive Pvt. Ltd.				94.40		94.40
Total				94.40		94.40
Investment						
JBM Auto System Pvt. Ltd						
JBM MA Automotive Pvt. Ltd.	1244.96		1244.96	1800.00		1800.00
Indo-Tooling Pvt. Ltd.	15.45		15.45	5.00		5.00
JBM Ogihara Automotive India Ltd.	612.00		612.00			
Total	612.00	1260.41	1872.41	1805.00		1805.00
Amount Recoverable						
Jay Bharat Maruti Ltd.				17.25		17.25
JBM Industries Ltd.	91.39		91.39	61.30		61.30
Jay Bharat Exhaust Systems Ltd.	11.15		11.15			
JBM Auto System Pvt. Ltd	621.06		621.06			
JBM MA Automotive Pvt. Ltd.		1407.45	1407.45	2223.66		2223.66
Indo-Tooling Pvt. Ltd.		5.08	5.08			
JBM Ogihara Automotive India Ltd.	0.48		0.48			
Gurera Industries Ltd.	0.16		0.16			
Total	621.54	102.70	1412.53	2136.77	78.55	2223.66
Amount Payable						
Neel Metal Products Ltd.	788.36		788.36	1404.97		1404.97
Jay Bharat Maruti Ltd.	513.58		513.58			
JBM Industries Ltd.	4.45		4.45			
Jay Bharat Exhaust Systems Ltd.	4.05		4.05	917.15		917.15
JBM Ogihara Automotive India Ltd.						
Total	1310.44		1310.44	2322.12		2322.12
Advance Recieved						
JBM Ogihara Automotive India Ltd	709.50		709.50			
Total	709.50		709.50			

15. Debtors and Creditors Balances are subject to confirmation.

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

Auditors' Report

As per our report attached
for Mehra Goel & Co.
Chartered Accountants

R.K. Mehra

Partner

M.No.6102

FRN : 000517N

Place : New Delhi

Dated : 28th May 2010

S. K. Arya

Chairman

H.R. Saini

Executive

Director

M.K. Aggarwal

Director

N. K. Goel

Chief Financial Officer

& Company Secretary

Balance Sheet Abstract and Company's General Business Profile

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

I. Registration Details

Registration No.

	8	3	0	7	3
--	---	---	---	---	---

 State Code :

	5	5
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Balance Sheet Date :

	3	1
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 /

	0	3
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	2	0	1	0
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Date Month Year

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

Public Issue	Rights Issue														
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>					N	I	L	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>					N	I	L
				N	I	L									
				N	I	L									
Bonus Issue	Private Placement														
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>					N	I	L	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td>5</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>			5	0	0	0	0
				N	I	L									
		5	0	0	0	0									

III. Position of Mobilisation & Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	Total Assets																
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>2</td><td>5</td><td>6</td><td>1</td><td>1</td><td>7</td><td>7</td></tr></table>		2	5	6	1	1	7	7	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>2</td><td>5</td><td>6</td><td>1</td><td>1</td><td>7</td><td>7</td></tr></table>		2	5	6	1	1	7	7
	2	5	6	1	1	7	7										
	2	5	6	1	1	7	7										

Sources of Funds

Paid up Capital (Including advance for share capital)	Reserves & Surplus															
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>1</td><td>5</td><td>1</td><td>9</td><td>8</td><td>9</td></tr></table>		1	5	1	9	8	9	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>7</td><td>8</td><td>9</td><td>7</td><td>9</td><td>0</td></tr></table>		7	8	9	7	9	0	
	1	5	1	9	8	9										
	7	8	9	7	9	0										
Secured Loans	Unsecured Loans															
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>1</td><td>3</td><td>1</td><td>0</td><td>6</td><td>6</td><td>3</td></tr></table>		1	3	1	0	6	6	3	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>1</td><td>9</td><td>1</td><td>0</td><td>0</td><td>0</td></tr></table>		1	9	1	0	0	0
	1	3	1	0	6	6	3									
	1	9	1	0	0	0										
Deferred Tax Liability																
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>1</td><td>1</td><td>7</td><td>7</td><td>3</td><td>5</td></tr></table>		1	1	7	7	3	5									
	1	1	7	7	3	5										

Application of Funds

Net Fixed Assets	Investments																
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>1</td><td>0</td><td>0</td><td>4</td><td>7</td><td>7</td><td>2</td></tr></table>		1	0	0	4	7	7	2	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>6</td><td>6</td><td>2</td><td>3</td><td>2</td><td>3</td></tr></table>		6	6	2	3	2	3	
	1	0	0	4	7	7	2										
	6	6	2	3	2	3											
Foreign Currency Monetary Item Translation Difference																	
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>0</td><td>2</td><td>5</td></tr></table>				1	0	2	5										
			1	0	2	5											
Net Current Assets	Misc. Expenditure																
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>8</td><td>9</td><td>3</td><td>0</td><td>5</td><td>7</td></tr></table>		8	9	3	0	5	7	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L			
	8	9	3	0	5	7											
			N	I	L												
Accumulated Losses	Deferred Tax Assets																
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L			<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L		
			N	I	L												
			N	I	L												

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	Total Expenditure																
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>2</td><td>5</td><td>9</td><td>0</td><td>2</td><td>9</td><td>9</td></tr></table>		2	5	9	0	2	9	9	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>2</td><td>4</td><td>6</td><td>7</td><td>9</td><td>0</td><td>9</td></tr></table>		2	4	6	7	9	0	9
	2	5	9	0	2	9	9										
	2	4	6	7	9	0	9										
+ - Profit/Loss Before Tax	+ - Profit/Loss after Tax																
<input checked="" type="checkbox"/> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>1</td><td>2</td><td>2</td><td>3</td><td>9</td><td>0</td></tr></table>		1	2	2	3	9	0	<input checked="" type="checkbox"/> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>8</td><td>2</td><td>3</td><td>9</td><td>9</td></tr></table>		8	2	3	9	9			
	1	2	2	3	9	0											
	8	2	3	9	9												

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

Earning Per Share (Rs.)	Dividend Rate %														
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>7</td><td>.</td><td>9</td><td>6</td></tr></table>				7	.	9	6	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>5</td></tr></table>						1	5
			7	.	9	6									
					1	5									

V. Generic Names of Three Principal Products/Services of Company

(As per Monetary Terms)

Item Code No. (ITC Code)	Product Description					
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>8</td><td>7</td><td>0</td><td>8</td></tr></table>		8	7	0	8	S H E E T M E T A L C O M P O N E N T S
	8	7	0	8		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>8</td><td>4</td><td>6</td><td>2</td></tr></table>		8	4	6	2	A S S E M B L I E S & S U B - A S S E M B L I E S
	8	4	6	2		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>8</td><td>7</td><td>0</td><td>4</td></tr></table>		8	7	0	4	T O O L S D I E S A N D M O U L D S F O R
	8	7	0	4		
	A U T O M O B I L I E S I N D U S T R Y					
	S P E C I A L P U R P O S E V E H I C L E					

S. K. Arya
Chairman

M.K. Aggarwal
Director

Place : New Delhi
Dated : 28th May 2010

H.R. Saini
Executive
Director

N. K. Goel
Chief Financial Officer
& Company Secretary

Summary of Financial Information of Subsidiary Companies

Sr. No.	Name of Subsidiary Company	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit before Taxation	Provision for Taxation	Profit After Tax	Proposed Dividend
1	JBM Auto System Pvt. Ltd.	2489.00	3496.01	7335.52	7336.00	-	9527.61	733.68	279.77	453.91	-
2.	JBM Ogihara Automotive India Ltd.	816.33	(10.69)	1689.31	1689.00	-	-	(10.69)	-	(10.69)	-

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	31.03.2010	31.03.2010
2.	The extent of holding company's interest in the subsidiary at the end of the financial year 31.03.2010 - No. of Shares - Face value of Share - Percentage of Holding Company's interest in the total share capital of the subsidiary	18390000 10 73.89%	4163260 10 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 31.03.2010 (Rs. Lacs) - For all the previous financial years of the subsidiary (Rs.Lacs)	453.91 453.91	(10.69) (10.69)
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 31.03.2010 (Rs. Lacs) - For all the previous financial years of the subsidiary (Rs. Lacs)	NIL NIL	NIL NIL

S. K. Arya
Chairman

M.K. Aggarwal
Director

Place : New Delhi
Dated : 28th May 2010

H.R. Saini
Executive
Director

N. K. Goel
Chief Financial Officer
& Company Secretary

AUDITORS' 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, 2010, 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 statement 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 Rs. 9024.83 lacs as at March 31, 2010, and Total Revenue of Rs.8775.91 lacs and Net Cash inflows of Rs. (976.12) 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 subsidiaries.
3. We did not audit the financial statements of joint ventures, whose financial statements reflect Total Assets of Rs.19995.80 lacs, Total Liabilities of Rs. 19995.80lacs as at March 31,2010, and Total Revenue of Rs. 22436.22 lacs, Total Expenditure of Rs. 23515.56 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 and joint ventures have made provision for Post employment benefits and other long term employee benefits on estimation basis, the effect of the same cannot be ascertained.*
5. We report that the consolidated financial statement have been prepared by the Company's management in accordance with the requirement of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interest in Join 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 venture, 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, 2010;
 - (b) In the case of Consolidated Profit and Loss Account, of the Consolidated Loss of the group for the year ended on the 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.

R.K Mehra
Partner

M.No.: 6102

FRN. 000517N

Place : New Delhi
Dated : 28th May, 2010

Consolidated Balance Sheet as at 31st March, 2010

	Schedule	March, 2010 (Rs.)
SOURCES OF FUNDS		
Shareholders' Funds	1	
Share Capital		151988410
Reserves and Surplus		842083794
		<u>994072204</u>
Minority Interest		225774137
Share Application Money		21606065
Loan Funds	2	
Secured Loans		1882060545
Unsecured Loans		191000000
Deferred Credits		300544008
		<u>2373604553</u>
Deferred Tax Liability (Refer note no. 14)		<u>109607498</u>
		<u>3724664457</u>

APPLICATION OF FUNDS

Fixed Assets	3	
Gross Block		3962752004
Less: Accumulated Depreciation		1801355996
		<u>2161396008</u>
Capital Work in Progress		360857341
		<u>2522253349</u>
Investment	4	30000000
Foreign Currency Monetary item Translation Difference account		1024856
Current Assets, Loans and Advances	5	
Inventories		916085322
Sundry Debtors		801039471
Cash and Bank Balances		142122262
Loans and Advances		860198038
		<u>2719445093</u>
Less: Current Liabilities and Provisions	6	<u>1548058848</u>
Net Current Assets		<u>1171386245</u>
		<u>3724664457</u>

As per our report attached

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

R.K. Mehra

Partner

M.No.6102

FRN : 000517N

Place : New Delhi

Dated : 28th May, 2010

S. K. Arya

Chairman

H.R. Saini

Executive Director

M.K. Aggarwal

Director

N. K. Goel

Chief Financial Officer
& Company Secretary

Consolidated Profit and Loss Account for the year ended 31st March, 2010

	Schedule	March, 2010 (Rs.)
INCOME	7	
Sales		4488586342
Less : Excise duty		<u>341706777</u>
Net Sales		4146879565
Other income		18542088
Increase/ (Decrease) in Stock	8	<u>200446248</u>
		4365867900
EXPENDITURE		
Raw material consumed		3038285426
Employees' remuneration and benefits	9	273593917
Manufacturing, Administrative & Other expenses	10	558139274
Preliminary Expenses Written off		27213
Expenditure transferred to capital assets		
- Toolings		<u>(965294)</u>
		3869080537
Profit before depreciation, Financial Charges & tax		<u>496787363</u>
Less:		
Financial charges	11	<u>135985433</u>
Profit before depreciation and tax		360801930
Less:		
Depreciation		<u>209470549</u>
Profit before tax		151331381
Less: Provision for Income Tax		
- Earlier years		50000
- Current year		60069000
- MAT Adjusted		6007067
- Deferred tax		(9424001)
- Wealth Tax		<u>51000</u>
		56753066
Profit after tax		94578315
Share of (Profit) / Loss transferred to Minority Interest		(11329794)
Adjustment on Consolidation		(2021404)
Profit Available for Appropriations		<u>81227117</u>
Proposed Dividend		
- Preference Shares		1052055
- Equity Shares		15298262
Dividend Tax		
- Preference Shares		178797
- Equity Shares		2599940
Transferred to General Reserves		10000000
Balance carried to Balance Sheet		<u>52098065</u>
		81227117
Profit After Tax and Preference Dividend / Dividend Tax		79996266
Total No. of Equity Shares		10198841
Basic and Diluted earning Per Share (Rs.) (Refer Note No. 9)		7.84
Nominal value of Equity Share (Rs.)		10

Cash Flow Statement	12
Significant Accounting Policies	13
Notes on Accounts	14

As per our report attached

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

R.K. Mehra
Partner
M.No.6102
FRN : 000517N
Place : New Delhi
Dated : 28th May, 2010

S. K. Arya
Chairman

H.R. Saini
Executive Director

M.K. Aggarwal
Director

N. K. Goel
Chief Financial Officer
& Company Secretary

SCHEDULE 1 : SHAREHOLDERS FUND

		March, 2010 (Rs.)
SHARE CAPITAL		
A. Authorised		
1,50,00,000 Equity Shares of Rs.10/- each		150000000
50,00,000 Preference Shares of Rs. 10/- each		50000000
		<u>200000000</u>
B. Issued, Subscribed and Paid Up		
1,01,98,841 Equity Shares of Rs.10/- each, fully paid up		101988410
50,00,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each [Redeemable after 6 years from the date of issue i.e. 26th December, 2009]		50000000
		<u>151988410</u>
RESERVES AND SURPLUS		
A. General Reserve		
Opening Balance		1065017
Add : Transferred from Current year's Profit & Loss Account		10000000
		<u>11065017</u>
B. Securities Premium Account		
Opening Balance		100567306
Add : Received during the year		250000000
		<u>350567306</u>
C. Profit & Loss Account		
Opening Balance		312247817
Add : Profit / (Loss) during the year		52098065
		<u>364345881</u>
D. Capital Reserve		
Opening Balance		-
Add : On Consolidation of Subsidiaries		116105590
		<u>116105590</u>
		<u>842083794</u>

SCHEDULE 2 : LOAN FUNDS

A. SECURED LOANS		
Working Capital Loans from Banks :		
- Cash Credit*		527230915
- Buyers credit / External Commercial Borrowing**		298515552
Term Loan from Banks :		
- Foreign Currency Loans***		95660609
- Other Term Loan****		929550000
- Short Term Loan*****		30000000
Vehicle Loan from Bank*****		1103469
		<u>1882060545</u>
B. UNSECURED LOANS		
From Body Corporate		191000000
		<u>191000000</u>
C. DEFERRED CREDITS*****		<u>300544008</u>
		<u>300544008</u>

* 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.

** Rs.1999.68 Buyers credit / External Commercial Borrowings are secured by guarantee of indian Banks and Rs. 985.48 secured by first pari passu charge on all fixed assets both moveable and immovable and second charge on all current assets.

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

**** Rs. 4867.00 Lacs Secured by entire factory building along with Equitable Mortgage of leasehold land situated at Sanand, to be subleased by TATA Motors Ltd and hypothecation of all present and future plant & machineries, situated at Sanand unit of the company, Rs.500.00 Lacs secured by first charge by way of hypothecation over entire moveable fixed assets and equitable mortgage rights and building situated at Plot No. 1, Bidadi Industrial Area, Ramnagar, Karnatka and further secured by current assets both present and future and Rs.3928.50 secured by first pari passu charge on all fixed assets both moveable and immovable and second charge on all current assets.

***** Secured by Stocks and book debts

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

***** Includes Rs. 1017.03 Lacs secured by first charge on tooling assets

SCHEDULE 3 : FIXED ASSETS

Description	Gross Block					Depreciation		Net Block	
	As at 01.04.2009 (Rs.)	Additions during the year (Rs.)	Sale/ adjustment during the year (Rs.)	Total as at 31.03.2010 (Rs.)	As at 01.04.2009 (Rs.)	For the year* (Rs.)	Written Back/ Adjustment on sales (Rs.)	Total as at 31.03.2010 (Rs.)	As at 31.03.10 (Rs.)
Tangible Assets									
Land (Freehold)	23916881	1576000	-	25492881	-	-	-	-	25492881
Land (Lease Hold)	386163767	-	1039106	385124660	8936075	3754208	-	12690283	372434377
Building	338047352	45280880	528107	382800125	57757312	14484627	-	72241939	310558186
Plant & Machinery	2768825220	458315800	149080024	3078060996	1482988523	183139967	1187493	1664940997	1413119998
Furniture & Fixtures, Office Equipments	49804719	2319417	346122	51778014	32777059	3310416	141000	35946476	15831538
Vehicles	29939256	4815842	4124641	30630457	9113394	3873018	2481567	10504846	20125611
Intangible Assets									
Computer Software	8464098	414387	13614	8864872	3851860	1179594	-	5031454	3833418
Total	3605161293	512722325	155131614	3962752004	1595424224	209741829	3810059	1801355996	2161396008
Capital Work in Progress {Including advance for capital goods, unsecured considered good Rs.20243598									360857341
									2522253349

NOTES :-

- Adjustment of fixed assets includes gain on Foreign Currency Fluctuation of Rs. 70,63,250/- (P.Y.: Foreign Currency Fluctuation Loss Rs. 1,41,61,039/-)
- Addition to Fixed Assets/CWIP includes Borrowing Cost of Rs. 10,40,072/- (P.Y.: Rs. 2,04,04,396/-)
- 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 Rs. 271280 transferred to pre-operative expenses.

SCHEDULE 4 : INVESTMENTS

	March, 2010 (Rs.)
Long Term Investment	
Non Trade- Unquoted	
267,000 Equity Shares of Rs 10/- each fully paid up in Pitampura Auto Cluster Limited	1335000
37,33,000 4% Cumulative Redeemable Preference Shares of Rs. 10%- each fully paid up to Pitampura Auto Cluster Limited	18665000
Share Application Money	
- Share Application Money in Pitampura Auto Cluster Limited	10000000
	30000000

SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES

Inventories	
(As taken, valued and certified by the Management)	
Raw material	494918278
Work in process	368882656
Stores & spares	14649044
Scrap	4688845
Finished Goods	32946498
	916085322
Sundry Debtors	
(Unsecured)	
Debts outstanding for more than six months, Considered good	218149059
Other debts, considered good	582890411
	801039471
Cash & Bank balances	
Cash on hand	683167
Balances with Scheduled Banks	
- In current account	113354550
- In Fixed Deposit account *	27778824
- In Unpaid Dividend account	305721
	142122262
* Rs. 3810074 Under Bank's lien and includes Interest Accrued Rs. 1,42,858 (P.Y. Rs. 2,49,790) there on	
Loans & Advances	
(Unsecured ,considered good)	
Advances recoverable in cash or in kind or for value to be received (Refer Note No. 8)	264476185
Advance to suppliers	
- Considered Good	190946928
- Considered Doubtful	93420
Less : Provision for doubtful advance	(93420)
Security deposite	8558837
Balance with excise authorities	166410856
Balance of Modvat / Cenvat	206868961
MAT Credit Available	313
Advance Income tax (net of provision)	14806701
Sales Tax / VAT Recoverable	8129258
	860198038

SCHEDULE 6 : CURRENT LIABILITIES AND PROVISIONS

	March, 2010 (Rs.)
Current Liabilities	
Sundry creditors	912260313
Advance from customers	366666167
Other liabilities	221018298
Interest accrued but not due on loans	14671236
Unclaimed Dividend	300762
	<hr/>
	1514916775
Provisions	
Proposed Dividend	
- Preference Shares	1052055
- Equity Shares	15298262
Dividend Tax	2778736
Income tax (Net of Advance Tax)	14013020
	<hr/>
	1548058848

SCHEDULE 7 : SALES & OTHER INCOME

Sales	
Finished goods	4031020327
Other sales	418657408
Job Work/ Other Receipts	38908606
	<hr/>
	4488586342
Other Income	
Miscellaneous Income	7197107
Profit on Sale of Fixed Assets (Net)	4237053
Rental Income {TDS Rs. 149329/-}	2912000
Interest {TDS Rs 1193217/- }	4195928
	<hr/>
	18542088

SCHEDULE 8 : INCREASE/(DECREASE) IN STOCKS

Opening stocks :	
Work in process	195579719
Finished goods	6928870
Scrap	3563163
	<hr/>
	206071752
Less : Closing stocks :	
Work in process	368882656
Finished Goods	32946498
Scrap	4688845
	<hr/>
	406518000
Increase / (Decrease) in stocks	<hr/>
	200446248

March, 2010
(Rs.)

SCHEDULE 9: EMPLOYEE REMUNERATION & BENEFITS

Salaries & wages	245677376
Contribution to ESI, PF and other Funds	15524978
Staff welfare	273593917

SCHEDULE 10 : MANUFACTURING, ADMINISTRATIVE & OTHER EXPENSES

Stores consumed	64721808
Manufacturing expenses	149195636
Power & fuel	77382481
Packing Material	45121202
Machinery repairs and maintenance	45914180
Travelling & conveyance	20812266
Communication expenses	5162694
Printing & stationery	4378668
Rent (including land lease rent)	3429108
Rates & taxes	8503908
Insurance	3437137
Repair & maintenance	
- Building	1443595
- Others	27229172
Auditors' remuneration	
- Audit fee	1474508
- Tax audit fees	300000
- Others	400000
Legal & professional	6286772
Directors' Sitting Fees	135000
Vehicle running & maintenance	4516966
Business promotion/entertainment	3397719
Bad Debts written off	4005406
Loss on sale of assets	(88548)
Freight & Forwarding charges	62207235
Bank charges	9471344
Miscellaneous expenses	8800243
	558139274

SCHEDULE 11 : FINANCIAL CHARGES

Interest to Banks	
- on term loans	56950371
- on others	93905836
Exchange fluctuation	(16456766)
Buyer's credit commission	1585992
	135985433

SCHEDULE 12 : CASH FLOW STATEMENT

March, 2010
(Rs.)

A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extraordinary items		
Adjustment for :		1,513.31
Depreciation	2,094.71	
Financial Charges	1,480.70	
Interest income	(41.96)	
Profit on sale of assets (Net)	(123.24)	
Bad Debts / Provision for Doubtful Debts	40.05	
		3,450.27
Operating Profit before Working Capital Changes		4,963.58
Adjustment for :		
Trade and other receivables	(3,131.70)	
Inventories	(46.25)	
Trade payables and other liabilities	63.80	(3,114.14)
Cash Generated From Operations		1,849.44
Direct taxes paid (Net)	660.13	660.13
Cash flow before extraordinary items		1,189.31
Adjustment for :		
Net Cash from Operating Activities		1,189.31
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(4847.76)	
Proceeds from sale of fixed assets	1,636.45	
Interest received	41.96	
Purchase of Investment.	(100.00)	
Net Cash used in Investing Activities		(3,269.35)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	2,543.65	
Repayment of long term loans	(3,998.89)	
Proceeds from Issue of Shares to Minority	500.00	
Acquisition of shares in subsidiary from Minority	(2,945.82)	
Increase in Foreign Currency Monetary item translation difference a/c	(10.25)	
Proceeds from long term loans	5,362.57	
Increase /(Decrease) in Short Term loans	1,402.22	
Interest Paid	(1504.11)	
Dividend Paid	-	
Net cash flow from financing activities		1,369.88
Net Increase in Cash and Bank balance		(710.16)
Cash and cash equivalents (Opening Balance)		2,131.38
Cash and cash equivalents (Closing Balance)		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 inhand, balance with banks and Rs. 3.06 lacs (Previous Year Rs. 3.09 lacs.) the balance of which is not available to the company.

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, 2010.
- 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.
- 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.

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 Join Ventures	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	JBM Auto System Pvt. Ltd		Depreciated @12.50% p.a.
Computer	JBM Auto System Pvt. Ltd		Amortised over three years.
Office Equipment	JBM Auto System Pvt. Ltd		Depreciated @ 33.33% p.a Straight Line Method.
Furniture & Fixture	JBM Auto System Pvt. Ltd		Depreciated @ 33.33% p.a Straight Line Method.
Vehicle	JBM Auto System Pvt. Ltd		Depreciated @ 33.33% p.a Straight Line Method.
Tools & Dies	JBM Auto System Pvt. Ltd		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 Expected useful life or Where is integral to the computer system over the 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

The effect of above different accounting policies could not be ascertained on Profit & Loss Account.

- Consolidated Financial Statements are presented for the first time, hence comparative figures for the Previous Year have not been given.
- The Financial statements of one subsidiary JBM Oghihara Automotive India Limited have been prepared and consolidated for 13 months from March 2009 to 31st March 2010 having Total Assets of Rs. 1689.31 lacs and yet to commence its commercial production.
- In respect of jointly controlled Entities, the Company's share of Assets, Liabilities, income and expenditure of the joint venture companies are as follows:

Particulars	As on 31st March 2010 (Rs. in lacs.)
(i) Assets	
Long term Assets	9445.89
Current Assets	3950.97
Deferred Tax Asset	114.99
(ii) Liabilities	
Loans (Secured & Unsecured)	6902.38
Current Liabilities and Provisions	3513.94
Deferred Tax Liabilities	0.24
(iii) Income	11218.11
(iv) Expenses	11757.78

6. Contingent liabilities:-

		(Rs. in Lacs)
Sr. No.	Particulars	March 2010
i)	Letter of Credit outstanding	1234.84
ii)	Guarantees issued by the Bank on behalf of the Company	374.61
iii)	Claims against the Company not acknowledged as debt	1116.91

7. Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for Rs.2453.58 Lacs.
8. All the salvageable machinery and equipments of Singur projects have been/are being transferred to Sanand unit .Negotiations with Tata Motors Limited (TML) has been finalized and facilitation agreement has been executed under which agreed relocation cost will be recovered by way of amortization in sales recoverable. Relocation amount to be recovered is included under the head 'Advance recoverable in cash or in kind or for value to be received'.

9. Earning per share

	Particulars	Year ended March 31,2010
a)	Profit after tax as per Profit & Loss account (Rs. in Lacs)	812.27
b)	Preference dividend and dividend tax thereon	12.31
c)	Net profit available for equity share holders	799.96
d)	Total Equity Shares (No's)	10198841
e)	Basic/Diluted Earnings per Share (Rs.)	7.84

10. Managerial Remuneration

A. Remuneration paid to Executive Directors: -

(Rs. in Lacs)

Particulars	2010
Salary	40.47
Contribution to Provident Fund	5.04
Other Perquisites/Allowances	16.31
Bonus/Commission	5.00
Total	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.

11. 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 31.03.2010

No. of Contracts	Equivalent Foreign Currency (In Lacs)	INR Equivalents (Rs. In Lacs)
2010	2010	2010
4	3619.46 JPY	1764.21
2	1.86 Euro	116.17

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

Liabilities	As at March 31, 2010 (Amount in Lacs)
In Euros (Equivalent approximate in INR)	40.62 2461.07
In US Dollar (Equivalent approximate in INR)	65.25 2951.68
In SEK (Equivalent approximate in INR)	3.81 24.03
In GBP (Equivalent approximate in INR)	0.20 13.73
Assets	
In Euros (Equivalent approximate in INR)	9.69 582.69
In US Dollar (Equivalent approximate in INR)	0.88 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:-

Employer's Contribution to Provident Fund* Rs.121.58 Lacs.

B. State Plans

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

Employer's contribution to Employee State Insurance* Rs.15.66 Lacs

Employer's contribution to Welfare Fund* Rs.0.48 Lacs

*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.

		2009-10	
		Leave Encashment/ Compensated Absence	Employee Gratuity Fund
i)	Actuarial Assumptions		
	Discount Rate (per annum)	8.50%	8.50%
	Rate of increase in compensation levels	5.00%	5.00%
	Rate of return on plan assets	N.A	9.15%
	Expected Average remaining working lives of employees (years)	19.99	23.52

		Leave Encashment/ Compensated Absence	Employee Gratuity Fund
ii)	Change in the obligation during the year ended 31st March, 2010		
	Present value obligation as at 31st March, 2009	51.02	94.28
	Interest cost	3.48	7.87
	Past Service cost	-	-
	Current service cost	14.06	13.63
	Curtailment cost	-	-
	Settlement cost	-	-
	Benefit paid	(20.06)	(3.46)
	Actuarial gain / (loss) on Obligations	(12.72)	(21.16)
	Present value obligation as at 31st March, 2010	35.78	91.16
iii)	Change in fair value plan Assets		
	Fair value of Plan Assets as at 31st March, 2009	-	80.85
	Expected return on Plan Assets	-	8.81
	Contributions	-	34.54
	Benefits paid	-	(3.46)
	Actuarial gain/(loss) on Obligations	-	0.13
	Fair value of Plan Assets as at 31st March, 2010	-	120.87
iv)	Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets		
	Present value obligation as at 31st March, 2010	35.78	91.16
	Fair value of Plan Assets as at 31st March, 2010	-	120.87
	Funded Status	-	29.71
	Present value of unfunded obligation as at 31st March, 2010		
	Unfunded Actuarial (gains)/Losses		
	Unfunded Net Asset/(Liability) recognized in Balance Sheet	(35.78)	29.71

v)	Expenses recognized in Profit and Loss Account	Leave Encashment/Compensated Absence	Employee Gratuity Fund
	Current service cost	14.06	13.63
	Past service cost	-	-
	Interest cost	3.48	7.87
	Expected return on Plan Assets	-	(8.81)
	Curtailement cost	-	-
	Settlement cost	-	-
	Net Actuarial gain/(loss) recognized during the year	(12.72)	(21.29)
	Total Expense recognized in Profit and Loss Account	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 and Joint Ventures have provided for long term employee benefits on estimation basis and detailed disclosure breakup is not available, the information given above are for the parent company.

13. 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:

(Rs. in Lacs)

Particulars	Sheet Metal Components, Assemblies & sub-assemblies 2010	Tools, dies & Moulds 2010	Special Purpose Vehicle 2010	Total of Reportable Segments 2010
External Sales	35893.04	4028.61	1547.15	41468.80
Inter Segment Sales	24.14	17.19	0.00	41.33
Other Income	177.88	0.02	7.52	185.42
Segment Revenues	36095.06	4045.82	1554.66	41695.55
Segment Results	2596.73	838.51	(141.16)	3294.08
Segment Assets	19888.31	5010.83	1137.22	26036.36

Segment Liabilities	21345.64	4357.21	1137.22	26840.08
Capital Expenditure	4928.82	191.22	7.19	5127.22
Depreciation/ Amortisation	1908.14	167.40	19.16	2094.71

Reconciliation of Reportable Segment with the Financial Statements:

(Rs. in Lacs)

Particulars	Revenues	Results/ Net Profit	Assets	Liabilities
	2010	2010	2010	2010
Total Reportable Segments	41695.55	3294.08	26036.36	26840.08
Inter segment sales/ Adjustments	(41.33)	-	-	-
Corporate unallo- cated/ Others (Net)	-	(1,780.77)	11,210.28	9229.22
Interest Expenses	-	-	-	-
Taxes/ Deferred Tax	-	(567.53)	-	1177.35
As per Financial statements	41654.22	945.78	37246.64	37246.64

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

Deferred Tax Asset and Liability comprises of following

(Rs. in Lacs)

Deferred Tax Asset	As at 31st March 2010
Difference between WDV as per companies act and WDV as per Income Tax Act, 1961.	42.53
Carry Forward Loss of Joint Venture	545.17
Disallowances under Income Tax Act, 1961	1.80
Total Asset	589.51
Deferred Tax Liability	
Difference between WDV as per companies act and WDV as per Income Tax Act.	1149.97
Preliminary Expenditure	0.15
Allowances under Income Tax Act, 1961	535.47
Total Liability	1685.58
Net Deferred tax Assets/ (Liabilities)	(1096.07)

15. Related party Transactions

STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Enterprises over which Key Management Personnel and their relative are able to exercise significant influence		Key Management personnel and their relatives	
Jay Bharat Exhaust System Ltd. JBM Industries Ltd. Neel Metal Products Ltd. Jay Bharat Maruti Ltd. Gurera Industries Ltd.		Mr. S.K Arya, Chairman Ms. Esha Arya daughter of Chairman and Managing Director Mr. H.R. Saini, Executive Director Mr. Pramod Manglik, CEO Cum Director Mr. Rajesh Sahay, CEO	
2009-2010			
Particulars	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
Total	446.27		446.27
Sale of Goods & Job work Neel Metal Products Ltd. Jay Bharat Maruti Ltd. JBM Industries Ltd. Others	1625.23 606.45 328.20 23.34		1625.23 606.45 328.20 23.34
Total	2583.22		2583.22
Sale of Capital goods Jay Bharat Exhaust System Ltd.	1.33		1.33
Total	1.33		1.33

Purchase of the goods			
JBM Industries limited	111.10		111.10
Jay Bharat Maruti Ltd.	657.96		657.96
Neel Metal products limited	3727.73		3727.73
Others	2.06		2.06
Total	4498.85		4498.85
Interest paid			
Jay Bharat Exhaust System Ltd.	35.15		35.15
Neel Metal Products Ltd.	136.31		136.31
Others	8.41		8.41
Total	179.87		179.87
Others Expenses			
Jay Bharat Exhaust System Ltd.	12.00		12.00
Gurera Industries Ltd.	3.00		3.00
JBM Industries limited	12.00		12.00
Neel Metal Products Ltd.	16.99		16.99
Total	43.99		43.99
Managerial Remuneration			
Mr. H. R. Saini		20.09	20.09
Ms. Esha Arya		15.72	15.72
Mr. Pramod Manglik		31.01	31.01
Total		66.82	66.82
Loan			
Neel Metal Products Ltd.	1230.00		1230.00
Security Deposits			
Jay Bharat Exhaust System Ltd.	10.50		10.50
Gurera Industries Ltd.	9.00		9.00
Total	1249.50		1249.50
EMI of Car Loan			
Jay Bharat Maruti Ltd.	21.68		21.68
Total	21.68		21.68
Amount Recoverable			
Jay Bharat Exhaust System Ltd.	11.15		11.15
Gurera Industries Ltd.	0.16		0.16
JBM Industries Ltd.	91.39		91.39
Total	102.70		102.70

Amount Payble			
Jay Bharat Exhaust System Ltd.	4.05		4.05
Neel Metal Products Ltd.	788.36		788.36
Jay Bharat Maruti Ltd.	513.58		513.58
JBM Industries Ltd.	4.45		4.45
Total	1301.44		1301.44

16. Debtors and Creditors Balances are subject to confirmation.

Auditors' Report
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 : 28th May 2010

H.R. Saini
Executive
Director

N. K. Goel
Chief Financial Officer
& Company Secretary

QUALITY POLICY

The Policy of JBMA is to achieve total customer satisfaction by delivering products and providing services that meet or exceed their exacting requirements and expectations and to do so on time and at most competitive prices in domestic and export market for our entire product range.



JBM Auto Limited

Registered Office

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Ph.: 91-11-26427104-6, Fax: 91-11-26427100, E-mail: corp@jbm.co.in, www.jbm-group.com

Corporate Office

601, Hemkunt Chambers, 89, Nehru Place, New Delhi - 110 019
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WORKS

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Plot No. 118, HSIDC Industrial Estate, Sector-59,
Ballabgarh, Faridabad - 121 004 (Haryana)
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Plot No. 71-72, M.I.D.C., Satpur
Nashik - 442 007 (Maharashtra)
Ph.: +91-253-2360558
Fax: +91-253-2360548

Plot No. A - 4, Industrial Estate,
Kosi Kotwan-281 403,
Dist. Mathura (U.P.)

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